



Charter Hall 

Charter Hall Group

2019 Annual General Meeting

13 November 2019

Agenda

- 1 Chair's Address: David Clarke
- 2 Managing Director's Address: David Harrison
- 3 Formal Business

Chair's Address



Board of Directors



David Clarke
Chair



David Ross
Non-Executive Director



Anne Brennan
Non-Executive Director



Karen Moses
Non-Executive Director



Philip Garling
Non-Executive Director



David Harrison
Managing Director &
Group CEO

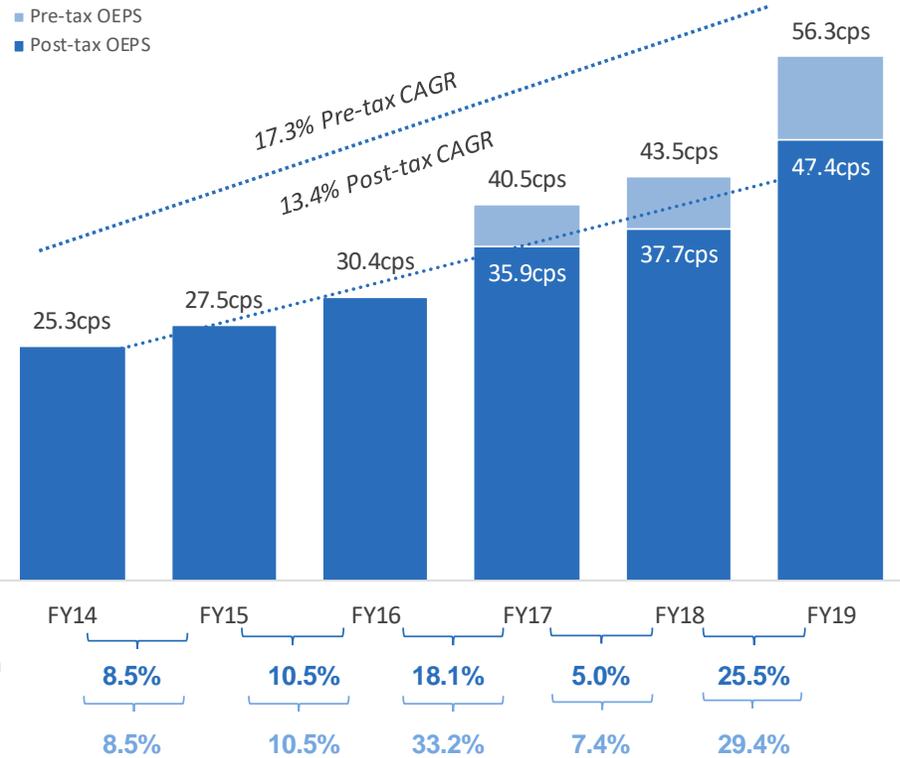


Greg Paramor
Non-Executive Director

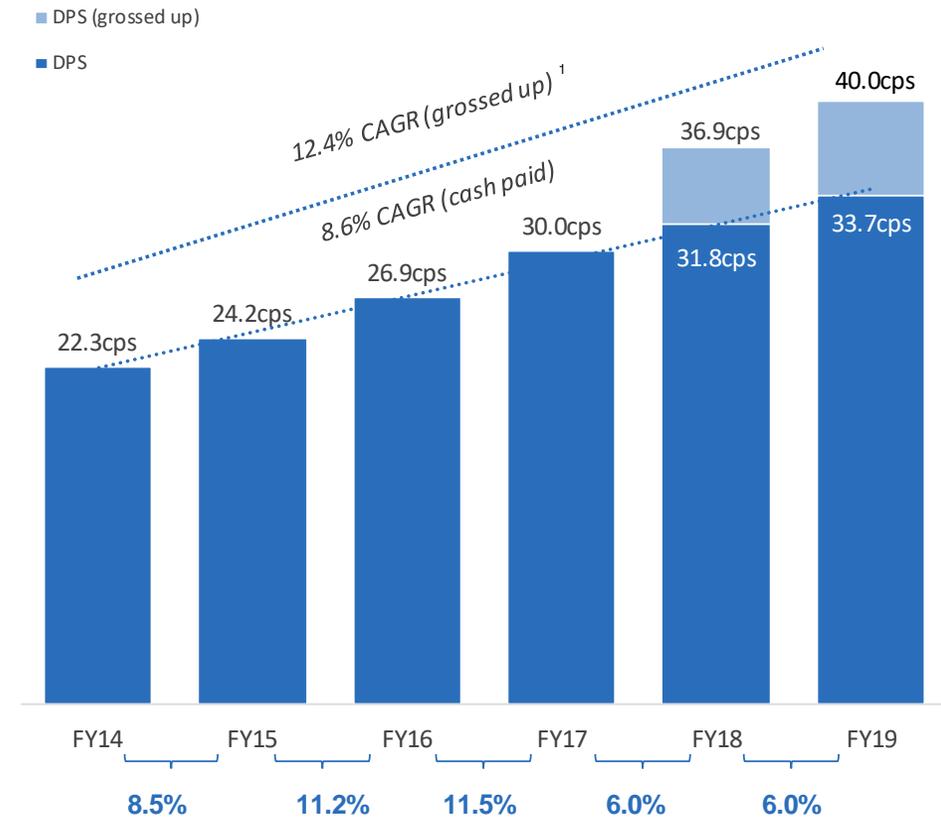
Sustained growth

Strong growth in earnings underpinning distribution growth

Operating earnings per security growth



Distributions per security growth



1. Grossed up distribution includes franking credits of 6.3cps paid to securityholders in FY19 (5.1cps in FY18)

Environment, Social & Governance



Environment

Leading green initiatives

- Australia's largest Green Star footprint
- Energy improvements across the Office portfolio with weighted average ratings increasing from 4.71 Star NABERS Energy to 4.77 NABERS Energy
- Onsite renewable energy, in partnership with our tenant customers resulting in 5.2MW of solar PV across the portfolio, generating 7,598MWh of electricity p.a. (507 homes)
