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Charter Hall 

Charter Hall Group
Annual Report 2024

ASX:CHC

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.



Maku wunkun / Towards tomorrow 2022
Tiarna Herczeg

Cover: Coles, Midwest Logistics Hub, Truganina Vic
Bunurong land

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Charter Hall Group

(CHC, Charter Hall or the Group) is one of Australia's leading fully integrated property investment and funds management groups.

For more than three decades, we have focused on the collective ambitions of our customers, driving mutual success and enduring impact.

→ Our 2024 annual reporting suite

charterhall.com.au/chc

[Annual Results Presentation](#)

[Sustainability Report](#)

[Corporate Governance Statement](#)

[Modern Slavery Statement](#)

Published before 31 December 2023

Note: Figures and statistics throughout this presentation are for the 12 months to 30 June 2024 unless otherwise stated.

Performance highlights¹

Our results demonstrate the strength of our underlying business and our ability to navigate the property cycle with confidence.

Group Returns

Operating earnings	OEPS	Return on Contributed Equity ²
\$359m	75.8cps	19.4%

Property Investments

Property Investment portfolio	Property Investment EBITDA growth (pcp)	PI & DI EBITDA share of Group EBITDA
\$2.8bn	9.1%	53%

Funds Management

Group Funds Under Managment (FUM) ³	Gross property transactions	Group EBITDA margin
\$80.9bn	\$4.1bn	79.3%

Balance Sheet

Net tangible assets (NTA) per security	Balance sheet gearing	Investment Capacity
\$5.49	3.0%	Group investment capacity ⁴ \$6.6bn

1. Figures and statistics throughout this presentation are for the 12 months to 30 June 2024 unless otherwise stated.
2. Return on contributed equity is calculated as total operating earnings post-tax per security divided by the opening contributed equity per security of \$3.91 for the 12 months to 30 June 2024.
3. Includes Paradise Investment Management (PIM) Partnership, with \$15.4bn of FUM.
4. Investment capacity calculated as cash plus undrawn debt facilities for CHC and the funds management platform. At 30 June 2024, platform cash was \$0.8bn. Excludes committed and unallotted equity.



About us

For more than three decades, we have focused on the collective ambitions of our customers to drive mutual success and an enduring impact.

As a property investment and funds management company, Charter Hall Group (CHC, Charter Hall or the Group) takes pride in custodianship of our investors' capital. We recognise that our responsibility extends far beyond this. By maintaining long-term relationships and gaining a deep understanding of the ambitions of our customers, people and communities, we co-create value that makes a lasting impact.



Driven by our purpose

Creating better futures by driving value and mutual success.

United by our values

Active partnership

We believe that if everyone benefits, we benefit.

Inventive spirit

We create with purpose and discipline.

Genuine insight

We use expertise to unlock resilient growth.

Powered by drive

We put our passion into action.

Differentiated from our peers



Product innovation

We create bespoke products, designed with purpose and discipline, in response to customer needs and market insights.



A place for talent

Our operating model and value chain develop top talent and provide unmatched growth potential.



Scale and diversification

We are fully-integrated, with a national presence across our core sectors.



Deep, trusted relationships

We deeply understand our customers' businesses and partner to create long-term value.



Transaction origination

Our market penetration across all channels enables us to capture first-mover advantage.

Delivered in partnership

Tenant customers

We use our national reach and local market expertise to create inventive solutions for our tenant customers that deliver sustainable growth over time. The breadth and depth of our cross-sector expertise combined with our customer-led culture enables us to problem-solve holistically and meet the evolving needs of our customers.

Investors

We have built a reputation as trust-worthy custodians of capital, with a track record of delivering strong returns over the long-term. We curate our funds to withstand the property cycle, with a focus on quality, well-located assets with long-term leases to high quality businesses in resilient industries. We invest alongside our capital partners to align our objectives and create shared value.

Our people

The strength of our business is our people. We create safe, equitable and inclusive environments to support and energise our high-performing talent. To bring out the best in our people, we focus on creating new and diversified opportunities for professional growth, while actively evolving our ways of working to ensure they have the tools and capability to thrive in all environments.

Community

We enable community-led solutions through partnership, funding and places for connection. We focus on vulnerable youth and communities impacted by hardship to ensure we're helping those who need it most. Through our meaningful, long-term partnerships and Pledge 1% (our commitment to sharing 1% of profits, places and our people's time to do good), we can amplify and measure our impact.

