

# Assurance Statement

8



Deloitte Touche Tohmatsu  
 ABN 74 490 121 060  
 Grosvenor Place  
 225 George Street  
 Sydney NSW 2000  
 PO Box N250 Grosvenor Place  
 Sydney NSW 1220 Australia

Tel: +61 8 9365 7000  
 Fax: +61 2 9322 7001

**Independent Assurance Practitioner’s Limited Assurance Report on the 2018 Shared Value and Sustainability Report to the Directors of Charter Hall Holdings Pty Limited**

We have undertaken a limited assurance engagement relating to the subject matter detailed below (the ‘Subject Matter’) presented in Charter Hall Holdings Pty Limited’s (‘Charter Hall’) 2018 Shared Value and Sustainability Report (‘Sustainability Report’) for the year ended 30 June 2018, in order to state whether anything has come to our attention that would cause us to believe that the Subject Matter has not been reported, in all material respects, in accordance with the reporting criteria described in the table below (‘Reporting Criteria’).

**Subject Matter and Reporting Criteria**

The Subject Matter and Reporting Criteria for our limited assurance engagement for the year ended 30 June 2018 is as follows:

Subject Matter	Reporting Criteria
Total Scope 1 and Scope 2 Greenhouse Gas emissions (tCO <sub>2</sub> e)	National Greenhouse and Energy Reporting Act 2007, National Greenhouse and Energy Reporting (Measurement) Determination 2008 and related guidance, collectively referred as ‘NGER legislation’
Total energy consumption (GJ)	
Total energy production (kWh)	
Water consumption (kL)	Global Reporting Initiative’s Standard (‘GRI Standard’) 303-5 2018
Board composition by gender	GRI Standard 405-1 2016
Ratio of remuneration of women to men	GRI Standard 405-2 2016
Workforce breakdown by job band, age and gender	GRI Standard 405-1 2016
Percentage of women in the workforce and senior management	GRI Standard 405-1 2016
Employee breakdown by contract type and gender	GRI Standard 102-8
Percentage of employees receiving regular (annual) performance and career development reviews, by gender and employee category	GRI Standard 404-3 2016

**Charter Hall’s responsibility for the Subject Matter**

The Directors of Charter Hall are responsible for:

- Ensuring that the Subject Matter is properly prepared and presented in accordance with the Reporting Criteria
- Confirming the measurement or evaluation of the underlying subject matter against the applicable criteria, including that all relevant matters are reflected in the subject matter information;
- Designing, establishing and maintaining internal controls to ensure that the Subject Matter is properly prepared and presented in accordance with the Reporting Criteria.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/au/about](http://www.deloitte.com/au/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Touche Tohmatsu Limited



**Assurance Practitioner’s Independence and Quality Control**

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Assurance Practitioner’s Responsibility**

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

We conducted our limited assurance engagement in accordance with Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the Australian Auditing and Assurance Standards Board in order to express a conclusion whether, based on the procedures performed and the evidence obtained, anything has come to our attention that causes us to believe that the Subject Matter has not been properly prepared and presented in all material respects in accordance with the Reporting Criteria. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter is free from material misstatement.

A limited assurance engagement in accordance with ASAE 3000 involves identifying areas where a material misstatement of the Subject Matter information is likely to arise, addressing the areas identified and considering the process used to prepare the Subject Matter. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and consisted primarily of:

- Interviewing respective Sustainability Performance Indicator data owners to understand and assess the approach for collating, calculating and reporting respective Sustainability Performance Indicators across the 2018 reporting period
- Undertaking a sample of detailed walkthroughs of key systems and processes used / relied upon to compile the Sustainability Performance Indicators for the 2018 reporting period
- Assessing the supporting process documentation developed to support the collation, calculation and reporting process in accordance with Charter Hall’s policies and procedures and the GRI Standards
- Completing analytical reviews over material data streams to identify any material anomalies/ gaps for selected Sustainability Performance Indicators and investigate further where required
- Agreeing overall data sets for selected Sustainability Performance Indicators to the final Charter Hall’s data contained in the 2018 Sustainability Report

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express an opinion providing reasonable assurance



performed a reasonable assurance engagement. Accordingly, we do not express an opinion providing reasonable assurance about whether the Subject Matter has been properly prepared and presented, in all material respects, in accordance with the Reporting Criteria.

**Inherent Limitations**

Non-financial information, including the Subject Matter may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating and sampling or estimating such information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. The Subject Matter should be read in the context of Charter Hall's Reporting Criteria as set out in the 2018 Sustainability Report.

**Limitations of Use**

This report is made solely to the Directors of Charter Hall in accordance with our engagement letter dated 27 September 2018. However, we understand that a copy of the report will be included in Charter Hall's 2018 Sustainability Report and in submissions to the Global Real Estate Sustainability Benchmark (GRESB), the Dow Jones Sustainability Index (DJSI) and the Carbon Disclosure Project (CDP). We agree that a copy of the report may be included in Charter Hall's 2018 Sustainability Report and in submissions to the Global Real Estate Sustainability Benchmark (GRESB), the Dow Jones Sustainability Index (DJSI) and the Carbon Disclosure Project (CDP), but only on the basis that we accept no duty, liability or responsibility to third parties in relation to the report. We accept no duty, responsibility or liability to any party, other than you, in connection with the report or this engagement.

**Matters relating to electronic presentation of information**

Our limited assurance engagement included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of the 2018 Sustainability Report after the date of this assurance statement.

**Basis for Qualified Opinion**

Included within Charter Hall's Scope 1 emissions are emissions associated with the use of hydrofluorocarbons which are predominantly used as refrigerants in air-conditioning units ('refrigerant gases') across Charter Hall's portfolio. The results from our testing indicated a number of weaknesses in the design of controls relating to this data and the completeness and accuracy of data on relevant equipment types used across its portfolio and the refrigerant gases used by that equipment. Our testing of equipment details for a sample of properties compared to those used as the basis of Charter Hall's reported emissions, also identified a number of exceptions which supported this finding. As a result, we have been unable to obtain sufficient and appropriate evidence regarding Scope 1 emissions reported in respect of refrigerants gases.

**Qualified Opinion**

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter has not been properly prepared and presented, in all material respects, in accordance with the Reporting Criteria for the year ended 30 June 2018.

Liability limited by a scheme approved under Professional Standards Legislation.  
Member of Deloitte Touche Tohmatsu Limited



DELOITTE TOUCHE TOHMATSU

Paul Dobson  
Partner  
Sydney, 10 December 2018