- Stage 1 Retail PPA across 14 shopping centres creating 11,316 kW of solar PV, generating 16,950 MWh of electricity p.a. (1,130 homes)
- Climate Change risk assessments and adaptation plans in development across all portfolios.

Social

Create strong and engaged communities

- Our People - 378 employee volunteer days
- Our Places - provided over \$1.7m or 46,054sqm in space for use by community organisations, health and wellbeing activities
- Through our Partnerships we invested \$775,000 in community programs and services and a further \$196,000 for Rural Aid to support drought affected communities
- 87% employee engagement and high levels of engagement with our tenant and investor customers
- Building on our WELL footprint in our offices, existing buildings and new developments

Governance

Embed a high standard of ethics into our actions

- Developed and launched our new purpose and values
- Became a Signatory to the UN Global Compact
- Developed an understanding of our supply chain and human rights and modern slavery risks
- Ongoing management of our information security practices in alignment with the ISO 27001 framework and regulatory requirements.

Managing Director's Address

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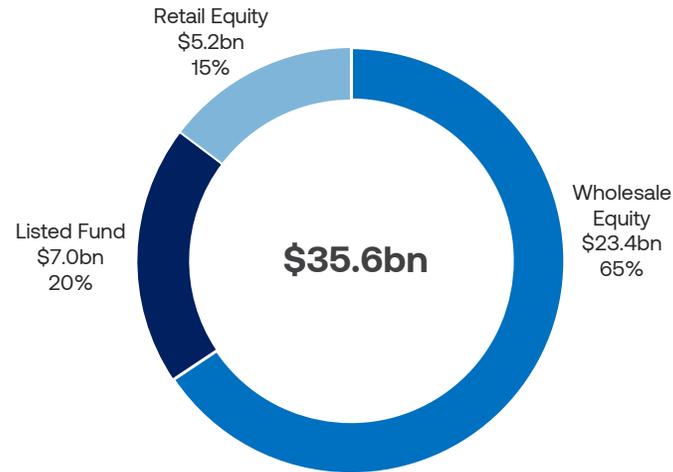