Environment

We continue to deliver sustainable outcomes with long-term impact, including making meaningful progress toward our Net Zero by 2025 target. We work closely with our customers and supply chain partners to identify further opportunities to reduce emissions, make more sustainable choices, and ultimately deliver a healthier future for our industry, people and the planet.

Strategy

We remain focused on creating value and generating superior returns for our investor customers through our strategy of access, deploy, manage and invest.

Access

Accessing equity from listed, wholesale and retail investors.

Deploy

Creating value through attractive investment opportunities.

Invest

Investing alongside our capital partners.

Manage

Managing funds and assets, leasing and development services.

	1 year ¹	3 years ¹	5 years ¹
Access			
Gross equity allotted	\$1.6bn	\$9.1bn	\$19.5bn
Deploy			
Acquisitions	\$1.7bn	\$16.2bn	\$31.5bn
Divestments	\$2.4bn	\$6.8bn	\$9.9bn
Net acquisitions	-\$0.7bn	\$9.4bn	\$21.6bn
Gross transactions	\$4.1bn	\$23.0bn	\$31.5bn
Development Capex	\$0.5bn	\$6.2bn	\$9.2bn
Manage			
Group funds under management (FUM)	\$80.9bn ↓ \$6.5bn		
Property FUM growth	\$65.5bn ↓ \$6.3bn	\$13.2bn (\$4.4bn p.a.)	\$35.1bn (\$7.0bn p.a.)
Invest			
Change in Property Investment (PI) portfolio	-\$0.2bn ↓ 6.5%	\$0.4bn ↑ 14.5%	\$0.9bn ↑ 49.6%

Left: 130 Lonsdale Street
Melbourne, VIC 130
Wurundjeri and Bunurong land

1. Page refers to Property FUM unless otherwise stated.

Chair message



Despite persistent challenges impacting the economy, we navigated headwinds alongside our customers, strengthening our partnerships and maintaining a highly engaged workforce, setting the foundation for future growth.

Dear Securityholder

This year, the economic environment across the globe continued to present challenges, as interest rates remained at elevated levels in most countries and the Reserve Bank of Australia continuing to suggest a tightening bias.

As a result, many Australians have remained under financial pressure, and businesses across many industries have been challenged by the impacts of higher debt costs.

For commercial real estate, this has had the twin impacts of dampening earnings as higher debt costs have eroded returns, while simultaneously leading to devaluations in the underlying property values. Further, while the ongoing interest rate environment has remained uncertain, investors have been reluctant to commit new capital for investment until real estate valuations stabilise. This has been a challenging backdrop for the Group to navigate as fund returns, asset valuations, transactional activity and raising new equity capital have all proven difficult.

We've also seen these impacts affect our customers. We've been very focused on our customers, understanding the challenges they're facing and opportunities they're pursuing to ensure we are positioned to partner with them in creating solutions that drive mutual success. Ultimately, the strength of our tenant and investor customer relationships is one of the keys to our resilience as a business.

This year, we delivered operating earnings of \$358.7 million, or 75.8 cents per security (cps), consistent with our guidance of approximately 75 cps. This was down 18.7% from the prior year, reflecting the high level of performance and transaction fees that were earned in FY23. The result should still be seen as a strong one given the challenging environment for real estate and corresponding subdued transactional activity. Our ability to deliver these earnings, consistent with our guidance reflects strong cost control and discipline across the platform.

We also paid a distribution per stapled security of 45.1 cps, up 6% on the previous year with franking credits of 13.13 cps attached.

Our FUM was negatively impacted this year. Group FUM fell from \$87.4 billion to \$80.9 billion and property FUM fell from \$71.9 billion to \$65.5 billion. Notwithstanding this, we continue to hold the largest sector-diverse commercial property portfolio in Australia.

FY25 will not be without its challenges, and we will continue to manage headwinds. However, by leveraging our property expertise, scale, depth of talent, and strong relationships with our customers, we will look to capitalise on the opportunities for growth we expect to emerge.

In the meantime, we continue to look after our people, our customers and our communities to ensure that we move forward together, with mutual success at the heart of everything we do.

Investing in long-term outperformance

While this report measures our performance for the year to 30 June 2024, we see long-term performance as the true test of success. Over the past 10 years, we've delivered securityholders 11.6% post-tax growth in earnings per annum, and distribution growth of 6% per annum from FY19 to FY24.

