

For personal use only

Charter Hall
Social Infrastructure REIT

Annual Report

ASX:CQE

2026



Charter Hall Social Infrastructure REIT

Charter Hall Social Infrastructure REIT (CQE or the REIT) owns a diversified social infrastructure property portfolio that delivers essential community services.

CQE is a registered managed investment scheme. The Responsible Entity is Charter Hall Social Infrastructure Limited (CHSIL), a member of the Charter Hall Group (Charter Hall or the Group). The CHSIL Board of Directors (Board) provides the leadership and strategic direction for the REIT, including setting the tone in relation to good governance, which is critical to achieving the REIT’s objectives.

This report covers the REIT's business activities and presents figures for the financial year ending 30 June 2026, unless otherwise stated.

 To view our 2026 reporting suite, including Annual Results and Corporate Governance Statement visit: charterhall.com.au/reportingsuite

Contents

Performance highlights	4
Chair and Fund Manager message	6
Sustainability	10
Directors’ Report and Financial Report	12
Fund Manager remuneration	60
Unitholder analysis	62
Contact details	64
Corporate directory	65



Cover: Sonic Healthcare, 24 Markwell Street, Bowen Hills QLD
Turrbal and Yuggera land
Right: Charter Hall managed asset
NAIDOC Week at 130 Lonsdale Street, Melbourne VIC
Wurundjeri and Bunurong land



Acknowledgement of Country

Charter Hall acknowledges the Traditional Custodians of the lands on which we work and gather. We pay our respects to Elders past and present and recognise their continued care and contribution to Country.

Performance highlights



Financial performance

17.3cpu

Operating earnings per Unit
13.1% increase on FY25

17.0cpu

Distributions per Unit
11.8% increase on FY25

\$3.93

Net tangible assets per Unit
1.8% increase from 30 June 2025

Operations

\$291.9m

Acquisitions
Accretive property acquisitions of WSU campus & Sonic pathology laboratory

\$136.7m

Divestments¹
32 properties contracted during FY26 for 4.1% premium to book value

3.8%

LFL Rent Growth²

Property performance

11.4yrs

Weighted average lease expiry

99.7%

Occupancy³

\$2.3bn

Portfolio value
9.6% growth from 30 June 2025

1. Includes five divestments (one contracted in July 2026) settling in 1H FY27 amounting to \$19.8m. Excludes five assets totalling \$21.0m contracted at 30 June 2025 and settled in FY26.
2. Weighted average rent review on like-for-like properties for FY26 including impact of market rent reviews.
3. By % of income.



Chair and Fund Manager message

Dear Unitholder

We are pleased to present the Charter Hall Social Infrastructure REIT (CQE or the REIT) Annual Report for the financial year ended 30 June 2026 (FY26).

FY26 was a year in which CQE continued to strengthen its position as a leading owner of social infrastructure assets, delivering earnings and distribution growth while further enhancing the quality and diversification of the portfolio.

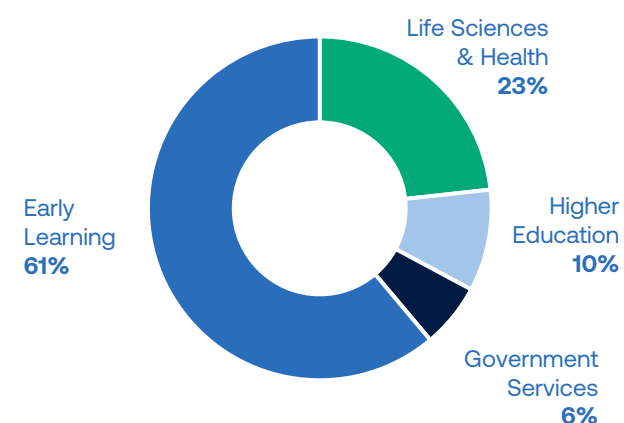
CQE generated operating earnings of \$64.2 million, or 17.3 cents per unit (cpu), representing growth of 13.1% per unit. This performance was underpinned by accretive portfolio curation and continued organic rental growth across the portfolio. Distributions paid to unitholders were 17.0 cpu, and at 30 June 2026, CQE's net tangible asset per unit was \$3.93, an increase of 1.8% from 30 June 2025.

Demand for high-quality social infrastructure assets remained resilient, supported by favourable demographic trends and ongoing investment in essential community services. These structural tailwinds continue to support long-term demand across CQE's core sectors.

Active portfolio management

CQE further strengthened its portfolio quality in FY26 through \$291.9 million of targeted acquisitions at a combined yield of 6.2%, while continuing to recycle capital from selected early learning assets. This disciplined approach further improved the quality of CQE's income and earnings resilience.

Sub-sector by % of income



During the year, CQE increased its higher education exposure through the acquisition of a 50% interest in a Western Sydney University campus for \$152.0 million at an initial yield of 6.5%. The purpose-built asset benefits from a long-term lease of more than 16 years¹ with a further 15 years of extension options.



Western Sydney University campus
169 Macquarie Street, Parramatta NSW
Burramattagal land

CQE also acquired a 25% interest in a world-class integrated pathology laboratory in Brisbane, fully leased to Sonic Healthcare. Acquired through a sale and leaseback transaction, CQE's 25% interest in the property was acquired for \$111.2 million on a 5.6% property yield and benefits from a 20-year triple-net lease. The facility serves as Sonic's central laboratory supporting more than 450 pathology collection centres nationally.

The REIT continued to recycle capital from selected early learning assets, contracting the divestment of 32 early learning properties for \$136.7 million at an average yield of 4.4%. These transactions were completed at an average 4.1% premium to book value and supported the ongoing repositioning of the portfolio towards larger, institutional-quality social infrastructure assets. Income from long weighted average lease expiry (WALE) non-early learning assets increased to 39% of portfolio income.

1. At time of acquisition.

2. Like-for-like valuation movement excluding acquisitions and disposals, transaction costs, held for sale assets and statutory adjustments.

3. Calculated on a pro-forma basis post the divestment of five contracted early learning centres (\$19.8m) held for sale, expected to settle by November 2026.

Note: All capital management metrics include CQE's share of joint venture debt facilities (excluding balance sheet gearing).

Portfolio curation during the year delivered a positive yield spread of 1.8%, demonstrating the value created through disciplined capital recycling and reinvestment.

CQE's portfolio continues to demonstrate strong operating fundamentals, with:

- a \$2.3 billion property portfolio comprising 295 assets
- a portfolio WALE of 11.4 years and 99.7% occupancy
- weighted average rent reviews of 3.8% for FY26
- a 6.4% average increase achieved on 91 early learning market rent reviews during the year.

Property valuations

CQE independently valued 100% of the portfolio during FY26, with a net property revaluation uplift of \$19.2 million² or 1.0%, reflecting the resilient nature of CQE's portfolio.

As at 30 June 2026, CQE's portfolio weighted average capitalisation rate was 5.5%, compared with 5.4% as at 30 June 2025.

Capital management

CQE maintains a prudent approach to capital management.

In July 2025, CQE completed the successful refinancing of its \$900 million debt platform, including \$450 million of Asian Term Loan facilities, a \$50 million facility upside, longer tenure and improved pricing.

As at 30 June 2026, balance sheet gearing was 33.7%³ which is below the midpoint of CQE's 30-40% target gearing range. CQE's weighted average debt maturity was 3.8 years, with no facilities expiring until June 2029.

CQE maintained a highly hedged position with new hedging executed, resulting in 73% average hedging across FY27 and 50% in FY28, providing greater certainty in relation to its cost of debt.

Board renewal

The year marked an important period of Board renewal for CQE. We acknowledge the retirement of Greg Paramor AO and thank him for his leadership and stewardship of CQE during an important period in the REIT's evolution. We also recognise the significant contribution of Michael Johnstone, who retired after more than two decades of service to CQE and its predecessor entities, and thank Sean McMahon for his contribution to CQE during his tenure on the Board.

The Board welcomed Glenn Fraser as an Independent Non-Executive Director and Chair of the Audit, Risk and Compliance Committee. Glenn brings extensive experience across finance, infrastructure and property, further strengthening the Board's skills and governance capabilities as CQE continues to execute its long-term strategy. The Board also welcomed David Harrison, Managing Director & Group CEO of Charter Hall Group, following his appointment as a Director.

Sustainability

CQE incorporates sustainability considerations into investment decision-making and asset management activities, focusing on opportunities that improve operational performance, reduce environmental impacts and support tenant outcomes.

Through engagement with tenants, CQE identified opportunities to improve energy performance across the portfolio. Total installed solar capacity now exceeds 1.4MW, supporting lower emissions, improved operational efficiency and enhanced long-term asset performance.

The REIT also remains committed to robust governance and transparent reporting, aligned with recognised industry frameworks and evolving stakeholder expectations.

We encourage you to read the Sustainability section of this report for detail on CQE's climate-related disclosure and Charter Hall's practical, platform-wide and integrated sustainability approach.

Outlook

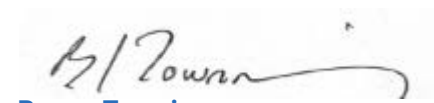
CQE enters FY27 with a high-quality portfolio, strong balance sheet and clear investment strategy.

Favourable demographic trends, growing demand for essential community services and continued government support across social infrastructure sectors provide a compelling long-term investment backdrop.

CQE's strategy remains focused on enhancing income resilience, targeting stable and ongoing capital growth, and disciplined portfolio curation. This will support sustainable long-term returns for unitholders.

Further information on CQE's strategic priorities is available in the FY26 Results presentation and on the CQE website. We encourage unitholders to refer to these resources alongside this report.

Finally, on behalf of the Board and Management team, we would like to thank our unitholders for their ongoing support of CQE.



Bevan Towning
Non-Executive Chair



Travis Butcher
Fund Manager



Geoscience
101 Jerrabomberra Avenue
Narrabundah ACT
Ngunnawal land



Our sustainability approach enables CQE to:



Cultivate deep trusted relationships with our stakeholders



Drive lasting change by leveraging social procurement to deliver social good



Respond to the challenges of a warming climate, rethink how we use resources and prioritise the protection and restoration of nature



Deliver long-term value and mutual success for our investors, customers and communities

Climate-related disclosure

Charter Hall provides property and asset management services to CQE. CQE gives delegated authority to Charter Hall to establish and implement operating policies, including the management of energy and carbon in line with Charter Hall's climate strategy, targets, risk management policies and procedures.

Further details can be found in the Sustainability Report within the [CHC 2026 Annual Report](#).

CQE is aligned with the Group's approach to climate-related reporting requirements under Australian Sustainability Reporting Standards (AASB S2) and is preparing for its future reporting obligations.

For assets owned by the REIT where Charter Hall has operational control, the portfolio operated at Net Zero Scope 1 and Scope 2 emissions during the year, supported by renewable electricity from on-site generation, Australian nature-based carbon offsets and 1.4MW of installed solar capacity.

During the year, portfolio acquisitions were screened for exposure to acute and chronic climate hazards, and progress was made on assessing the vulnerability of the portfolio to acute and climate hazards.

Governance

Pursuant to the REIT's Corporate Governance Statement, the CHSIL Board provides the leadership and strategic direction for the REIT. The Board has delegated responsibility for the REIT's day-to-day business activities, including management of carbon and emissions, to Charter Hall. The Board regularly receives reports from Charter Hall executives and senior management on the services provided, including updates on climate and energy performance, progress on climate targets and key strategic initiatives.

CQE is supported by a dedicated team of 10 employees who lead sustainability initiatives across Charter Hall, including diversity and inclusion, community engagement, climate action, nature restoration and resource efficiency. Sustainability and climate considerations are integrated into day-to-day activities of the broader team of ~600 employees.

Charter Hall integrates ESG performance into short-term incentives for eligible employees— including senior executives, fund managers, asset managers and ESG specialists—through a balanced scorecard covering Financial and Risk, Strategy and Customer (including climate-related risks), and Leadership, Culture and Collaboration (including diversity, inclusion and wellbeing).

For further details refer to the [Fund Manager remuneration on page 60](#).

Risks

CQE has adopted Charter Hall's Risk Management Framework that includes consideration of strategic, reputation, governance, operational, investment, liquidity and ESG (including climate-related) risks. Transition and physical risks have been identified for CQE through scenario analysis, monitoring of emissions against science-based trajectories, downscaled location specific climate data. This is informed by the Intergovernmental Panel on Climate Change, Network for Greening the Financial System and the International Energy Agency and refined through engagement with the CQE Fund Manager and senior leaders within Charter Hall managing CQE assets.

The climate-related risks and opportunities that could reasonably be expected to affect CQE's prospects include:

- access to capital
- policy
- physical climate impact strategy.

Strategy

CQE has adopted Charter Hall's climate strategy, which focuses on:

- transitioning managed assets to be highly energy efficient and powered by renewables
- partnering across the value chain to reduce emissions through investment in renewables and low-carbon materials
- improving the adaptive capacity of the portfolio to climate-related impacts
- supporting communities with both immediate relief and long-term recovery following natural disasters.

Targets

CQE has adopted the Group's climate targets, including:

Maintain

Net Zero

Scope 1 and Scope 2 emissions, including compensating for residual emissions

100%

renewable electricity

supplied to assets under operational control

50%

reduction

in downstream tenant emissions intensity by 2030, against a FY22 baseline

Charter Hall reports on the Scope 1 and 2 emissions generated from assets held by CLW in the Sustainability Report under AASB S2. CQE emissions and progress against the above targets are disclosed in the [Sustainability FY26 Databook](#).