Group funds management portfolio

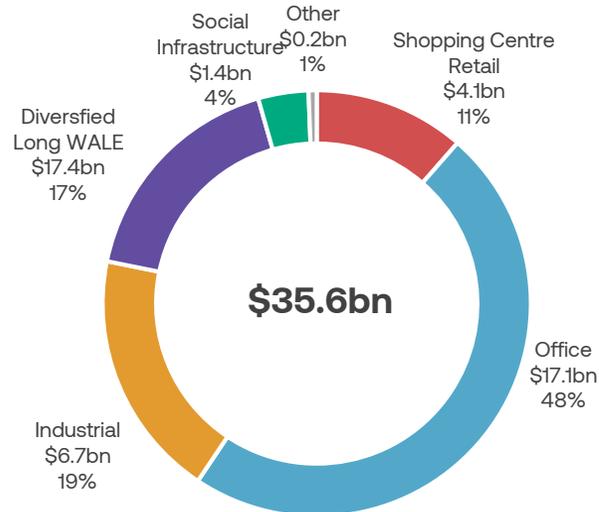
83% east coast weighting

	Portfolio value (\$bn)	Lettable area (m sqm)	No. of Properties	No. of Tenancies	Net income ² (\$m)	WALE ² (years)	Occupancy ² (%)	WACR (%)
30 September 2019	35.6 ¹	7.0	884	3,487	1,840	8.2	97.7	5.48
30 June 2019	30.4	6.6	844	3,419	1,713	8.2	97.9	5.58
30 June 2018	23.2	5.4	330	2,447	1,634	7.7	98.1	5.74

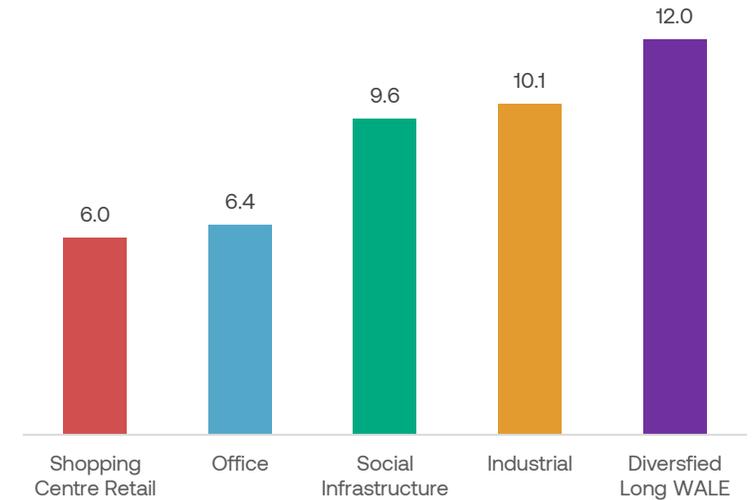
Diversification by equity source



Asset type diversification



WALE by sector



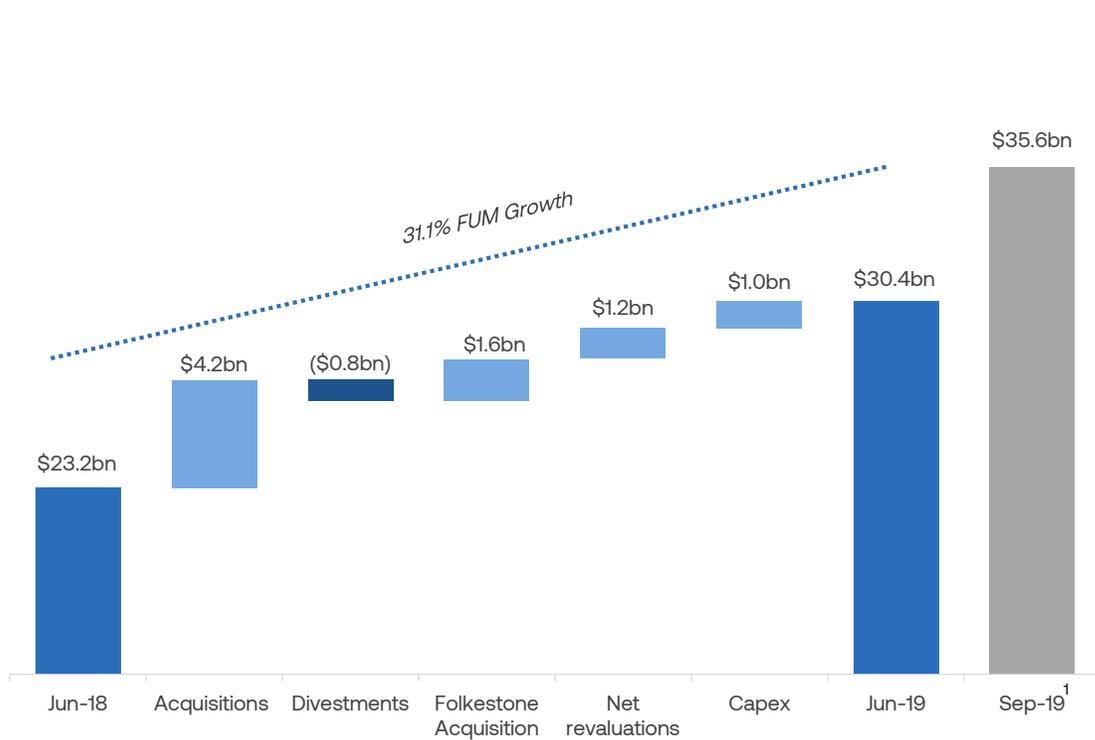
1. Includes acquisition of The Glasshouse, Macquarie Park and Bunnings Palmerston, Darwin as announced by CLW on November 4th
 2. June 2018 reported on a Gross Income basis