Over the same 10-year period, we've also retained cumulative earnings of \$1.2 billion, supporting the creation and growth of new funds and partnerships.



Left: Wesley Place
130 Lonsdale
Richmond Vic
Wurundjeri and
Bunurong land

A balanced approach to retaining capital for future growth, while also providing a growing stream of distributions has been a measure of the Group's success.

Our balance sheet remains modestly geared at 3% and with investment capacity of almost \$700 million, we consider ourselves well placed to take advantages of opportunities as they emerge.

Our approach to partnership with our customers continues to be a key focus for us. This investment in customer has continued to deliver strong results, with all our sectors exceeding their FY24 customer targets and our overall Net Promoter Score (NPS) holding stable at +52. This is a very strong result given the past 12 months' challenges, and this success is attributable to the performance of our people. Measures of professionalism, responsiveness, trust and quality of communication all scored highly.

It is the responsibility of the Board and leadership team to ensure that we foster a dynamic and rewarding workplace that attracts and retains top talent.

In order to do that, we've continued to invest in learning and development opportunities through rotations, promotions and evolving roles across our organisational structure, while also ensuring our people feel safe, supported and included in our workplaces.

Our Group engagement results demonstrated that this focus is working, with our Group engagement score, well-being, and belief that there is opportunity for development and growth significantly exceeding the Australian company norm.

Importantly, our people told us they feel like they can be themselves at work, reflecting our culture of support and inclusivity.

Pleasingly, this was recognised in this year's Pride in Diversity Australian Workplace Equality Index (AWEI), where we ranked Silver, an improvement on Bronze last year.

Demonstrable progress on environmental goals

Sustainability is integrated into all our business operations and activities, with our approach designed to reduce our impact on the environment while creating commercial outcomes for the Group and for our customers. With a focus on decarbonisation and climate action, we continued to deliver measurable progress on our environmental goals this year.

We remain on track to meet our commitment to Net Zero carbon in operations (Scope 1 and Scope 2) by 2025¹, and have achieved an absolute reduction of >70% in Scope 1 and Scope 2 emissions since 2017.

1. Our Net Zero target applies to Scope 1 and Scope 2 emissions for existing assets that fall under the operational control of responsible entities for which Charter Hall Limited is the controlling corporation. Where residual Scope 1 emissions are offset, Charter Hall will use high quality nature-based offsets.



We have progressed well with measurement of our Scope 3 emissions, critical to achieving our near-term and long-term Scope 3 emissions targets.

In line with these targets, we've increased our installed onsite solar capacity to 80MW platform-wide, actively supporting our tenant customers in reducing their emissions and achieving lower operational costs, particularly in our Industrial & Logistics assets.

We are proud to maintain Australia's largest footprint of independently green rated assets, with over 7.1 million sqm of assets with Green Star Performance ratings, which has driven operational performance and improvements for the benefit of both our tenant and investor customers.

We continue to advance the Sustainable Development Goals as part of our commitment to the United Nations Global Compact and embed its principles in our strategy and culture.

We remain focused on building resilience in our assets to support customers through resource efficiency, carbon emission reduction and the integration of physical and transitional risks and opportunities of a changing climate to ensure we deliver long-term value.

Left from top to bottom:
PIF Haven House
volunteering - tackling
youth homelessness

201 Elizabeth Street
Sydney NSW 2000
Gadigal land

Partnering on issues that matter

Our social partnerships and community investment continued to be focused where we can make the most difference.

As the first Australian property company to align with Pledge 1%, we've continued to partner within the community to have an enduring impact, with \$1.4 million directly invested in two key areas: unlocking employment and learning pathways for vulnerable young Australians; and delivering long-term support and capabilities to communities impacted by hardship. In FY24, these partnerships drove 222 employment outcomes in the year for vulnerable Australians.

We have also formalised long-term partnerships with the Australian Red Cross and the Foundation for Rural and Regional Renewal (FRRR) – our partners in disaster relief, recovery and resilience building. Our support of the Australian Red Cross will fund the recruitment, training and mentorship of an additional 130 Red Cross emergency services volunteers each year. With FRRR, we have co-designed and launched a \$250k grant program to support communities with the resources to build and rebuild strong foundations.

We have also reached a record level of volunteering hours, with 80% of our people volunteering 3,766 hours of time, which we are extremely proud of.