For more information, please view

charterhall.com.au/sustainability

Sustainability

Sustainability is integrated into the way CQE manages its portfolio and operates its business. CQE leverages the group-wide sustainability approach of its manager, Charter Hall, to focus efforts on the areas where it can create the greatest long-term economic, environmental and social value.

CQE has adopted Charter Hall's Sustainability Framework and Policy, which are informed by the United Nations Sustainable Development Goals (UN SDGs) and the United Nations Global Compact (UNGC).

CQE's energy, emissions and waste performance is disclosed in Charter Hall's [Sustainability FY26 Databook](#), which is prepared in accordance with the Global Reporting Initiative (GRI). For a broader overview of Charter Hall's sustainability approach and performance, refer to the [Sustainability FY26 Year in Review](#).

Above: Wise Medical,
209 Robina Town Centre Drive, Robina QLD
Kombumerri land

Directors’ Report and Financial Report

For the year ended 30 June 2026

Contents

Directors’ Report	14
Auditor’s independence declaration	25
Consolidated statement of comprehensive income	26
Consolidated balance sheet	27
Consolidated statement of changes in equity	28
Consolidated cash flow statement	29
About this report	30
A. REIT performance	31
B. Property portfolio assets	35
C. Capital structure and financial risk management	39
D. Further information	46
Directors’ declaration to unitholders	53
Independent auditor’s report	54



Directors' Report

The Directors of Charter Hall Social Infrastructure Limited (Responsible Entity or CHSIL), the Responsible Entity of Charter Hall Social Infrastructure REIT, present their report together with the consolidated financial statements of Charter Hall Social Infrastructure REIT and its controlled entities (the REIT) for the year ended 30 June 2026.

The REIT is a registered scheme, and CHSIL is a company limited by shares. The REIT and CHSIL are incorporated and domiciled in Australia with the registered office and principal place of business located at Level 20, No. 1 Martin Place, Sydney NSW 2000. CHSIL is a controlled entity of Charter Hall Limited.

Principal activities

The principal activity of the REIT during the year was property investment. There were no significant changes in the nature of the REIT's activities during the year.

Directors

The following persons have held office as Directors of the Responsible Entity during the year and up to the date of this report, unless otherwise stated:

- Bevan Towning

– Greg Paramor AO

– Michael Johnstone

– Kate Melrose

– Glenn Fraser

– Sean McMahon

– Miriam Patterson

– David Harrison
- Chair (appointed 19 May 2026) and Non-Executive Director

– Chair and Non-Executive Director (resigned 19 May 2026)

– Non-Executive Director (resigned 19 May 2026)

– Non-Executive Director

– Non-Executive Director (appointed 19 May 2026)

– Executive Director and Chief Investment Officer - Charter Hall Group (resigned 3 August 2026)

– Executive Director

– Executive Director (appointed 3 August 2026)*

* Alternate Director until 3 August 2026.

Distributions

Distributions paid or declared by the REIT during the year are as follows:

	2026			2025		
	Number of units on issue	Cents per unit	\$'m	Number of units on issue	Cents per unit	\$'m
30 September	371,108,757	4.20	15.6	373,563,586	3.75	14.0
31 December	371,108,757	4.20	15.6	373,563,586	3.75	14.0
31 March	371,108,757	4.30	16.0	371,108,757	3.85	14.3
30 June*	371,108,757	4.30	16.0	371,108,757	3.85	14.3
Total distributions		17.00	63.2		15.20	56.6

*A liability has been recognised in the consolidated financial statements as the distribution had been declared as at the balance date.

Distribution Reinvestment Plan (DRP)

The REIT has an established Distribution Reinvestment Plan (DRP) under which unitholders may elect to have all or part of their distribution entitlements satisfied by the issue of new units rather than being paid in cash. The DRP was not active during the year.

Review and results of operations

A new accounting standard AASB 18 Presentation and Disclosure in Financial Statements will come into effect, with mandatory adoption required from January 2027.

The REIT has decided to early adopt AASB 18 and has elected to fair value its unlisted co-investments.

This resulted in changes to the REIT's prior year comparatives, presenting the reclassification of investments accounted for using the equity method to investments accounted for at fair value within non-current assets.

The disclosure of the impact of this change is presented in Note D9 of the financial statements.

The 30 June 2026 financial results are summarised as follows:

	2026	2025*
Total revenue (\$ millions)	122.9	118.4
Statutory profit (\$ millions)	90.5	71.0
Basic earnings per unit (cents)	24.4	19.1
Operating earnings (\$ millions)	64.2	57.0
Operating earnings per unit (cents)	17.3	15.3
Distributions (\$ millions)	63.2	56.6
Distributions per unit (cents)	17.0	15.2

*June 2026 results reflect the early adoption of AASB 18. Prior period has been retrospectively restated. Refer to Note D9.

Total assets (\$ millions)	2,289.1	2,130.0
Total liabilities (\$ millions)	829.7	697.9
Net assets (\$ millions)	1,459.4	1,432.1
Units on issue (millions)	371.1	371.1
Net assets per unit (\$)	3.93	3.86
Balance sheet gearing*	34.2%	30.5%

* Total debt and total assets calculated net of cash

The REIT recorded a statutory profit for the year of \$90.5 million (2025: \$71.0 million). Operating earnings amounted to \$64.2 million (17.3 cents per unit) for the year ended 30 June 2026 (2025: \$57.0 million, 15.3 cents per unit) and distributions of \$63.2 million (17.0 cents per unit) were declared for the same period (2025: \$56.6 million, 15.2 cents per unit).

The table below sets out income and expenses that comprise operating earnings on a look-through basis (including the REIT's share of joint ventures which are accounted for at fair value through profit or loss):

	Notes	2026 \$'m	2025 \$'m
Net income		119.9	109.0
Interest income		1.2	1.0
Fund management fees		(11.5)	(10.9)
Finance costs		(42.8)	(39.5)
Administration and other expenses		(2.6)	(2.6)
Operating earnings	A2	64.2	57.0

Operating earnings is a non IFRS financial measure which represents statutory profit adjusted for non-operating items that are either non-recurring or, non-cash, or both. The table below presents these adjustments which can include items such as net fair value movements, non-cash accounting adjustments such as straight lining of rental income and amortisations. The inclusion of operating earnings as a measure of the REIT's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

The uncertainty of the current geopolitical events and the outlook for consumer price inflation and interest rates in Australia may have an impact on the future performance of the portfolio. The REIT's revenue streams include a proportion of inflation-linked leases and has appropriate levels of interest rate hedging in place.

A reconciliation of operating earnings to statutory profit on a look-through basis is set out below:

	2026 \$'m	2025 \$'m
Operating earnings	64.2	57.0
Net fair value movements on investment properties	22.3	28.8
Net fair value movements on derivative financial instruments	7.0	(14.6)
Straight lining of rental income, amortisation of lease fees and incentives	–	(1.0)
Ground rent on leasehold properties	0.8	1.2
Debt refinance costs	(3.5)	–
Other	(0.3)	(0.4)
Statutory profit for the year	90.5	71.0
Basic weighted average number of units (millions)	371.1	372.7
Basic earnings per unit (cents)	24.4	19.1
Operating earnings per unit (cents)	17.3	15.3
Distribution per unit (cents)	17.0	15.2

Fair value movements on investment properties

The net fair value movements on investment properties totalling a gain of \$22.3 million for the year (2025: \$28.8 million) comprised valuation gain on a look-through basis totalling \$42.4 million (2025: \$34.3 million), revaluation decrements attributable to transaction costs of \$19.4 million (2025: \$5.6 million) and straight lining of rental income, amortisation of lease fees and incentives of \$0.7 million (2025: \$0.1 million increments).

External valuations were conducted for 100% of the REIT’s portfolio of properties not under development including the properties held by joint ventures during the year.

Significant changes in the state of affairs

Acquisitions

During the year, the REIT settled on the acquisition of varying interests in three properties for a total consideration of \$234.5 million. These interests were acquired through acquisition of units in three property owning trusts.

Disposals

During the year, the REIT settled on the sale of 30 early learning assets for a total consideration of \$137.8 million.

As at 30 June 2026, four early learning assets were contracted for disposal with another early learning property contracted in July 2026. The five properties have been contracted for total consideration of \$19.8 million and are expected to be all settled by November 2026.

Debt arrangements

In July 2025, the successful refinancing of the REIT’s debt facilities of \$900 million was completed which included new Asian term loan facilities of \$450 million. As part of the refinancing there was a \$50 million increase in borrowing capacity.

There were no other significant changes in the state of affairs of the REIT that occurred during the year.

Business strategies and prospects

The REIT will continue with its strategy to provide predictable and secure long-term cash flows with the opportunity for capital growth from social infrastructure investments. The REIT’s stable financial position with minimal vacancy, long-term leases and secured debt financing, positions the REIT to maintain sustainable income for investors. The REIT is focused on proactively managing its portfolio to ensure it is strategically positioned for sustainable growth as part of its broadened social infrastructure investment mandate.

The material business risks faced by the REIT that are likely to have an effect on its financial performance are set out on the following pages. A dedicated risk and compliance team is responsible for the ongoing review and monitoring of compliance and risk management systems. The Board regularly reviews material risks to ensure they remain within the REIT’s agreed risk appetite.

Risk		Description	Mitigation
External Risks	Property cycle risk and adverse market or economic conditions	Failure to insulate against property cycle downturns and slowing economic conditions may have an impact on asset values and investor returns.	The REIT undertakes a detailed annual strategic review for all assets to inform recycling of capital into higher quality assets. By undertaking ongoing due diligence including demographics, catchments, competitor threats, and by leveraging consultant expertise, we ensure that we remain informed of market changes.
	Tenant risk	The REIT relies on tenants to generate the majority of its revenue under the lease agreements entered into in respect of its properties. If a tenant is unable to meet its rental or contractual obligations, this may lead to a loss of rental income or losses to the value of the REIT’s properties.	With respect to tenant risk, the REIT’s leases typically contain security clauses in the form of bank guarantees provided by tenants - typically six months’ rent. As at 30 June 2026, the REIT holds approximately \$46.6 million in bank guarantees.
	Early learning sector and concentration risk	The REIT’s properties are predominantly early learning properties and therefore any adverse events in the early learning sector may impact on the tenants’ ability to meet their lease obligations and also the future growth prospects of the portfolio. As at 30 June 2026, Goodstart Early Learning Limited (Goodstart) contributes 24% of the REIT’s total rental income.	The senior management team is deeply connected to tenant customers and other stakeholders to monitor events that could potentially impact the early learning sector. With respect to concentration risk, the REIT’s leases with Goodstart contain financial reporting obligations that allow regular monitoring of the financial performance of Goodstart. In addition to this, the REIT has broadened its investment mandate to include other social infrastructure assets. Over time, it is the REIT’s intention to diversify its asset base to further reduce its exposure to early learning properties.

Risk		Description	Mitigation
Financial Risks	Debt and equity capital management	Effective capital management is required to meet the REIT's ongoing liquidity and funding requirements. The inability to raise new capital to pursue growth opportunities or to raise replacement capital at challenging points in the debt or equity markets cycle is a key risk. A relationship breakdown or termination of a joint venture partnership may result in reputational or financial damage.	The REIT mitigates these risks by implementing our debt diversity strategy combined with regular monitoring and reporting on debt covenants and stress testing of liquidity positions. We have demonstrated strong performance and an equity raising track record. We manage our relationships with our partners through Unitholder Agreements including investment committee oversight of all key decisions with structured and pre-agreed reporting.
	Interest rates	Rising interest rates may adversely impact the REIT by increasing finance costs and impacting the amount the REIT has available to distribute to investors.	The REIT has a Treasury Risk Management Policy which includes policies and controls to minimise the impact of fluctuating interest rates on the REIT's financial performance. The REIT enters into interest rate swaps in order to provide more certainty for the REIT's finance costs. As at 30 June 2026, the REIT had 66.3% of its debt hedged (calculated on a look-through basis) and a weighted average hedge maturity term of 1.0 year.
Operational Risks	Work, health and safety (WHS) obligations, critical safety incident or significant crisis	The REIT has a commitment to promote and protect the health, safety and wellbeing of its people, customers, contractors and all users of the REIT's assets where Charter Hall Group has operational control.	Our Group WHS Manager collaborates closely with our property management teams to ensure the implementation of the Group WHS management system (WHSMS) and the WHS strategy which sets the direction, objectives, targets, and associated activities to support and drive continuous improvement in WHS across the Group.
	Technology and cyber security	There is increasing sophistication of cyber-attacks, particularly denial of service impact on building management security for assets which are owned by REIT and where Charter Hall Group has operational control. A reportable data breach may result in adverse impact on reputation and/or financial penalty.	The cyber security strategy and program continue with external validation and yearly review of IT policies against best practice. We undertake annual penetration tests against critical systems and properties and have brought all critical systems under IT General Controls (ITGC) including regular user access reviews. Our internal audit includes risk identification and assessment for new platforms. We also have a formal cyber insurance policy which covers incident remediation costs.