Funds under management growth

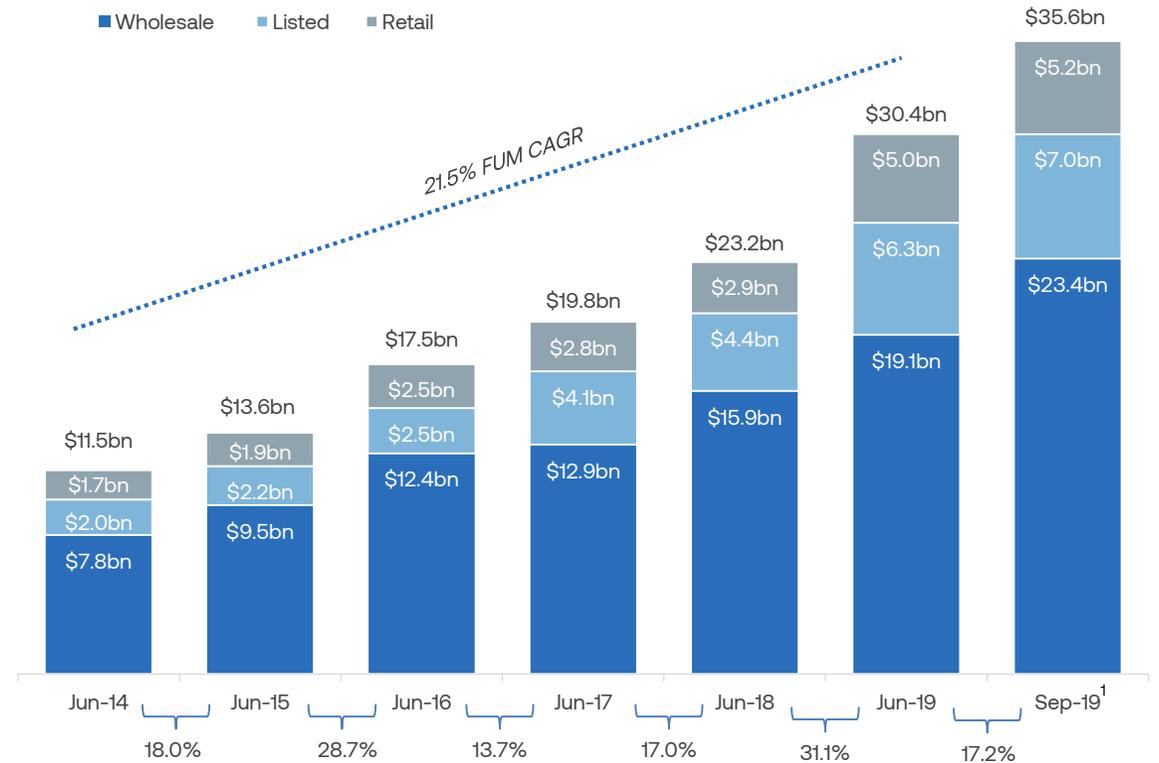
5 year FUM growth to Jun-19 of 21.5% per annum

- FUM growth of 31.1% in FY19, to \$30.4bn
- Additional FUM of \$5.2bn (17.2%) since Jun-19, to \$35.6bn

Funds under management movement (\$bn)



Funds under management by equity source (\$bn)



1. Includes acquisition of The Glasshouse, Macquarie Park and Bunnings Palmerston, Darwin as announced by CLW on November 4th

Transactional activity and Equity flows

Acquisition activity led by the Office and Industrial sectors

FY19

(\$m)	Office	Industrial	Long WALE Retail	Shopping Centre Retail	Social Infrastructure / Other	Total	FY20 YTD
Acquisitions	2,266	899	505	304	177	4,151	4,091 ¹
Divestments	(491)	(107)	(38)	(164)	(5)	(805)	(290)
Net transactions	1,775	792	467	140	172	3,346	3,802
Gross transactions	2,757	1,006	543	468	182	4,956	4,381

