

**At Charter Hall, we have integrated sustainability and community into our business to create a shared value framework.**

To become Australia's best and most highly recognised property investment and funds management business, we acknowledge that this requires a cohesive, Group-wide approach to sustainability and corporate responsibility that addresses all aspects of the property value chain.

Charter Hall's Shared Value Framework recognises the UN Sustainable Development Goals and is aligned with the four pillars that underpin our corporate strategy: product, performance, people and partner. Our framework focusses on three key themes that will create Eco-Innovation, Place Creation and Wellbeing, with our people, in our assets and the communities in which we operate.

# SUSTAINABILITY



## ECO INNOVATION



### Resilience

Implementation of climate change framework.

✓ Climate Change Adaptation Plan prepared for retail and industrial development.

All assets have climate change adaptation plans.

Capital improvements in portfolio in line with Climate Change Adaptation plans.

Resilient communities and future proofed assets.

Create environmental management framework.

✓ Environmental Management Framework commenced.

All assets have environmental management plans to AS 14001.

Maintain certified EMS to ISO 14001.

Implement emergency management framework.

✓ Emergency management framework commenced in office portfolio.

Emergency management framework extended across portfolio.

Fully integrated emergency management framework.

Partner with Australian Red Cross to provide resilience programs and resources.

✓ 5 Australian Red Cross Resilience programs in 4 states with 60 employees participating to build their resilience and preparedness.

Expanded employee and community resilience programs.



### Enhancing Environmental Performance

Green Star Performance ratings for office, retail and industrial portfolios.

✓ 178 Green Star Performance Ratings across Office, Retail and Industrial assets.

Pathway to 2 degree reduction in emissions.

Achieve 2 Degree reduction in emissions.

Achieving net zero.

5 Star Green Star ratings sought on all new large developments.

✓ 18 Green Star Design and As Built Ratings across our Office Developments.

3 Star average Green Star Performance Rating across the Group.

5 Star Green Star Design and As Built ratings sought on all new large developments.

NABERS ratings in retail centres over 15,000sqm.

✓ 4.5 Star Average NABERS Weighted Rating for Office Assets.  
3.5 Star Average NABERS Weighted Rating for Retail Assets.

4.75 Star Average NABERS Weighted Rating for Office Assets.

5 Star Average NABERS Weighted Rating for Office Assets.

3.75 Star Average NABERS Weighted Rating for Retail Assets.

4 Star Average NABERS Weighted Rating for Retail Assets.

Renewable energy on all new large retail and industrial developments.

✓ Renewable energy approved and construction commenced on all new large retail and industrial developments. Eight assets currently have 475kW of solar PV installed, generating 698MWh per annum.

Implementation of solar projects across Retail portfolio.

Renewable energy creation in portfolio.

Renewable energy on all new large retail and industrial developments.

Development and implementation of Waste Management Strategy.

✓ Waste management strategy in Office and Retail.  
Green lease provisions in office, retail and industrial with Office leases achieving a BBP Gold Standard rating.  
Tenant and Community Environmental Programs underway.

50% Waste Diversion in Retail and Office Assets.

70% Waste Diversion in Retail and Office Assets.

Ongoing implementation of tenant and community sustainability programs.

Pilot recycling de-fit projects in retail, office and industrial assets.



## PLACE CREATION



### Fit for the Future

Expansion of RISE talent development program.

TED Tuesdays bringing global thinking into the business.

- ✔ Innovation through inclusion commenced.
- ✔ TED Tuesdays continued with the addition of live speakers aligned to our business themes.

Connect employee and customer value propositions to enhance the customer experience.

Shape the way we acquire and develop talent to align with a future of work.

Creation of the largest community hub network in Australia.

Stakeholder engagement plans for all new developments.

- ✔ Stakeholder engagement plans implemented in office and retail developments.

Stakeholder engagement plans prepared for 100% developments.

100% of developments and assets have stakeholder engagement plans.

Pilot an employment project in a new development.

- ✔ Employment approach developed to be incorporated into office developments, to commence in FY18.

Employment strategy developed for all developments.

Employment projects in all new developments.



### Culture of Innovation

Develop a place impact index which measures our success in place and collective impact.

- ✔ Place Index developed and piloted in retail and industrial assets.

Place Index implemented across the portfolio. Provision of a menu of benefits and programs for our buildings and our communities.

Ongoing place experience ratings across our portfolio.

Leader in innovative place creation in our communities.

Pilot community hub concepts in retail properties.

Create innovative spaces in partnership with network of innovative enterprises.

Engage with our tenants and our supply chain to create innovation in place.

- ✔ Community innovation implemented through our Pledge 1% use of our Places, including art galleries, co-working with childcare, pop up community event space and social enterprise.

Community hubs in all large retail assets.  
  
National programs with communities and partners to curate creative and community programs in all large assets.

Create a national network of innovation enterprises.

Community Investment Approach Pledge 1%.

Our People:  
Our Places: Our Partnerships.

- ✔ Our Pledge made a difference in our communities through
  - Our People: 34% of Our People undertook 161 Volunteer Days.
  - Our Places: contributed 17,798 sqm of space, valued at \$1.4 million for use by community groups.
  - Our Partnerships donated \$500,000 towards services and programs through our community partners.

Continued Pledge 1% Our People: Our Places: Our Partnerships.

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Partner with Foundation for Young Australians Innovation Nation program.

- ✔ 10 young Social entrepreneurs mentored by Charter Hall employees through the Foundation for Young Australians Innovation Nation Program.

Continued youth and enterprise mentoring.



## WELLBEING



### Creating Healthy Minds, Spaces and Environments

Pilot WELL building standard in a Charter Hall tenancy.

✓ Charter Hall Melbourne and Perth Offices registered for WELL Building Interiors Certification.

Three office development projects, in Melbourne, Brisbane and Adelaide registered for WELL Building Core and Shell Certification.

WELL building accreditation sought for all large Charter Hall state offices and in new office developments.

Leader in health and wellbeing in our communities.

Pilot new technologies in environmental quality monitors in key office tenancies.

✓ Pilots undertaken on indoor environmental wellbeing technologies, include trialling SAMBA and Comfy in Charter Hall tenancies.

Expansion of new technologies across the portfolio.

Enhanced Customer satisfaction experience in our assets.

Investigate a Human Rights Framework.

✓ Human Rights Framework commenced and an ethical review undertaken on one development project.

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Integrated sustainable and equitable supply chain into assets and developments.

Engage with our tenants and our supply chain to create innovation in place.

✓ Major suppliers engaged on social procurement and the social procurement approach integrated into national contracts executed in FY17.

Development of social procurement strategy and expansion across our supply chain.

Green, social and indigenous enterprises in the Charter Hall supply chain.

Partner with community and social enterprises, to promote physical and mental health outcomes Partner community group to deliver healthy lifestyles.

✓ Charter Hall partnered with community and social enterprises to hold yoga and wellbeing programs, for our people as well as school holiday programs for the children of our employees.

Procure Social Enterprises that deliver fresh and healthy food products.

✓ Social enterprises procured to deliver healthy food options.

With our stakeholders develop Healthy Lifestyles Strategy for our assets and our communities.

✓ Wellbeing Survey undertaken for Charter Hall Employees by our Employee Assistance Provider.

Wellbeing Strategy for our people and our places developed and implemented.

Wellbeing programs / facilities available to all large assets and employees.

Our people, our tenants and our communities have access to fresh and healthy food.