Risk		Description	Mitigation
	Organisational culture and conduct	Our ongoing success depends on our ability to attract, engage and retain a motivated and high-performing workforce to deliver our strategic objectives and an inclusive culture that supports our values.	The REIT receives management services from Charter Hall which has a Code of Conduct that covers all employees and undertakes consistent messaging and tone at the top regarding behaviour. Charter Hall also has a formal Whistleblower Policy in place and process to obtain regular employee feedback on culture and behaviours which is used to inform management decisions.
Environmental	Climate change	There is an increasing interest and expectation amongst investor groups on reporting against climate change risk.	In preparation for future disclosure under the Corporations Act and the Australian Accounting Standards Board S2 Climate Related Disclosure the REIT is actively maturing its understanding of the impacts of climate related risks and opportunities on the REIT's financial position, financial performance and cashflows. The REIT has participated in workshops to understand the impacts of a future climate on the business model, under three different climate scenarios. Asset level assessments have been undertaken to understand acute and chronic physical climate risks using downscaled climate models. Physical and transitional risks of a changing climate are considered during the acquisition process. The REIT has installed 1.4MW of solar partnering with tenant customers to reduce downstream Scope 3 related emissions from tenant energy activity. For assets which the REIT owns and where Charter Hall Group has operational control, Charter Hall Group has offset Scope 1 and Scope 2 related emissions since FY24 – including 100% grid supplied renewables.
	Regulatory	AFSL compliance	CHSIL is required to comply with Australian Financial Services Licence (AFSL) requirements through our established policies and frameworks. Regular compliance reporting is undertaken to the Audit, Risk and Compliance Committee (ARCC), including mandatory annual compliance training requirements for all employees. In addition, we have formalised compliance committees with annual external audit of compliance plans.

Management of conflicts of interest	Inadequate management of tenant and acquisition conflicts may arise between Charter Hall managed funds or related party transactions may be inappropriately managed. There is also a risk that the REIT fails to pay market rates for related party services.	Conflict of interest protocols are embedded in the business, including annual declarations from all employees and directors, board reporting/approval for all related party transactions. We have in place a Compliance Plan/function including oversight of conflict of interest/related party protocols and formalised asset allocation protocols.
-------------------------------------	---	---

Matters subsequent to the end of the financial year

The Directors of the Responsible Entity are not aware of any matter or circumstance not otherwise dealt with in this report or the annual consolidated financial statements that has significantly affected or may significantly affect the operations of the REIT, the results of their operations or the state of affairs of the REIT in future financial years.

Likely developments and expected results of operations

The consolidated financial statements have been prepared on the basis of current known market conditions. The extent to which a potential deterioration in either the capital or property markets that may have an impact on the results of the REIT are unknown. Such developments could influence property market valuations, the ability to raise or refinance debt and the cost of such debt, or the ability to raise equity.

At the date of this report and to the best of the Directors' knowledge and belief, there are no other anticipated changes in the operations of the REIT which would have a material impact on the future results of the REIT. Property valuation changes, movements in the fair value of derivative financial instruments and movements in interest rates may have a material impact on the REIT's results in future years; however, these cannot be reliably measured at the date of this report.

Indemnification and insurance of Directors, Officers and Auditor

During the year, the REIT contributed to the premium for a contract to insure all directors, secretaries, executive officers and officers of the REIT and of each related body corporate of the REIT, with the balance of the premium paid by Charter Hall Group and funds managed by members of Charter Hall Group. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details relating to the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

Provided the officers of the Responsible Entity act in accordance with the REIT's constitution and the *Corporations Act 2001*, the officers are indemnified out of the assets of the REIT against losses incurred while acting on behalf of the REIT. The insurance does not provide cover for the independent auditors of the REIT or of a related body corporate of the REIT. The REIT indemnifies the auditor (Ernst & Young) against any liability (including legal costs) for third party claims arising from a breach by the REIT of the auditor's engagement terms, except where prohibited by the *Corporations Act 2001*.

Fees paid to and interests held in the REIT by the Responsible Entity or its associates

Base management fees of \$11,481,333 (2025: \$10,859,261) and other fees of \$8,141,832 (2025: \$4,445,473) were paid or are payable to the Responsible Entity, its associates or third party service providers for the services provided during the year, in accordance with the REIT's constitution as disclosed in Note D1 to the consolidated financial statements.

The interests in the REIT held by the Responsible Entity or its associates as at 30 June 2026 and fees paid to its associates during the year are disclosed in Note D1 to the consolidated financial statements.

Environmental regulations

The REIT is not subject to any significant environmental regulations under Commonwealth, state or territory legislation other than those relevant to the specific assets held by the REIT. However, the Directors believe that the REIT has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the REIT.

Information on current Directors

Director	Experience	Special responsibilities	Interest in units of the REIT
Bevan Towning	Bevan was appointed to the Board on 25 July 2023 and was appointed Chair of the Board on 19 May 2026. He has 40 years of global experience in real estate funds management across Asia Pacific and Europe. Bevan was most recently Global Head of Real Estate at Australian Super and was responsible for its global real estate portfolio. Before joining Australian Super, he was responsible for Global Property Funds at Cromwell Property Group based in their London office. Bevan has had an extensive executive career in all aspects of property investment management, development and construction, and capital placement in leading Australian real estate businesses including Lendlease, Mirvac and Colonial First State Property. Bevan is a member of the Australian Property Institute. Current listed directorships: Nil Former listed directorships in the last three years: Nil	Chair, Member of Audit, Risk and Compliance Committee	10,000
Greg Paramor AO	Greg joined the Board on 19 April 2023 and served as Chair until his retirement from the Board on 19 May 2026, at which time he held 526,257 units in the REIT.	Nil	Nil
Michael Johnstone	Michael joined the Board on 22 December 2004 and served as Director until his retirement from the Board on 19 May 2026, at which time he held 84,728 units in the REIT.	Nil	Nil
Kate Melrose	Kate was appointed to the Board on 11 March 2020. Kate has 30 years' experience in ASX listed and private property sectors with a background in valuation, property economics, research, transactions and creating a range of mixed use and living sector assets, large scale urban communities, social infrastructure, vertical villages, retirement and aged care and land lease lifestyle assets. She is an experienced executive and spent 14 years with Lendlease in positions as development director, global strategic marketing manager, business strategy, housing design innovation, revenue growth and customer and market research. Kate spent 10 years as Executive, General Manager Project Sales and Stakeholder Engagement and Innovation with Ingenia Communities, a Director on the Sungenia Board, and contributed to the rapid growth of the land lease portfolio of resilient rental assets and strong development pipeline. She is also a strategic advisor to two growth businesses, a proptech start up and not-for-profit retirement and aged care operator. Kate is a graduate of Australian Institute of Company Directors (GAICD), holds a Bachelor of Business (Land Economics), a Real Estate Licence (NSW), is a member of UDIA and committee member of API and has completed the Melbourne Business School – Leading for Organisational Change; Corporate Real Estate Certificate and Artificial Intelligence and Machine Learning Masterclass from UTS. Current listed directorships: Nil Former listed directorships in the last three years: Nil	Member of Audit, Risk and Compliance Committee	36,489

Director	Experience	Special responsibilities	Interest in units of the REIT
Glenn Fraser	Glenn was appointed to the Board on 19 May 2026. With 47 years' industry experience, Glenn is a professional Non-Executive Director following a long career in finance, infrastructure and property. Glenn was a member of Transfield Holdings Advisory Board from 1999 to 2015. He was instrumental in Transfield Holding's acquisition of a 50% interest in Charter Hall and its subsequent expansion and ASX listing in 2005. Glenn also served as a Non-Executive Director of the Charter Hall Group from April 2005 to August 2012. Joining Transfield Holdings in 1996, Glenn was General Manager – Finance Project Development, where he was responsible for the financial elements of infrastructure and property projects. Glenn was subsequently appointed Chief Financial Officer of Transfield Holdings when it had turnover in excess of \$1 billion per annum and over 8,000 staff. Glenn was a principal and director of a project finance advisory business, Perry Development Finance Pty Limited from 1985, which was sold to Hambros Corporate Finance Limited in 1995. Glenn holds a Bachelor of Commerce from the University of New South Wales. He is a member of Chartered Accountants Australia and New Zealand and a graduate of the Australian Institute of Company Directors. Current listed directorships: Charter Hall WALE Limited Former listed directorships in the last three years: Nil	Chair of Audit, Risk and Compliance Committee	Nil
Sean McMahon	Sean joined the Board of CQE on 17 November 2018 and served as Executive Director until his resignation on 3 August 2026, at which time he held 58,800 units in the REIT.	Nil	Nil
Miriam Patterson	Miriam joined the Board of CQE on 9 September 2020. Miriam has over 20 years' experience in property and infrastructure investing. Miriam is the Fund Manager of Charter Hall Prime Office Fund, a \$9 billion institutional grade office fund for wholesale investors. Miriam's prior roles at Charter Hall have included Head of Office Partnerships, responsible for managing over \$10 billion of wholesale office portfolios on behalf of wholesale investors. She also serves as Fund Manager for Charter Hall's Direct business, with over \$8 billion of funds under management where she was responsible for enhancing the institutional quality of investments available to retail investors. Prior to Charter Hall, Miriam was the Head of Real Assets at Telstra Super overseeing a \$4 billion real estate and infrastructure investment portfolio and worked previously in asset management and transactions at Hastings Funds Management Ltd. Miriam is a member of the Australian Institute of Company Directors and member of Chartered Accountants Australia and New Zealand. Miriam holds a Bachelor of Commerce in Accounting and Finance and a Bachelor of Science in Applied Mathematics from the University of Melbourne.	Nil	Nil

David Harrison	David was appointed as an Executive Director on 3 August 2026. He was previously an Alternate Director. David has over 30 years' property market experience across office, retail and industrial sectors in multiple geographies globally. As Charter Hall's Managing Director and Group CEO, David is responsible for strategically growing the business and maintaining its position as a multi-core sector market leader. David is an executive member of various Fund Boards and Partnership Investment Committees, and Chair of the Executive Property Valuation Committee and Executive Leadership Committee. David has overseen the growth of the Charter Hall Group from being a small fund manager with \$500 million of assets under management when it listed on the ASX in 2005, to today being the largest diversified property funds managers in Australia. David remains driven to achieve excellence and create a positive impact – giving back to the communities that Charter Hall operates in and protecting and growing the retirement savings of those invested either directly or indirectly in the company – ensuring every one of Charter Hall's stakeholders benefits through the firm's integrity, discipline and ability to add more value. David is the Chair of the Property Council of Australia Nominations and Financial Management Committees. He is also a member of the Property Council Australia Champions of Change Coalition. David holds a Bachelor of Business in Land Economy from the University of Western Sydney, is a Fellow of the Australian Property Institute (FAP) and holds a Graduate Diploma in Applied Finance from the Securities Institute of Australia. David received an Honorary Doctorate from the Western Sydney University in 2026. Current listed directorships: Charter Hall Group (ASX: CHC) Charter Hall Retail REIT (ASX: CQR) Charter Hall Long WALE REIT (ASX: CLW) Former listed directorships in the last three years: Nil	Nil	47,860
----------------	---	-----	--------

Meetings of Directors

Name	Full meetings of Directors		Meetings of Audit, Risk and Compliance Committee	
	Eligible to attend	Attended	Eligible to attend	Attended
Greg Paramor AO	9	9	4	3
Michael Johnstone	9	9	4	4
Bevan Towning	10	10	4	4
Kate Melrose	10	10	4	4
Glenn Fraser	2	2	1	1
Sean McMahon	10	10	-	-
Miriam Patterson	10	9	-	-

Joint Company Secretaries

Travis Butcher was appointed as Company Secretary for the REIT on 6 September 2016.

Travis has over 25 years' property and financial experience. Travis was previously the Chief Financial Officer of the REIT from 2008 until being appointed Fund Manager on 26 November 2019.

Travis is a member of Chartered Accountants Australia and New Zealand and holds a Bachelor of Accounting from Monash University.

Mark Bryant was appointed as Company Secretary for the REIT on 7 November 2018.

Mark holds a Bachelor of Business (Accounting), a Bachelor of Laws (First Class Honours), a Graduate Certificate in Legal Practice, and is admitted as a lawyer of the Supreme Court of NSW. Mark has over 20 years' experience as a lawyer, including advising on listed company governance, securities law, funds management, real estate, and general corporate law. Mark joined Charter Hall in 2012, prior to which he was a Senior Associate in the Sydney office of Mallesons.

Mark is the Group General Counsel and Company Secretary for the Charter Hall Group.

Non-audit services

The Responsible Entity may decide to engage the auditor (Ernst & Young) on assignments in addition to the statutory audit duties where the auditor's expertise and experience with the REIT are important.

Details of the amounts paid to the auditor for audit and non-audit services provided during the year are disclosed in Note D5 to the consolidated financial statements.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit, Risk and Compliance Committee, is satisfied that the provision of the non-audit services is compliant with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out in Note D5 to the consolidated financial statements, did not compromise the auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit, Risk and Compliance Committee to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Accounting Professional and Ethical Standards Board 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 15.

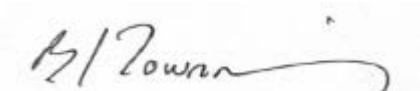
Rounding of amounts

As permitted by ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 issued by the Australian Securities and Investments Commission relating to the rounding of amounts in the Directors' report and consolidated financial statements. Amounts in the Directors' report and consolidated financial statements have been rounded to the nearest hundred thousand dollars, unless otherwise indicated.

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

Directors' authorisation

The Directors' report is made in accordance with a resolution of the Directors. The consolidated financial statements were authorised for issue by the Directors on 4 August 2026. The Directors have the power to amend and re-issue the consolidated financial statements.



Bevan Towing
Chair
Sydney
4 August 2026

Auditor's independence declaration



**Shape the future
with confidence**

200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

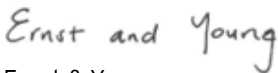
Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of Charter Hall Social Infrastructure Limited, the Responsible Entity of Charter Hall Social Infrastructure REIT

As lead auditor for the audit of the financial report of Charter Hall Social Infrastructure REIT for the financial year ended 30 June 2026, I declare 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;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Charter Hall Social Infrastructure REIT and the entities it controlled during the financial year.