37,000 investor customers across Wholesale, Listed & Direct

Diversified equity sources with \$3.4bn gross equity raised across 16 funds in the 12 months to 30 June 2019:

- Strong wholesale equity flows with \$1.8bn raised in pooled funds CPOF and CPIF in FY19
- 5 successful equity raisings across CLW, CQR and CQE for a total of \$692m raised in the Listed market during FY19
- Continued strength in Direct funds with \$691m raised in FY19
- \$1.5bn equity raised in FY20 year to date

(\$m)	FY16	FY17	FY18	FY19	FY20 YTD
Wholesale pooled funds	606	776	649	1,802	195
Wholesale partnerships	467	217	322	219	535
Listed funds	76	988	77	692	469
Direct funds	318	355	653	691	294
Gross equity raised	1,467	2,336	1,701	3,404	1,493
Net equity raised	1,099	1,689	1,487	3,287	1,461

Note: Equity flows includes equity received or returned only and excludes undrawn equity commitments

1. Includes acquisition of The Glasshouse, Macquarie Park and Bunnings Palmerston, Darwin as announced by CLW on November 4th

Formal Business

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Formal business

- If there are any Securityholders who are eligible to vote who have not received their yellow card, please see a representative from Link Market Services
- Those Securityholders holding a red card are not eligible to vote but can speak at the meeting
- Visitors holding a blue card are not eligible to vote or speak at the meeting
- Copies of the Notice of Meeting, Explanatory Memorandum and Annual Report are available from the registration desk

Item 1 – Annual report

To receive and consider the Annual Report, consisting of the Financial Report and Director's Report, and Auditor's Report for the year ended 30 June 2019.

Note: There is no requirement for Securityholders to approve these reports.

Item 2 – Election of Directors of CHL

To consider and, if thought fit, pass the following ordinary resolutions of CHL:

- 2.1 *“That Mr David Clarke, a Director of CHL retiring in accordance with the CHL Constitution, is re-elected as a Director of CHL.”*
- 2.2 *“That Ms Karen Moses a Director of CHL retiring in accordance with the CHL Constitution, is re-elected as a Director of CHL.”*
- 2.3 *“That Mr Greg Paramor, appointed as an additional Director of CHL by the Board, is elected as a Director of CHL.”*

Item 2.1 – Proxies – Re-election of David Clarke

FOR:	94.84%
OPEN:	0.08%
AGAINST:	5.08%

Item 2.2 – Proxies – Re-election of Karen Moses

FOR:	88.00%
OPEN:	0.08%
AGAINST:	11.92%

Item 2.3 – Proxies – Appointment of Greg Paramor

FOR:	92.09%
OPEN:	0.08%
AGAINST:	7.83%

Item 3 – Adoption of remuneration report

To consider and, if thought fit, pass the following ordinary resolution of CHL:

“That the Remuneration Report included in the Annual Report for the year ended 30 June 2019 be adopted.”

Note: The vote on this resolution is advisory only and does not bind Charter Hall Group or the Directors of CHL.

Item 3 – Proxies – Adoption of remuneration report

FOR:	99.14%
OPEN:	0.08%
AGAINST:	0.79%

Item 4 – Issue of service rights to Mr David Harrison – Performance rights and options plan (Deferred portion of Short Term Incentive (STI) for FY18)

To consider and, if thought fit, pass the following ordinary resolution of CHL and CHPT:

“That approval is given for all purposes under the Corporations Act and the Listing Rules (in particular, Listing Rule 10.14) for the issue of 67,960 service rights to Mr David Harrison as described in the Explanatory Memorandum.”

Item 4 – Proxies – Issue of service rights to Mr David Harrison

FOR:	99.77%
OPEN:	0.08%
AGAINST:	2.15%

Item 5 – Issue of performance rights to Mr David Harrison – Performance rights and options plan (Long Term Incentive (LTI))

To consider and, if thought fit, pass the following ordinary resolution of CHL and CHPT:

“That approval is given for all purposes under the Corporations Act and the Listing Rules (in particular, Listing Rule 10.14) for the issue of 227,441 performance rights to Mr David Harrison as described in the Explanatory Memorandum.”

Item 5 – Proxies – Issue of performance rights to Mr David Harrison

FOR:	88.83%
OPEN:	0.08%
AGAINST:	11.10%

Questions

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Meeting closed

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Contact information



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All information contained herein is current as at 30 June 2019 unless otherwise stated. All references to dollars (\$) are to Australian dollars, unless otherwise stated.

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