Ernst & Young



Vida Virgo
Partner
4 August 2026

Consolidated statement of comprehensive income

For the year ended 30 June 2026

	Notes	2026 \$'m	2025* \$'m
Revenue			
Property income	A2	121.8	117.5
Interest income	A2	1.1	0.9
Total revenue		122.9	118.4
Net fair value gain on investment properties	B1	20.7	30.1
Net gain on investments at fair value through profit or loss	B2	29.3	10.4
Transaction costs on investments at fair value through profit or loss		(8.9)	–
Property expenses		(21.4)	(21.7)
Fund management fees	D1	(11.5)	(10.9)
Administration and other expenses		(2.6)	(2.7)
Operating profit		128.5	123.6
Profit before financing		128.5	123.6
Finance costs	C2	(44.8)	(38.3)
Net fair value gain/(loss) from derivative financial instruments	C3	6.8	(14.3)
Profit for the year		90.5	71.0
Other comprehensive income		–	–
Total comprehensive income for the year		90.5	71.0
Basic and diluted earnings per ordinary unitholder of the REIT			
Earnings per unit (cents)	A3	24.4	19.1

*June 2026 results reflect the early adoption of AASB 18. Prior period has been retrospectively restated. Refer to Note D9.

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

Consolidated balance sheet

As at 30 June 2026

	Notes	2026 \$'m	2025* \$'m
Assets			
Current assets			
Cash and cash equivalents		33.6	20.0
Receivables	D2	3.5	3.1
Other assets	D2	1.2	0.8
Derivative financial instruments	C3	4.5	2.1
Investment properties held for sale	B1	19.8	26.2
Total current assets		62.6	52.2
Non-current assets			
Investment properties	B1	1,965.5	1,904.5
Investments accounted for at fair value through profit or loss	B2	258.7	172.8
Derivative financial instruments	C3	2.3	0.5
Total non-current assets		2,226.5	2,077.8
Total assets		2,289.1	2,130.0
Liabilities			
Current liabilities			
Payables	D2	11.0	14.1
Distribution payable	A3	16.0	14.3
Derivative financial instruments	C3	–	1.1
Lease liabilities		0.3	0.6
Other liabilities	D2	1.6	5.0
Total current liabilities		28.9	35.1
Non-current liabilities			
Borrowings	C2	800.1	660.3
Derivative financial instruments	C3	–	1.6
Lease liabilities		0.7	0.9
Total non-current liabilities		800.8	662.8
Total liabilities		829.7	697.9
Net assets		1,459.4	1,432.1
Equity			
Contributed equity	C4	659.0	659.0
Retained profits		800.4	773.1
Total equity		1,459.4	1,432.1

*June 2026 results reflect the early adoption of AASB 18. Prior period has been retrospectively restated. Refer to Note D9.

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

Consolidated statement of changes in equity

For the year ended 30 June 2026

	Notes	Contributed equity \$'m	Retained profits \$'m	Total \$'m
Total equity at 1 July 2024		661.0	761.1	1,422.1
Profit for the year		–	71.0	71.0
Total comprehensive income for the year		–	71.0	71.0
Transactions with unitholders in their capacity as unitholders				
- Contributions of equity, net of issue costs	C4	2.6	–	2.6
- Cancellations of units	C4	(4.6)	(2.4)	(7.0)
- Distributions paid and payable	A3	–	(56.6)	(56.6)
Total equity at 30 June 2025		659.0	773.1	1,432.1
Total equity at 1 July 2025		659.0	773.1	1,432.1
Profit for the year		–	90.5	90.5
Total comprehensive income for the year		–	90.5	90.5
Transactions with unitholders in their capacity as unitholders				
- Distributions paid and payable	A3	–	(63.2)	(63.2)
Total equity at 30 June 2026		659.0	800.4	1,459.4

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

Consolidated cash flow statement

For the year ended 30 June 2026

	Notes	2026 \$'m	2025* \$'m
Cash flows from operating activities			
Property income received		131.1	134.1
Property expenses paid		(25.6)	(21.1)
Fund management fees paid		(12.3)	(12.0)
Administration and other expenses paid		(2.6)	(2.7)
Interest received		1.1	0.9
Transaction costs on investments at fair value through profit or loss		(8.9)	–
Net GST paid		(14.4)	(11.2)
Distributions received from investments at fair value through the profit and loss		17.0	11.6
Net cash flows from operating activities	A4	85.4	99.6
Cash flows from investing activities			
Net proceeds from sale of investment properties		138.1	143.1
Payments for investment properties		(8.1)	(72.8)
Payments for investments at fair value through profit or loss		(234.8)	–
Net cash flows from investing activities		(104.8)	70.3
Cash flows from financing activities			
Proceeds from borrowings		986.0	56.0
Repayment of borrowings		(844.0)	(119.0)
Finance costs paid		(47.5)	(36.9)
Distributions paid (net of DRP)		(61.5)	(54.6)
Repurchase of units		–	(7.0)
Net cash flows from financing activities		33.0	(161.5)
Net increase in cash and cash equivalents		13.6	8.4
Cash and cash equivalents at the beginning of the year		20.0	11.6
Cash and cash equivalents at the end of the year		33.6	20.0

*June 2026 results reflect the early adoption of AASB 18. Prior period has been retrospectively restated. Refer to Note D9.

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

Non-cash financing and investing activities

The following non-cash financing activities are not reflected in the statement of cash flows:

	Notes	2026 \$'m	2025 \$'m
Distributions by the REIT during the year satisfied by the issue of units under the DRP	C4	–	2.6

About this report

The notes to these consolidated financial statements include additional information which is required to understand the operations, performance and financial position of the REIT. They are organised in four key sections:

- A. REIT performance** – provides key metrics used to measure financial performance
- B. Property portfolio assets** – explains the structure of the investment property portfolio and investments in joint ventures
- C. Capital structure and financial risk management** – details how the REIT manages its exposure to various financial risks
- D. Further information** – provides additional disclosures not included in previous sections but relevant in understanding the consolidated financial statements

A. REIT performance	30	B. Property portfolio assets	34
A1. Management-defined performance measures	30	B1. Investment properties	35
A2. Segment information	30	B2. Investments at fair value through profit or loss	36
A3. Distributions and earnings per unit	32	B3. Commitments and contingent liabilities	37
A4. Reconciliation of operating profit to net cash flows from operating activities	33		
C. Capital structure and financial risk management	38	D. Further information	45
C1. Capital risk management	38	D1. Related party information	45
C2. Borrowings and liquidity	38	D2. Working capital	47
C3. Derivative financial instruments	39	D3. Parent entity information	48
C4. Contributed equity and reserves	40	D4. Significant contract terms and conditions	49
C5. Financial risk management	41	D5. Remuneration of the auditor	49
C6. Offsetting financial assets and liabilities	44	D6. Interest in other entities	49
		D7. Events occurring after balance date	50
		D8. Other material accounting policies	50
		D9. AASB18 presentation and disclosure of financial statements	51

Critical accounting estimates and judgements

The preparation of the consolidated financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and management to exercise its judgement in the process of applying the REIT's accounting policies.

The area involving significant estimates or judgements is fair value estimation – B1 Investment properties.

In preparing its financial statements, the REIT has considered the ongoing impact that the future economic outlook has had on its business operations and upon the business operations of its tenant customers. In assessing such impacts management has relied upon certain key estimates to evaluate current and future business conditions. Inherent in any estimate is a level of uncertainty. Estimation uncertainty is associated with the current geopolitical events and subsequent increase in consumer price inflation and interest rates.

A. REIT performance

This section provides additional information on the key financial metrics used to define the results and performance of the REIT, including operating earnings by segment, net property income, distributions and earnings per unit.

A1. Management-defined performance measures

The REIT uses the management-defined performance measure operating earnings in its public communications to communicate earnings guidance. The inclusion of operating earnings as a measure of the REIT's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a basis to assessing an appropriate distribution. This measure is not specified by the Australian Accounting Standards and therefore might not be comparable to similar measures used by other entities.

Operating earnings is a non IFRS financial measure which represents statutory profit adjusted for non-operating items that are either non-recurring or, non-cash, or both. The table in Note A2(b) presents these adjustments which can include items such as net fair value movements, non-cash accounting adjustments such as straight lining of rental income and amortisations.

A2. Segment information

(a) Description of segments

The Directors of the Responsible Entity have determined the operating segments based on the reports reviewed by the chief operating decision maker, being the Board of the Responsible Entity. The REIT has one operating segment being the investment in social infrastructure properties in Australia.

(b) Segment information provided to the Board

The operating earnings reported to the Board for the operating segment for the year ended 30 June 2026 are as follows:

	2026 \$'m	2025* \$'m
Property lease revenue	113.8	109.9
Services income	8.0	7.6
Property income	121.8	117.5
Non-cash adjustments	1.1	1.4
Ground rent on leasehold properties	(0.8)	(1.2)
Property expenses	(21.4)	(21.7)
Other	0.3	0.1
Net property income from investment properties (NPI)	101.0	96.1
Share of operating earnings from investments at fair value through the profit and loss	17.5	11.6
Interest income	1.1	0.9
Fund management fees	(11.5)	(10.9)
Finance costs	(41.3)	(38.1)
Administration and other expenses	(2.6)	(2.6)
Operating earnings	64.2	57.0

*June 2026 results reflect the early adoption of AASB 18. Prior period has been retrospectively restated. Refer to Note D9.

The table below sets out income and expenses that comprise operating earnings on a look-through basis (including the REIT's share of joint ventures which are accounted for at fair value through profit or loss):

	2026 \$'m	2025 \$'m
Net income	119.9	109.0
Interest income	1.2	1.0
Fund management fees	(11.5)	(10.9)
Finance costs	(42.8)	(39.5)
Administration and other expenses	(2.6)	(2.6)
Operating earnings	64.2	57.0

The table below sets out the top six tenants' contribution to property lease revenue on a look through basis:

Tenant	2026	2025
Goodstart Early Learning	25%	30%
Western Sydney University	9%	1%
Geoscience Australia	8%	6%
Sonic Healthcare Group	7%	3%
G8 Education	6%	8%
Only About Children	5%	7%

A reconciliation between operating earnings to the statutory profit on a look-through basis is set out below:

	2026 \$'m	2025 \$'m
Operating earnings	64.2	57.0
Net fair value movements on investment properties	22.3	28.8
Net fair value movements on derivative financial instruments	7.0	(14.6)
Straight lining of rental income, amortisation of lease fees and incentives	—	(1.0)
Ground rent on leasehold properties	0.8	1.2
Interest on lease liabilities	—	(0.2)
Debt refinance costs	(3.5)	—
Other	(0.3)	(0.2)
Statutory profit for the year	90.5	71.0
Basic weighted average number of units (millions)	371.1	372.7
Basic earnings per unit (cents)	24.4	19.1
Operating earnings per unit (cents)	17.3	15.3
Distribution per unit (cents)	17.0	15.2

Property lease revenue

Property lease revenue represents income earned from the long-term rental of REIT properties and is recognised on a straight-line basis over the lease term. The portion of rental income relating to fixed increases in operating lease rentals in future years is recognised as a separate component of investment properties.

Minimum lease payments to be received include future amounts to be received on non-cancellable operating leases. Amounts receivable under non-cancellable operating leases where the REIT's right to consideration for a service directly corresponds with the value of the service provided to the customer have not been included (for example, variable amounts payable by tenants for their share of the operating costs of the asset).

Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the consolidated financial statements are receivable as follows:

	2026 \$'m	2025 \$'m
Less than 1 year	102.5	103.6
1 - 2 years	103.9	105.1
2 - 3 years	105.6	106.7
3 - 4 years	107.2	108.5
4 - 5 years	107.2	110.2
Over 5 years	830.1	923.3
Total	1,356.5	1,457.4

Services income

Services income principally includes non-lease income derived under lease agreements with tenants. Non-lease income relates to the proportion of property operating costs which are recoverable from tenants in accordance with lease agreements and relevant legislative acts.

Property expenses

Property expenses include rates and taxes incurred in relation to investment properties. These expenses are recognised on an accrual basis.

A3. Distributions and earnings per unit

(a) Distributions paid and payable

	2026			2025		
	Number of units on issue	Cents per unit	\$'m	Number of units on issue	Cents per unit	\$'m
30 September	371,108,757	4.20	15.6	373,563,586	3.75	14.0
31 December	371,108,757	4.20	15.6	373,563,586	3.75	14.0
31 March	371,108,757	4.30	16.0	371,108,757	3.85	14.3
30 June*	371,108,757	4.30	16.0	371,108,757	3.85	14.3
Total distributions		17.00	63.2		15.20	56.6

* A liability has been recognised in the consolidated financial statements as the distribution had been declared as at the balance date.

Pursuant to the REIT's constitution, the amount distributed to unitholders is at the discretion of the Responsible Entity. The Responsible Entity uses operating earnings (refer to Note A2) as a basis to assessing an appropriate distribution to declare.

A liability is recognised for the amount of any distribution declared by the REIT on or before the end of the reporting period but not distributed at balance date.

Under current Australian income tax legislation, the REIT is not liable to pay income tax provided the Responsible Entity has attributed all the taxable income of the REIT to unitholders.

(b) Earnings per unit

	2026	2025
Basic and diluted earnings		
Earnings per unit (cents)	24.4	19.1
Operating earnings per unit (cents)	17.3	15.3
Earnings used in the calculation of basic and diluted earnings per unit		
Net profit for the year (\$'m)	90.5	71.0
Operating earnings for the year (\$'m)	64.2	57.0
Weighted average number of units used in the calculation of basic and diluted earnings per unit (millions)*	371.1	372.7

* Weighted average number of units is calculated from the date of issue.

Basic earnings and diluted earnings per unit is determined by dividing the net profit/(loss) by the weighted average number of ordinary units on issue during the year. The REIT has no dilutive or convertible units on issue.

Operating earnings per unit is determined by dividing the operating earnings by the weighted average number of ordinary units on issue during the year.

A4. Reconciliation of operating profit to net cash flows from operating activities

	2026 \$'m	2025* \$'m
Operating profit for the year	128.5	123.6
Straight lining and amortisation of leasing fees and lease incentives	1.1	1.4
Net fair value movements on investments at fair value through profit or loss	(11.8)	1.2
Net fair value movement on investment properties	(20.7)	(30.1)
Ground rent on leasehold properties	(0.8)	(1.0)
Rent free incentives	–	(0.7)
(Increase)/decrease in trade and other receivables	(1.3)	2.3
(Decrease)/increase in trade and other payables	(9.6)	2.9
Net cash flows from operating activities	85.4	99.6

*June 2026 results reflect the early adoption of AASB 18. Prior period has been retrospectively restated. Refer to Note D9.

B. Property portfolio assets

The REIT's property portfolio assets comprise directly held investment properties and indirectly held interests in investment properties held through joint ventures (investments at fair value through profit or loss). Investment properties comprise investment interests in land and buildings held for long- term rental yields.

The fair value of the investments in joint venture and associate entities is the REIT's share of net assets of the funds invested in, which includes the underlying investment properties held. Investment properties drive changes in the net assets of the funds.

The following table summarises the property portfolio assets detailed in this section:

	Notes	2026 \$'m	2025 \$'m
Current assets			
Investment properties held for sale	B1	19.8	26.2
Total current assets		19.8	26.2
Non-current assets			
Investment properties	B1	1,965.5	1,904.5
Investments at fair value through profit or loss	B2	258.7	172.8
Total non-current assets		2,224.2	2,077.3
Property portfolio assets		2,244.0	2,103.5

Valuation process, techniques and key judgements

The Responsible Entity conducts an investment property valuation process on a semi-annual basis. This process is overseen by the Executive Property Valuations Committee (EPVC) which is an internal Charter Hall committee comprised of the Charter Hall Managing Director & Group CEO, Chief Investment Officer and Sector CEOs. The role of the EPVC is to oversee the valuation process including:

- approving a panel of independent valuers;
- reviewing key valuation inputs and assumptions;
- reviewing the independent valuations prior to these being presented to the Board; and
- acting as an escalation point between the group and any external valuer.

Valuations are performed either by independent professionally qualified external valuers or by Charter Hall's internal valuers who have the relevant professional experience and knowledge. Fair value is determined using a combination of one or more of the following methods discounted cash flow (DCF), income capitalisation methods and comparable sales.

Each investment property is valued by an independent external valuer at least once every 12 months, or earlier, where the Responsible Entity deems it appropriate or believes there may be a material change in the carrying value of the property. Independent valuers are engaged on a rotational basis.

External valuations were conducted for 100% of the REIT's portfolio of properties not under development including the properties held by joint ventures during the year.

In determining fair value of investment properties, management has considered the nature, characteristics and risks of its investment properties. Such risks include, but are not limited to, the property cycle, transaction evidence and structural changes in the current and future macro-economic environment.

The table below identifies the inputs, which are not based on observable market data, used to measure the fair value (level 3) of the investment properties:

	Net market rent (\$ sqm/p.a)	2026 Adopted capitalisation rate (% p.a)*	Adopted discount rate (% p.a)*	Net market rent (\$ sqm/p.a)	2025 Adopted capitalisation rate (% p.a)*	Adopted discount rate (% p.a)*
Investment properties	201 1,186	3.88 - 6.75	5.00 - 8.75	168 - 1,719	4.00 - 7.25	5.50 - 8.00
Investments accounted for at fair value through profit or loss	579 - 977	5.25 - 6.50	7.13 - 7.25	561 - 954	5.38 - 6.50	7.25 - 7.38

*Applicable to all non-early learning and freehold early learning social infrastructure assets. Leasehold early learning assets are excluded from this metric. Fair value of leasehold early learning assets is \$29.0 million (2025: \$24.6 million) which have an average passing yield of 13.5% (2025: 17.1%) and an average passing rent (\$ per square metre per annum) of \$276 (2025: \$241).

For personal use only

Term	Definition
DCF method	A method in which a discount rate is applied to future expected income streams to estimate the present value.
Income capitalisation method	A valuation approach that provides an indication of value by converting future cash flows to a single current capital value.
Net market rent	A net market rent is the estimated amount for which a property or space within a property should lease between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties have each acted knowledgeably, prudently and without compulsion. In a net rent, the owner recovers outgoings from the tenant on a pro-rata basis (where applicable).
Capitalisation rate	The return represented by the income produced by an investment, expressed as a percentage.
Discount rate	A rate of return used to convert a future monetary sum or cash flow into present value.

Sensitivity analysis

The REIT considers capitalisation rates the most significant assumption that is subject to estimation uncertainty given the nature of its portfolio. Accordingly, sensitivities to the fair value of investment properties (including those owned by the REIT's joint ventures) have been provided around reasonable possible movements in the capitalisation rate.

If the capitalisation rate expanded by 25 basis points, the fair value of investment properties (excluding leasehold early learning assets) would decrease by \$84 million from the fair value as at 30 June 2026 (including the REIT's investments at FVTPL \$100.9 million). If the capitalisation rate compressed by 25 basis points, the fair value would increase by \$92.2 million from the fair value as of 30 June 2026 (including the REIT's investments at FVTPL \$110.7 million).

Movement in the inputs is likely to have an impact on the fair value of investment properties. An increase/(decrease) in net market rent will likely lead to an increase/(decrease) in fair value. A decrease/(increase) in adopted capitalisation rate, adopted terminal yield or adopted discount rate will likely lead to an increase/(decrease) in fair value.

B1. Investment properties

Investment properties

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the investment properties are then stated at fair value. Revaluation gains and losses are included in the consolidated statement of comprehensive income in the year in which they arise.

Assets held for sale

Assets which are classified as held for sale are classified as current assets as it is expected they will be divested within the coming reporting period. Each asset is for sale in its current condition and is subject to an active marketing campaign or has an executed sales contract.

Joint operations

The REIT recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the consolidated financial statements under the appropriate headings.

Reconciliation of the carrying amount of investment properties at the beginning and end of year

	2026 \$'m	2025 \$'m
Carrying amount at the beginning of the year	1,904.5	1,963.0
Additions	9.3	63.5
Transaction costs incurred	3.6	5.6
Disposal of properties	(111.7)	(130.1)
Reclassification to asset held for sale	(19.8)	(26.2)
Gross-up for leasehold liabilities	(0.7)	(0.9)
Revaluation increment	23.9	35.2
Revaluation decrement attributable to acquisition and disposal costs, straight lining of rental income, amortisation of incentives and leasing fees	(2.5)	(4.2)
Straight lining of rental income, amortisation of incentives and leasing fees	(1.1)	(1.4)
Reclassification*	160.0	–
Carrying amount at the end of the year	1,965.5	1,904.5

*Consolidation of 50% of 169 Macquarie Street, Parramatta NSW following the full acquisition of units in CH UWS Trust. The investment was transferred from Investment accounted for at fair value through profit or loss once all units were acquired.

B2. Investments at fair value through profit or loss

The REIT accounts for investments in joint venture entities and associate entities at fair value through profit or loss. The REIT exercises joint control over the joint venture entities, but neither the REIT nor its joint venture partners have control in their own right, irrespective of their ownership interest. An associate is an entity over which the REIT has significant influence. The principal activity of the joint venture entities and associates during the half year was property investment.

Investments at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the consolidated statement of profit or loss.

Information relating to the joint venture entities is detailed below:

Name of entity	Properties	2026 Ownership %	2025 Ownership %	2026 \$'m	2025 \$'m
CH BBD Holding Trust (CH BBD)	Brisbane Bus Depot, Brisbane QLD	50.0%	50.0%	32.0	31.1
Charter Hall GSA Trust (GSA)	Geoscience Australia, Canberra ACT	33.3%	25.0%	114.5	84.8
PFA Westmead Trust (Westmead)	Innovation Quarter, Westmead, NSW	49.9%	49.9%	56.9	56.9
CH Sonic Bowen Hills Holding Trust (Sonic)	24 Markwell Street, Bowen Hills QLD	25.0%	-	55.3	-
				258.7	172.8

(a) Summarised movements in fair values of investments accounted for at fair value through profit or loss

	2026 \$'m	2025* \$'m
Balance at the beginning of the year	172.8	173.9
Investments	234.8	-
Net gain on investments at fair value through profit or loss	29.3	10.4
Distributions received and receivable	(17.5)	(11.5)
Reclassification**	(160.7)	-
Balance at the end of the year	258.7	172.8

*June 2026 results reflect the early adoption of AASB 18. Prior period has been retrospectively restated.

**Consolidation of 50% of 169 Macquarie Street, Parramatta NSW following the full acquisition of units in CH UWS Trust. The investment was transferred to Investment properties once all units were acquired.

(b) Summarised financial information for material investments accounted for at fair value through profit or loss

The information presented below reflects the amounts in the financial statements of the investments accounted for at fair value through profit or loss.

	CH BBD	GSA	Westmead	Sonic	Total
	\$'m	\$'m	\$'m	\$'m	\$'m
2026					
Summarised balance sheet:					
Current assets	2.6	1.6	1.8	6.4	12.4
Non-current assets	114.8	347.6	114.3	480.0	1,056.7
Current liabilities	(1.4)	(5.7)	(2.1)	(1.1)	(10.3)
Non-current liabilities	(52.1)	–	–	(264.2)	(316.3)
Net assets	63.9	343.5	114.0	221.1	742.5
REIT's share in %	50.0	33.3	49.9	25.0	
REIT's fair value in \$'m	32.0	114.5	56.9	55.3	258.7
Summarised statement of comprehensive income:					
Revenue	6.9	32.2	9.4	1.0	49.5
Profit from continuing operations	5.4	32.0	6.5	7.9	51.8
Total comprehensive income	5.4	32.0	6.5	7.9	51.8
REIT's share in \$'m*	2.7	10.7	3.2	2.0	18.6

*\$18.6 million excludes \$10.7 million from CH UWS Trust.

	CH BBD	GSA	Westmead	Total
	\$'m	\$'m	\$'m	\$'m
2025				
Summarised balance sheet:				
Current assets	2.7	2.5	1.4	6.6
Non-current assets	113.0	344.0	114.0	571.0
Current liabilities	(1.4)	(7.3)	(1.3)	(10)
Non-current liabilities	(52.1)	–	–	(52.1)
Net assets	62.2	339.2	114.1	515.5
REIT's share in %	50.0	25.0	49.9	
REIT's fair value in \$'m	31.1	84.8	56.9	172.8
Summarised statement of comprehensive income:				
Revenue	6.9	28.4	9.2	44.5
Profit from continuing operations	2.8	29.0	3.6	35.4
Total comprehensive income	2.8	29.0	3.6	35.4
REIT's share in \$'m	1.4	7.2	1.8	10.4

B3. Commitments and contingent liabilities

The REIT and investments accounted for at fair value through profit or loss may enter into contracts for the acquisition, construction and development of properties in Australia. As at 30 June 2026, the commitment of the REIT in relation to capital incentives under lease agreements was \$0.1 million (2025: \$4.0 million).

As at 30 June 2026, the REIT has no commitments or contingent liabilities other than those described above (2025: nil).

C. Capital structure and financial risk management

The REIT's activities expose it to numerous external financial risks such as market risk, credit risk and liquidity risk. This section explains how the REIT utilises its risk management framework to reduce volatility from these external factors. The Responsible Entity also protects assets of the REIT by taking out insurance with creditworthy insurers.

C1. Capital risk management

The Responsible Entity's objectives when managing capital are to ensure the REIT continues as a going concern as well as to maintain optimal returns to unitholders and benefits for other stakeholders. The Responsible Entity also aims to maintain a capital structure that ensures the lowest cost of capital available to the REIT.

The REIT sources its capital through:

- debt sourced from a diverse mix of local and international banks and
- the listed Australian equity market.

The REIT is able to alter its capital mix by issuing new units, utilising the DRP, electing to have the DRP underwritten, adjusting the amount of distributions paid, activating a unit buyback program or selling assets to reduce borrowings.

The REIT's capital management approach is regularly reviewed by management and the Board to ensure compliance with gearing, interest cover ratios and other covenants within approved limits and continuing to operate as a going concern.

The REIT has a target long-term gearing range of 30-40% of debt to total assets.

C2. Borrowings and liquidity**(a) Borrowings**

Borrowings are initially recognised at fair value, estimated by comparing the margin on the facility to the pricing of a similar facility in the current market, 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 the borrowings are recognised in profit or loss over the expected life of the borrowings.

All borrowings are classified as non-current liabilities where REIT has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

In July 2025, the successful refinancing of the REIT's debt facilities of \$900 million was completed which included a new Asian term loan facility of \$450 million. As part of the refinancing there was a \$50 million increase in borrowing capacity.

	2026		2025	
	Total carrying amount \$'m	Fair value \$'m	Total carrying amount \$'m	Fair value \$'m
Borrowings	806.0	809.1	664.0	665.0
Unamortised borrowing cost	(5.9)	–	(3.7)	–
Total	800.1	809.1	660.3	665.0
Balance available for drawing	94.0		186.0	

Maturity date	Facility limit \$'m	Utilised amount \$'m
July 2029	150.0	150.0
July 2029	100.0	100.0
July 2029	150.0	106.0
July 2030	225.0	225.0
January 2031	50.0	–
July 2031	225.0	225.0
	900.0	806.0

Covenants

The following covenant requirements are associated with the financing arrangements:

- interest cover ratio
- total liabilities to total tangible assets ratio
- priority indebtedness for recourse debt
- priority indebtedness for non recourse debt
- unencumbered asset ratio

Debt covenants are monitored regularly to ensure compliance and reported to the debt provider on a six-monthly basis. The REIT complied with all debt covenants during the financial year.

Net debt reconciliation

The table below sets out an analysis of net debt and the movements in net debt during the year.

	2024 \$'m	Movement in borrowing costs \$'m	Movement in cash \$'m	2025 \$'m	Movement in borrowing costs \$'m	Movement in cash \$'m	2026 \$'m
Bank debt	727.0	–	(63.0)	664.0	–	142.0	806.0
Borrowing costs	(4.8)	1.1	–	(3.7)	(2.2)	–	(5.9)
Total borrowings	722.2	1.1	(63.0)	660.3	(2.2)	142.0	800.1
Cash	(11.6)	–	(8.4)	(20.0)	–	(13.6)	(33.6)
Net debt	710.6	1.1	(71.4)	640.3	(2.2)	128.4	766.5

(b) Finance costs

	2026 \$'m	2025 \$'m
Finance costs paid or payable	41.3	38.1
Debt refinance costs	3.5	–
Interest on lease liabilities	–	0.2
	44.8	38.3

C3. Derivative financial instruments

The REIT uses derivatives to hedge its exposure to interest rates. Derivative financial instruments are measured and recognised at fair value on a recurring basis. All derivatives are classified based on their maturity date and are not split based on notional cashflows.

Amounts reflected in the consolidated financial statements are as follows:

Consolidated balance sheet

	2026		2025	
	Asset \$'m	Liability \$'m	Asset \$'m	Liability \$'m
Current				
Interest rate swaps	4.5	–	2.1	1.1
Total current derivative financial instruments	4.5	–	2.1	1.1
Non-current				
Interest rate swaps	2.3	–	–	1.6
Interest rate cap	–	–	0.5	–
Total non-current derivative financial instruments	2.3	–	0.5	1.6
Total derivative financial assets/liabilities	6.8	–	2.6	2.7

(a) Interest rate swaps

Changes in fair value for interest rate derivatives are classified as interest expense to the extent that net cash flows are exchanged.

As at 30 June 2026 the notional principal amounts and periods of expiry of the interest rate derivative contracts which are linked to floating rates are as follows:

	1 year or less \$'m	1 - 2 years \$'m	2 - 3 years \$'m	3 - 4 years \$'m	4 - 5 years \$'m	Total \$'m
2026	430.0	155.0	–	–	–	585.0
2025	235.0	100.0 ¹	150.0 ²	–	–	485.0

¹ This interest rate swap had a forward start date of June 2026 and an expiry date of June 2027.

² \$75 million had a forward start date of June 2026 and an expiry date of December 2027.

(b) Valuation techniques used to derive level 2 fair values

Derivatives are classified as level 2 on the fair value hierarchy as the inputs used to determine fair value are observable market data but not quoted prices.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

Credit value adjustments are calculated based on the counterparty's credit risk using the counterparty's credit default swap curve as a benchmark. Debit value adjustments are calculated based on the REIT's credit risk using debt financing available to the REIT as a benchmark.

C4. Contributed equity

(a) Contributed equity

Details	No. of Units '000	\$'m
Units on issue - 1 July 2024	372,482	661.0
Units issued via DRP	1,082	2.6
Cancellations of units	(2,455)	(4.6)
Units on issue - 30 June 2025	371,109	659.0
Units on issue - 30 June 2026	371,109	659.0

As stipulated in the REIT's constitution, each unit represents a right to an individual share in the REIT and does not extend to a right to the underlying assets of the REIT. There are no separate classes of units and each unit has the same rights attaching to it as all other units in the REIT.

Each unit confers the right to vote at meetings of unitholders, subject to any voting restrictions imposed on a unitholder under the *Corporations Act 2001* and the ASX Listing Rules. Units on issue are classified as equity and are recognised at the fair value of the consideration received by the REIT. Transaction costs arising on the issue of equity are recognised directly in equity as a reduction in the proceeds of units to which the costs relate.

Distribution reinvestment plan

The REIT has an established DRP under which unitholders may elect to have all or part of their distribution entitlements satisfied by the issue of new units rather than being paid in cash. The DRP was not active during the year.

C5. Financial risk management

The REIT's principal financial instruments comprise cash and cash equivalents, receivables, investments at fair value through profit or loss, payables, interest bearing liabilities and derivative financial instruments.

The table below shows the REIT's exposure to a variety of financial risks and the various measures it uses to monitor exposures to these types of risks. The REIT manages its exposure to these financial risks in accordance with the REIT's Financial Risk Management policy as approved by the Board. The policy sets out the REIT's approach to managing financial risks, the policies and controls utilised to minimise the potential impact of these risks on its performance and the roles and responsibilities of those involved in the management of these financial risks. Derivative financial instruments are used exclusively for hedging purposes and not for trading or speculative purposes.

Other than financial instruments, the REIT is exposed to property price risk including property rental risks.

Risk	Definition	Exposure	Exposure management
Market risk – interest rate risk	The risk that changes in interest rates will change the fair value or cash flows of the REIT's monetary assets and liabilities.	Cash and borrowings at fixed and floating rates.	Interest rate swaps are used to hedge movements in interest rates.
Liquidity risk	The risk the REIT has insufficient liquid assets to meet its obligations as they become due and payable.	Payables, borrowings, and other liabilities.	Maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.
Credit risk	The risk a contracting entity will not complete its obligations under a contract and will cause the REIT to make a financial loss.	All financial assets including tenant receivables.	Performing credit reviews on prospective tenants, obtaining tenant collateral and detailed review of tenant arrears. Reviewing the aggregate exposure of receivables and tenancies across the portfolio. Limiting the credit exposure to any financial institution and limiting to investment grade counterparties. Monitoring the public credit rating of counterparties.

(i) Market risk – interest rate risk

The REIT's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the REIT to cash flow interest rate risk. During 2026 the REIT's borrowings at variable rate were denominated in Australian dollars.

The REIT has the following classes of financial assets and financial liabilities that are exposed to interest rate risk:

	2026 \$'m	2025 \$'m
Floating rate		
Cash	(33.6)	(20.0)
Borrowings	806.0	664.0
	772.4	644.0
Derivative financial instruments		
Interest rate swaps - floating to fixed ¹	(585.0)	(310.0)
Interest rate cap	–	(100.0)
Net floating rate exposure	187.4	234.0

¹ The amounts represent the notional principal payable under the derivative contracts. Excludes forward starting interest rate swaps.

Sensitivity analysis

The table below reflects the potential net increase/(decrease) in the REIT's profit and equity, resulting from changes in Australian interest rates applicable at 30 June 2026, with all other variables remaining constant.

	2026			2025		
	Interest expense	Net gain/(loss) from derivative financial instruments	Profit and loss	Other comprehensive income	Profit and loss	Other comprehensive income
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
<i>Australian interest rates</i>						
+ 1.00%	(1.9)	4.3	2.4	–	3.9	–
- 1.00%	1.9	(4.4)	(2.5)	–	(3.4)	–

The effect of changes in interest rates on the REIT's profit and equity shown in the table above is mainly impacted by a change in interest payable on the REIT's floating rate interest bearing liabilities, offset by changes in the fair value of derivative financial instruments hedging this exposure.

(ii) Liquidity risk

The following table provides the contractual maturity of the REIT's fixed and floating rate financial liabilities as at 30 June 2026. The amounts represent the future contractual undiscounted principal and interest cash inflows/(outflows) based on interest rates prevailing at balance date and therefore do not equate to the value shown in the consolidated balance sheet. Repayments which are subject to notice are treated as if notice were given immediately.

	Carrying value \$'m	Less than 1 year \$'m	1 to 5 years \$'m	Over 5 years \$'m	Total \$'m
2026					
Financial liabilities					
Payables	(11.0)	(11.0)	–	–	(11.0)
Distribution payable	(16.0)	(16.0)	–	–	(16.0)
Borrowings	(800.1)	(48.9)	(946.3)	–	(995.2)
Other liabilities	(1.6)	(1.6)	–	–	(1.6)
Lease liabilities	(1.0)	(0.3)	(0.5)	(0.2)	(1.0)
Total financial liabilities	(829.7)	(77.8)	(946.8)	(0.2)	(1,024.8)
2025					
Financial liabilities					
Payables	(14.1)	(14.1)	–	–	(14.1)
Distribution payable	(14.3)	(14.3)	–	–	(14.3)
Borrowings	(660.3)	(36.6)	(737.9)	–	(774.5)
Derivative financial instruments	(2.7)	(1.5)	(1.5)	–	(3.0)
Other liabilities	(5.0)	(5.0)	–	–	(5.0)
Lease liabilities	(1.5)	(0.7)	(0.8)	(0.2)	(1.7)
Total financial liabilities	(697.9)	(72.2)	(740.2)	(0.2)	(812.6)

The amount of credit facilities unused by the REIT at 30 June 2026 is \$94.0 million (2025: \$186.0 million).

(iii) Credit risk

Credit risk arises from the financial assets of the REIT, which comprise cash and cash equivalents, trade and other receivables and derivative instruments. The REIT's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

Receivables are received within the terms of the individual property lease. The REIT does not hold any credit derivatives to offset its credit exposure.

The REIT trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the REIT's policy to secure its trade and other receivables.

The total credit risk for financial instruments is limited to the carrying amount disclosed in the consolidated balance sheet, net of any provisions for expected credit losses.

In addition, receivable balances are monitored on an ongoing basis (refer to Note D2).

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

	Less than 30 days \$'m	31 to 60 days \$'m	61 to 90 days \$'m	More than 90 days \$'m	Total \$'m
2026					
Rent receivables	0.8	0.2	–	0.1	1.1
2025					
Rent receivables	1.4	–	–	–	1.4

The REIT applies the AASB 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables 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. The REIT uses judgement in making these assumptions, based on the REIT's past history and existing market conditions as well as forward-looking estimates at the end of each reporting period.

Agreement to rental deferral options between the REIT and a tenant does not automatically indicate a deterioration of credit risk but is considered within the framework of the above indicators.

The forward-looking judgments and assumptions reflect the best estimate of management as at balance date, using information available to them at that date. Accordingly, the REIT's expected credit losses estimates are inherently uncertain and, as a result, actual results may differ from these estimates.

C6. Offsetting financial assets and liabilities

The REIT is a party to the master agreement as published by International Swaps and Derivatives Associates, Inc. (ISDA) which allow the REIT's counterparties, under certain conditions (i.e. event of default), to set off the position owing/receivable under a derivative contract to a net position outstanding. As the REIT does not have a legally enforceable right to set-off, none of the financial assets or financial liabilities are offset on the balance sheet of the REIT.

The table below demonstrates the effect of offsetting positions should the REIT's counterparties decide to enforce the legal right to set-off:

	Gross amounts of financial instruments \$'m	Amounts subject to set-off \$'m	Net amount post set-off \$'m
2026			
Derivative assets	6.8	–	6.8
Derivative liabilities	–	–	–
	6.8	–	6.8
2025			
Derivative assets	2.6	(2.6)	–
Derivative liabilities	(2.7)	2.6	(0.1)
	(0.1)	–	(0.1)

D. Further information

D1. Related Party Information

(a) Responsible Entity

The Responsible Entity of the REIT is Charter Hall Social Infrastructure Limited, a wholly owned controlled entity of Charter Hall Limited. The registered office of the Responsible Entity is Level 20, No.1 Martin Place, Sydney NSW 2000.

(b) Directors

No payments were made by the REIT or by the Responsible Entity on behalf of the REIT to the Executive Directors during the year.

(c) Transactions with the Responsible Entity and its related parties

The Responsible Entity and its related parties held 36,757,684 units as at 30 June 2026 (2025: 36,757,684).

The following is a summary of related party transactions for the year ended 30 June 2026:

		Fee amount	
Type of fees	Basis of fee calculation	2026 \$'000	2025 \$'000
Fund level			
Base management	0.50% of gross assets	11,481	10,859
Transaction	1.5% of the disposal price (where no selling agent is engaged) and \$10,188 acquisition fee	487	764
Other	Accounting and treasury services ¹	5,331	807
Property Level			
Property management	Up to 1.9% net rent	1,863	1,851
Other	Leasing, project, asset management, and other property related services	461	1,023
		19,623	15,304

¹includes 0.5% debt arranger fee charged on all debt funding.

(d) Outstanding payable balance with the Responsible Entity and its related parties

	2026 \$'000	2025 \$'000
Charter Hall Social Infrastructure Limited	2,977	2,695
	2,977	2,695

(e) Key management personnel

Key management personnel (KMP) are defined in AASB 124 *Related Party Disclosures* as those having authority and responsibility for planning, directing and controlling the activities of the entity. The Responsible Entity meets the definition of KMP as it has this authority in relation to the activities of the REIT. These powers have not been delegated by the Responsible Entity to any other person. Details of management fees charged to the REIT by the Responsible Entity and its related parties are included in Note D1(c).

(f) Directors' fees and Fund Manager remuneration

Independent Directors' fees are as follows:

	2026 \$	2025 \$
Greg Paramor AO	145,602	140,679
Michael Johnstone	108,488	104,820
Bevan Towning	102,846	93,786
Kate Melrose	97,068	93,785
Glenn Fraser	12,915	–
	466,919	433,070

The level of fees is not related to the performance of the REIT. The Board of the Responsible Entity considers remuneration payable to its Independent Directors from time to time. Remuneration of Independent Directors is approved by the Board and any increases are benchmarked to market rates.

The Executive Directors of the Responsible Entity and Fund Manager of the REIT are employees of Charter Hall Holdings Pty Ltd and are remunerated by Charter Hall Holdings Pty Ltd.

(g) Directors' interests in REIT units

The number of units held directly, indirectly or beneficially by the Directors of the Responsible Entity or the Directors' related parties at 30 June 2026 is as follows:

	Units held 2026	Units held 2025
Greg Paramor AO*	–	526,257
Michael Johnstone*	–	84,728
Bevan Towning	10,000	10,000
Kate Melrose	36,489	36,489
Sean McMahon**	58,800	58,800
Miriam Patterson	–	–
Glenn Fraser	–	–
David Harrison	47,860	47,860
Total	153,149	764,134

*Greg Paramor AO and Michael Johnstone resigned from their positions on 19 May 2026, at which time they held 526,257 and 84,728 units respectively.

**Sean McMahon has resigned from his position on 3 August 2026.

The aggregate number of units of the REIT acquired by the Directors of the Responsible Entity or their related parties during the year is set out below.

	Units 2026	Units 2025
Kate Melrose	–	608
Total	–	608

D2. Working capital

The REIT maintains a proactive cash management practice of using excess available cash to reduce drawn revolving debt facilities. The REIT is in a net current asset position of \$33.7 million at 30 June 2026 (2025: \$17.1 million).

The REIT has readily accessible credit facilities with \$94.0 million (2025: \$186.0 million) of undrawn non-current debt facilities at 30 June 2026 and operating cash flows to meet current liabilities. The REIT does not foresee any issues in meeting the current liabilities over the course of the next 12 months, and therefore, these financial statements have been prepared on a going concern basis.

Financial assets and liabilities not carried at fair value have carrying values that reasonably approximate their fair values.

(a) Receivables and other assets

	2026 \$'m	2025 \$'m
Receivables		
Trade receivables	1.1	1.4
Accrued income	0.8	0.5
Distributions receivable	1.6	1.2
	3.5	3.1
Other assets		
Deposits and costs related to property transactions	0.1	0.6
Prepayments	1.1	0.2
	1.2	0.8

Trade receivables include property rental income receivable together with trade receivables relating to revenue from contracts with customers.

The REIT's receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for expected credit losses. The REIT applies the *AASB 9 Financial Instruments* simplified approach to measuring expected credit losses which involves a lifetime expected loss allowance for all trade and other financial assets. The REIT uses judgement in making these assumptions, refer to Note C5 (iii).

(b) Payables and other liabilities

	2026 \$'m	2025 \$'m
Payables		
Trade creditors	0.2	1.3
Accrued capital expenditure	1.2	0.7
Accrued expenses	3.5	4.2
Accrued base management fees	3.0	2.7
GST payable	1.4	2.8
Interest payable on interest bearing liabilities	1.7	2.4
	11.0	14.1
Other liabilities		
Prepaid rent	1.6	5.0
	1.6	5.0

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the REIT. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

D3. Parent entity information

The financial information for the parent entity, Charter Hall Social Infrastructure REIT, has been prepared on the same basis as the REIT's consolidated financial statements except as set out below:

(i) Investments in controlled entities

Investments in controlled entities and joint ventures are accounted for at cost, except for the one directly held joint venture which is accounted for at fair value in the financial statements of the parent entity. Such investments include both investments in equity securities issued by the controlled entity and other parent entity interests that in substance form part of the parent entity's investment in the controlled entity. These include investments in the form of interest-free loans which have no fixed contractual term and which have been provided to the controlled entity as an additional source of long-term capital.

Dividends and distributions received from controlled entities and joint ventures are recognised in the parent entity's statement of comprehensive income, rather than deducted from the carrying amount of these investments.

(ii) Receivables and payables

Trade amounts receivable from controlled entities in the normal course of business and other amounts advanced on commercial terms and conditions are included in receivables. Similarly, amounts payable to controlled entities are included in payables.

(iii) Recoverable amount of assets

The carrying amounts of investments in controlled entities valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying value exceeds their recoverable amount, the assets are written down to the lower value. If required, the write-down is expensed in the year in which it occurs.

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	Parent 2026 \$'m	Parent 2025 \$'m
Assets		
Current assets	47.0	50.1
Non-current assets	2,149.2	1,926.5
Total assets	2,196.2	1,976.6
Current liabilities	15.1	24.1
Non-current liabilities	1,016.9	756.8
Total liabilities	1,032.0	780.9
Equity		
Contributed equity	659.0	659.0
Retained profits	505.2	536.7
Total equity	1,164.2	1,195.7
Statement of comprehensive income		
Profit for the year	31.7	26.8
Total comprehensive income	31.7	26.8

(b) Guarantees and contingent liabilities

The parent entity did not have any other contingent liabilities, either individually or as a class, at 30 June 2026 (2025: nil).

(c) Commitments

The parent entity may enter into contracts for the acquisition, construction and development of properties in Australia. As at 30 June 2026, the parent entity did not have any commitments (2025: \$4.0 million). Additionally, there are no capital incentive commitments under lease agreements (2025: nil).

D4. Significant contract terms and conditions

Pre-emptive rights

The joint-ownership agreement to which the REIT is a party contains pre-emptive rights which restrict the REIT's dealings in respect of its interest in the respective co-owned Trusts. In particular, where the REIT wishes to deal with its interests in the co-owned Trusts, the other co-owner will have a pre-emptive right over the REIT's interests, other than in limited circumstances (for example, by way of a permitted transfer to a member of the REIT's unitholder or owner group).

D5. Remuneration of the auditor

PricewaterhouseCoopers audited the REIT for the year ended 30 June 2025. Ernst & Young was appointed as the auditor of the REIT for the year ended 30 June 2026. Accordingly, 2025 remuneration solely relates to PricewaterhouseCoopers and 2026 remuneration solely relates to Ernst & Young.

	2026	2025
	\$	\$
Amounts paid or payable to the auditor for:		
Audit services	178,067	166,204
Compliance plan	8,078	9,197
Taxation compliance services	–	803
Total amount paid or payable to the auditor	186,145	176,204

D6. Interest in other entities

Subsidiaries

The REIT's principal subsidiaries at 30 June 2026 are set out below. Unless otherwise stated, it has contributed equity consisting solely of ordinary units that are held directly by the REIT, and the proportion of ownership interests held equals the voting rights held by the REIT.

Name of entity	Country of incorporation	Place of business	Ownership interest held by the REIT		Principal activities
			2026	2025	
FET Sub-Trust No.1	Australia	Australia	100%	100%	Property investment
FET Sub-Trust No.2	Australia	Australia	100%	100%	Property investment
CQE BBDT	Australia	Australia	100%	100%	Property investment
CQE Newstead Trust	Australia	Australia	100%	100%	Property investment
CQE Keswick Trust	Australia	Australia	100%	100%	Property investment
CQE Heidelberg Trust	Australia	Australia	100%	100%	Property investment
CQE Childcare Trust No.1	Australia	Australia	100%	100%	Property investment
CQE Childcare Trust No.2	Australia	Australia	100%	100%	Property investment
CQE Childcare Trust No.3	Australia	Australia	100%	100%	Property investment
CQE Childcare Trust No.4	Australia	Australia	100%	100%	Property investment
CQE Childcare Trust No.5	Australia	Australia	100%	100%	Property investment
CQE Childcare Trust No.6	Australia	Australia	100%	100%	Property investment
CQE B2 ABP Robina Trust	Australia	Australia	100%	100%	Property investment
CQE B3 ABP Robina Trust	Australia	Australia	100%	100%	Property investment
CQE Beckenham Trust	Australia	Australia	100%	100%	Property investment
CQE Cloverdale Trust	Australia	Australia	100%	100%	Property investment
CQE GSA Trust	Australia	Australia	100%	100%	Property investment
CQE Finance Pty Ltd	Australia	Australia	100%	100%	Provision of Finance
CQE Osborne Park Trust	Australia	Australia	100%	-	Property investment
CQE Coburg North Trust	Australia	Australia	100%	-	Property investment
CQE Doncaster Trust	Australia	Australia	100%	-	Property investment
CQE Mont Albert Trust	Australia	Australia	100%	-	Property investment
CQE Reservoir Trust	Australia	Australia	100%	-	Property investment
CQE Lower Templestowe Trust	Australia	Australia	100%	-	Property investment
CQE 1PSQ Trust	Australia	Australia	100%	-	Property investment
CQE Sonic Holding Trust	Australia	Australia	100%	-	Holding Trust

D7. Events occurring after balance date

The Directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in this report or the annual consolidated financial statements that has significantly affected or may significantly affect the operations of the REIT, the results of their operations or the state of affairs of the REIT in future financial years.

D8. Other material accounting policies

(a) Basis of preparation

The annual financial report of the Charter Hall Social Infrastructure REIT comprises the Charter Hall Social Infrastructure REIT and its controlled entities.

The annual financial report for the year ended 30 June 2026 has been prepared in accordance with the requirements of the REIT's constitution, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The REIT is a for-profit entity for the purpose of preparing the consolidated financial statements. The consolidated financial statements are presented in Australian dollars, which is the REIT's functional and presentation currency.

Compliance with IFRS Accounting Standards

The consolidated financial statements of the REIT also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except derivative financial instruments, investment properties and investments accounted for at a fair value through profit or loss, which have been measured at fair value.

(b) Principles of consolidation

Controlled entities

Subsidiaries are all entities over which the REIT has control. The REIT controls an entity when the 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 the REIT. They are deconsolidated from the date that control ceases.

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

(c) Comparative information

Where necessary, comparative information has been adjusted to conform to changes in presentation or changes in accounting standards in the current year. Refer to Note D9.

(d) Rounding of amounts

As permitted by ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the Directors' report and consolidated financial statements, amounts in the REIT's consolidated financial statements have been rounded to the nearest hundred thousand dollars in accordance with that instrument, unless otherwise indicated.

(e) Changes in accounting standards

During the year, the REIT elected to adopt AASB 18 Presentation and Disclosure in Financial Statements and, under the transitional provisions within this standard, elected to change its election for measuring all joint ventures and associates from the equity method to fair value through profit or loss in accordance with AASB 9. This has resulted in changes to the REIT's comparatives for and since the year ended 30 June 2025. Refer to Note D9.

No other new accounting standards or amendments have come into effect for the year ended 30 June 2026 that materially affect the REIT's operations or reporting requirements.

D9. AASB 18 Presentation and disclosure in financial statements

A new accounting standard AASB 18 Presentation and Disclosure in Financial Statements will come into effect, with mandatory adoption required from 1 January 2027. The REIT has decided to early adopt AASB 18.

The REIT has also elected to remeasure investments in joint ventures and associates under the transitional provisions of this standard (AASB 18 C7). This resulted in changes to the REIT's prior year comparatives, presenting the reclassification of investments accounted for using the equity method to investments accounted for at fair value within non-current assets.

The impact of the adoption of AASB 18 on the comparative information key statements is outlined below. Under AASB 18 the management-defined performance measures are required to be disclosed as detailed in A1.

Specified main business activity

The main business activity of the REIT during the year was property investment. Income and expenses from investments in direct properties, joint ventures and associates are classified in the operating category of the profit and loss.

Adjustments to comparative disclosures

Consolidated statement of comprehensive income

No changes were made to the comparative numbers of consolidated statement of comprehensive income. *Share of net profit from joint ventures* was reclassified to *Net gain on investments at fair value through profit or loss*.

Consolidated balance sheet

No changes were made to the comparative numbers of consolidated balance sheet. *Investments in joint ventures* were reclassified to *Investments accounted for at fair value through profit or loss*.

Consolidated statement of changes in equity

No changes were made as a result of the adoption of AASB 18.

Consolidated cash flow statement

Finance costs paid moved from *Cash flows from operating activities* to *Cash flows from financing activities*. Note A4 provides a reconciliation of operating profit, rather than statutory profit to net cash flows from operating activities.

Directors' declaration to unitholders

In the opinion of the Directors of Charter Hall Social Infrastructure Limited, the Responsible Entity of Charter Hall Social Infrastructure REIT:

- a the consolidated financial statements and notes set out on pages 16 to 42 are in accordance with the *Corporations Act 2001*, including:
 - i complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii giving a true and fair view of the REIT's consolidated financial position as at 30 June 2026 and of its performance for the year ended on that date; and
- b there are reasonable grounds to believe that the REIT will be able to pay their debts as and when they become due and payable.

Note D8(a) confirms that the consolidated financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board.

The Directors have been given declarations by the Fund Manager, who performs the Chief Executive Officer function, and the Head of Diversified Finance, who performs the Chief Financial Officer function, required by section 295A of the *Corporations Act 2001*.

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



Bevan Towning
Chair
Sydney
4 August 2026

For personal use only



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Shape the future
with confidence

Independent auditor’s report to the unitholders of Charter Hall Social Infrastructure REIT

Report on the audit of the financial report

Opinion

We have audited the financial report of Charter Hall Social Infrastructure REIT and its controlled entities (collectively the REIT), which comprises the consolidated balance sheet as at 30 June 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, notes to the financial statements, including material accounting policy information, and the directors’ declaration.

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

- a. Giving a true and fair view of the consolidated balance sheet of the REIT as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



Shape the future
with confidence

Carrying Value of Investment Properties

Why significant	How our audit addressed the key audit matter
At 30 June 2026, the carrying value of the REIT’s investment properties at fair value is \$1,965.5 million, representing 86% of total assets. Fair values were determined by the Directors with reference to external and internal property valuations and market conditions existing at the reporting date. Changes in fair value are recognised in the consolidated statement of comprehensive income. We considered this to be a key audit matter as property valuations are based on certain judgemental assumptions, such as capitalisation rates and market rents, and changes in these assumptions could result in material change to the valuation of investment properties. We draw attention to section <i>B. Property portfolio assets</i> of the financial statements which discloses the accounting policy, key assumptions and sensitivities to changes in the key assumptions that may impact Investment Property valuations.	Our audit procedures included the following for directly and indirectly held investment properties: • We inquired with Management and obtained an understanding of the following: - Movements in the REIT’s investment property portfolio; - Changes in the condition of each property, including an understanding of key developments and changes to development activities; - Changes in the REIT’s investment property portfolio, including understanding leasing activity and tenant occupancy risk; and - Controls in place for the leasing and valuation processes. • We assessed the operating effectiveness of relevant controls over the leasing (and associated tenancy schedules) and valuation processes. • In conjunction with our real estate valuation specialists, we performed the following procedures: - Developed expectations in relation to key market assumptions for each asset class and geographic location including capitalisation rate, market rent, and movements in the market assumptions during the year. We utilised these expectations to develop our own valuation range for each property, comparing results to adopted valuations. Where applicable, we considered comparable market transactions. - Assessed (on a sample basis) qualifications, competence and objectivity of the external and internal valuers used by the REIT. - Evaluated the suitability of the valuation methodology used by the valuers across the portfolio. - Selected a sample of valuation reports and engaged our valuation specialists to assess key assumptions and methodologies applied. - Tested (on a sample basis) key inputs for the valuation and agreed passing rental

For personal use only



Why significant	How our audit addressed the key audit matter
	income in the valuation reports to the audited tenancy schedules. - Tested the mathematical accuracy of valuations. • We also assessed the adequacy and appropriateness of disclosures included in section <i>B. Property portfolio assets</i> of the financial report.

Carrying Value of Investments

Why significant	How our audit addressed the key audit matter
Following the adoption of AASB 18, the REIT accounts for investments in unlisted property funds at fair value through profit and loss. The REIT's investment balance at 30 June 2026 is \$258.7 million, representing 11% of total assets. Investments in unlisted funds are classified as Level 3 as their valuation is largely based on non-observable data. Determining the fair value of Level 3 investments involves judgement in selecting an appropriate valuation methodology. The REIT measures its investments in unlisted Funds at their proportionate share of net assets (NAV). We considered this to be a key audit matter as the measurement of the fair value of these assets is based on certain judgemental assumptions, and changes in these assumptions could result in material change to the carrying amount of the investment. We draw attention to section <i>B. Property portfolio assets</i> and <i>B2. Investments accounted for at fair value through profit or loss</i> of the financial statements which discloses the accounting policy, key assumptions and sensitivities to changes in the key assumptions that may impact the valuation of investments in unlisted funds.	Our audit procedures included the following: • We obtained the investments at fair value reconciliation and tested key movements during the year. • We assessed the appropriateness of management's fair value methodology in accordance with the accounting standards. • Reconciliation of the investment balances to the REIT's proportionate share of the investee's underlying net asset value (NAV). • Review of the composition of the NAV of the unlisted funds (as a key valuation input), and testing of material NAV balances which include (but not limited to): - Investment property values as outlined in the Carrying Value of Investment Properties KAM above; and - Debt balances by agreeing amounts to external bank confirmations. • We also assessed the adequacy and appropriateness of disclosures included in section <i>B. Property portfolio assets</i> and <i>B2. Investments accounted for at fair value through profit or loss</i>.



Information other than the financial report and auditor's report thereon

The directors of Charter Hall Social Infrastructure Limited (the Directors), the Responsible Entity of Charter Hall Social Infrastructure REIT are responsible for the other information. The other information comprises the information included in the REIT's 2026 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the REIT's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the REIT 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

For personal use only



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Responsible Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the REIT's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the REIT to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the REIT as a basis for forming an opinion on the REIT's financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst and Young
Ernst & Young

Vida Virgo
Vida Virgo
Partner
Sydney
4 August 2026

This page has been left blank intentionally.

Fund Manager remuneration

Travis Butcher Fund Manager, CQE

The Fund Manager’s Total Target Remuneration is structured as a mixture of fixed and variable ‘at-risk’ Short-Term Incentive (STI) and Long-Term Incentive (LTI) components. While Fixed Annual Remuneration (FAR) is designed to provide a base level of remuneration, the ‘at-risk’ STI and LTI components align the employee’s performance with CQE and Charter Hall’s objectives and long-term unitholder interests.

STI

Individual STI outcomes are determined based on Group, divisional, Fund and individual performance. The scorecard is split into three elements: Financial and Risk; Strategy and Customer; and Leadership, Culture and Collaboration, with a 50% financial and 50% non-financial split.

The table on the following page outlines the split of Travis Butcher’s current key performance indicators (KPIs) and the percentage attributed to each element of performance.

For FY26, 75% of the STI award will be delivered in cash and 25% deferred into CQE units as service rights. The CQE units underpinning the service rights are purchased by Charter Hall and transferred to the Fund Manager on vesting. These service rights are deferred over two years, with 50% vesting at the end of year one (31 August 2027) and 50% at the end of year two (31 August 2028).

For the deferred component of the FY26 STI there is no automatic exercise of rights into CQE units at vesting. Participants have up to 10 years from the grant date to exercise.

LTI

The Group’s LTI is governed by the Performance Rights and Options Plan (PROP), under which rights to Charter Hall stapled securities are granted to participants. Each performance right entitles the participant to one stapled security in the Group for nil consideration at the time of vesting, subject to meeting the performance hurdles as outlined below, measured over the relevant performance period:

- Charter Hall’s aggregate operating earnings per security (OEPS) growth – 50% of LTI allocation
- Charter Hall’s relative total securityholder return (TSR) – 50% of LTI allocation.

More details are provided under section 6.5 of the Remuneration Report within Charter Hall’s 2026 Annual Report.

Role	Financial and Risk	Strategy and Customer	Leadership, Culture and Collaboration
Overall weighting	50%	30%	20%
KPIs	– Drive Fund and portfolio performance to deliver FY26 earnings and distribution guidance and sustainable earnings growth – Identify and implement opportunities across the existing portfolio to improve income growth and enhance portfolio WALE to maximise asset values – Mitigate portfolio risk through active portfolio curation	– Drive specific customer strategies through key account plan management to foster a well-rounded customer relationship and deliver mutually beneficial outcomes – Consistent and meaningful engagement with key investors and participation in successful investor roadshows – Drive progress of initiatives within the CQE portfolio to support sustainability outcomes and enhanced ESG reporting	– Drive employee engagement and wellbeing strategies to create an inclusive team culture, promoting customer excellence, wellbeing, succession planning and team development

Unitholder analysis

Holding distribution

as at 7 August 2026

Range	Ordinary units held	% of ordinary units	No. of holders
100,001 and Over	307,531,415	82.87	135
10,001 to 100,000	47,657,526	12.84	1,860
5,001 to 10,000	9,628,578	2.59	1,295
1,001 to 5,000	5,700,006	1.54	1,984
1 to 1,000	591,232	0.16	1,553
Total	371,108,757	100.00	6,827
Unmarketable parcels	19,697	0.01	490

Substantial unitholder notices

as at 7 August 2026

Name	Date of change	Ordinary units held	% ordinary units held
Charter Hall Limited	17 October 2024	44,881,716	12.01%
The Vanguard Group Inc.	18 September 2020	30,353,322	8.42%

Top 20 unitholders

as at 7 August 2026

Name	A/C designation	Ordinary units held	% Issued capital
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED		104,336,960	28.11
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED		62,764,058	16.91
CITICORP NOMINEES PTY LIMITED		36,903,585	9.94
THE TRUST COMPANY (AUSTRALIA) LIMITED	<CHARTER HALL CO INVEST 3 A/C>	31,554,980	8.50
BNP PARIBAS NOMINEES PTY LTD	<HUB24 CUSTODIAL SERV LTD>	9,074,050	2.45
BNP PARIBAS NOMS PTY LTD		7,537,080	2.03
THE TRUST COMPANY (AUSTRALIA) LIMITED	<CH COIT3 A/C>	4,800,548	1.29
BNP PARIBAS NOMINEES PTY LTD	<AGENCY LENDING A/C>	3,629,331	0.98
NETWEALTH INVESTMENTS LIMITED	<WRAP SERVICES A/C>	3,383,423	0.91
REDBROOK NOMINEES PTY LTD		2,585,077	0.70
UBS NOMINEES PTY LTD		1,877,305	0.51
BNP PARIBAS NOMINEES PTY LTD	<IB AU NOMS RETAILCLIENT>	1,446,935	0.39
BNP PARIBAS NOMS (NZ) LTD		1,407,624	0.38
MR ALFRED ZUEGN & MRS ELISABETH ZUEGN	<A & E ZUEGN SUPER FUND A/C>	1,350,000	0.36
ROYRISE PTY LTD	<HONPLE FINANCE SF A/C>	1,337,932	0.36
REDBROOK NOMINEES PTY LTD		1,266,333	0.34
ACRES HOLDINGS PTY LTD	<NOEL EDWARD KAGI FAMILY A/C>	1,250,000	0.34
MR ALFRED ZUEGN & MRS ELISABETH ZUEGN		1,250,000	0.34
ONLY OPTION PTY LTD		1,228,950	0.33
NETWEALTH INVESTMENTS LIMITED	<SUPER SERVICES A/C>	1,145,192	0.31
HGT INVESTMENTS PTY LTD		800,000	0.22
Total		280,929,363	75.70
Balance of register		90,179,394	24.30
Grand total		371,108,757	100.00

Contact details

Registry

To access information on your holding, update or change your details including name, address, tax file number, payment instructions and document requests, contact:

MUFG Corporate Markets – A division of MUFG Pension & Market Services
Locked Bag A14
Sydney South NSW 1235

Phone +61 1300 303 063
Email charterhall.reits@cm.mpms.mufg.com.au
Web au.investorcentre.mpms.mufg.com

Management team

CQE benefits from the expertise and capability of Charter Hall's dedicated property, investment and funds management professionals.

Further information on the team is available at charterhall.com.au/cqe

Investor Relations

All other enquiries related to the REIT can be directed to:

Charter Hall Social Infrastructure Limited
GPO Box 2704
Sydney NSW 2001

Phone +61 1300 365 585
Email reits@charterhall.com.au
Web charterhall.com.au/cqe



Corporate directory

Responsible Entity and Manager

Charter Hall Social Infrastructure Limited
ABN 46 111 338 937
AFSL 281544

Registered office
Level 20, No.1 Martin Place
Sydney NSW 2000

GPO Box 2704
Sydney NSW 2001

Phone +61 1300 365 585
Email reits@charterhall.com.au
Web charterhall.com.au/cqe

ASX code CQE

Directors of the Responsible Entity

Bevan Towning (Chair)
Glenn Fraser
David Harrison
Kate Melrose
Miriam Patterson

Fund Manager

Travis Butcher

Joint Company Secretaries

Mark Bryant
Travis Butcher

Auditor

Ernst & Young (EY)
200 George Street
Sydney NSW 2000

Important information: Charter Hall Social Infrastructure Limited ACN 111 338 937; AFSL 281544 (CHSIL) has issued this document in its capacity as the Responsible Entity of Charter Hall Social Infrastructure REIT ARSN 102 955 939 (CQE). This document has been prepared for general information purposes only and is not an offer or invitation for subscription or purchase of, or recommendation of, units. It does not take into account any potential investors' personal objectives, financial situation or needs. Before investing, you should consider your own objectives, financial situation and needs or you should obtain financial, legal and/or taxation advice. CHSIL does not receive fees in respect of the general financial product advice it may provide, however it will receive fees relating to the management of CQE which, in accordance with CQE's constitution, are calculated by reference to the value of the assets of CQE. Entities within the Charter Hall Group may also receive fees for managing the assets of, and providing resources to CQE. For more details on fees, refer to section D1. of this Annual Report. The information contained in this document has been prepared by CQE in good faith. No representation or warranty, express or implied, is made as to the accuracy, adequacy, reliability or completeness of any statements, estimates, opinions or other information contained in this document, any of which may change without notice. This includes, without limitation, any historical financial information and any estimates and projections and other financial information derived from them (including any forward-looking statement). Nothing contained in this document is, or may be relied upon, as a promise or representation, whether as to the past or the future. To the maximum extent permitted by law, CQE (including its respective unitholders, shareholders, directors, officers, employees, affiliates and advisers) disclaim and exclude all liability for any loss or damage suffered or incurred by any person as a result of their reliance on the information contained in this document or any errors in or omissions from this document. This document contains information as to past performance of CQE. Such information is given for illustrative purposes only, and is not – and should not be relied upon as – an indication of future performance of CQE. The historical information in this document is, or is based upon, information contained in previous announcements made by CQE to the market. These announcements are available at www.asx.com.au. This document contains certain "forward-looking statements". Forward-looking words such as "expect", "should", "could", "may", "will", "believe", "forecast", "estimate" and other similar expressions are intended to identify forward-looking statements. Such statements are subject to various known and unknown risks, uncertainties and other factors that are in some cases beyond CQE's control. These risks, uncertainties and factors may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements and from past results, performance or achievements. CQE cannot give any assurance or guarantee that the assumptions upon which management based its forward-looking statements will prove to be correct or exhaustive beyond the date of its making, or that CQE's business and operations will not be affected by other factors not currently foreseeable by management or beyond its control. Such forward-looking statements only speak as at the date of this announcement and CQE assumes no obligation to update such information. All information contained herein is current as at 30 June 2026 unless otherwise stated. All references to dollars (\$) are to Australian dollars, unless otherwise stated. © Charter Hall

For personal use only