Serving customers and securityholders

A core responsibility of the Board is providing clear governance and oversight to assist management in continuing to deliver against the Group's strategy and entrench ethics in all actions. We will continue to serve you in this way.

Our Board is comprised of a majority of independent directors, in line with best practice. This composition provides us with the right mix of talent and skills with which to guide strategy and provide a strong overall contribution to the success of the Group.

I encourage all our securityholders to review the Directors' Report on page 44 to understand more about the Board.

Looking forward

We will continue to carefully manage our cost base and strategically invest and deploy capital as we progress through FY25, looking for growth opportunities as they present themselves.

We continue to have an unwavering focus on customer, characterised by continuous listening and co-creating solutions that deliver long-term, sustainable growth, while leveraging our talented workforce, best-in-class partners and carefully curated portfolios to drive continued resilience.

With decades of experience in navigating property cycles and driving strategic growth, we will continue to create value and generate superior returns for securityholders, using our combined expertise to access, deploy, manage and invest.

On behalf of the Board, I would like to thank our tenant customers, investors and securityholders for your ongoing support. I extend gratitude to my fellow Directors and the leadership team for your dedication, and to all our people for their efforts, as together we continue to build a sustainable business we can be proud of.

David Clarke
Chair

Managing Director & Group CEO message



Dear Securityholder

FY24 was a year of persistent market challenges, with a “higher for longer” interest rate environment and stubborn inflation having a lingering impact on the economy and property markets.

The result has been elevated interest rates that has impacted interest expense for property funds and put downward pressure on asset valuations.

Charter Hall continued to navigate these challenges, remaining focused on curating our diverse portfolio, controlling our cost base, and staying close to our customers.

Our property funds under management (FUM) is now \$65.5 billion, a decrease of 9% primarily due to devaluations, however we have also successfully divested assets to lower gearing across various funds and managed REITs.

Importantly, this continues to be offset by our ongoing deployment of capital into our pre-leased development pipeline, producing attractive new investment opportunities for our investor customers while fulfilling our tenant customers accommodation needs for modern, functional and efficient facilities.

As the impact of higher interest rates has washed through the real estate industry, lowering our FUM and limiting the deployment of new equity, we’ve been able to offset some of these affects through a strong cost discipline. Our Group EBITDA margin for the year was 79.3%, up FY19’s 74.4% margin, driven by tight cost control. Our focus has been on closely managing areas within our control and this saw us deliver earnings of 75.8 cents per security (cps), above our original guidance of earnings of approximately 75 cps.

Asset pricing appears to have stabilised across most sectors based on a significant uplift in transaction volumes across all sectors.

Strong relationships with our tenant customers

Strong relationships with our tenant customers continue to be an essential strategic focus.

We’ve continued to invest in refining our cross-sector key account team approach and upskilling our people, creating a demonstrable shift in the way we engage with our tenant customers, with the view of becoming more than a property partner – we’re a business partner.

Our success with our tenants is reflected in the high level of repeat business, with 70% of our tenant customers holding leases in more than one Charter Hall property.

Importantly, our willingness to invest in properties that unlock greater success for our tenants is pivotal to how we partner, ensuring that we achieve sustainable growth alongside our customers. This often takes the form of pre-commitments and sale and leaseback opportunities.

We also regularly ask our tenant customers for feedback, including through annual independent surveys. This year, our overall Net Promoter Score held strong at +52 despite a challenging environment for us and our customers, demonstrating the strength of our relationships throughout the cycle.



Left: Woolworths Dandenong Distribution Centre, Vic
Bunurong land

A strong foundation for future growth

Throughout the year, we have continued to actively curate sustainable and resilient portfolios that ensure operational health through all market cycles and provide a strong foundation upon which to grow. This focus on long-term performance for our investors, and our co-investment alongside them, continues to attract capital to our platform.

FY24 was quieter for deployment than prior years as investors slowed activity in the face of an uncertain interest rate environment. Despite this, we still secured \$1.6 billion of gross equity, predominantly from our wholesale partnerships. Our Platform has a long-term track record of attracting equity inflows from multiple sources, both domestically and from global investors. These equity flows helped facilitate \$4.1 billion of gross transactions for the year.

Our Industrial & Logistics business continues to focus on modernisation, delivering \$836 million of new facilities completed throughout FY24. Pleasingly, we are progressing well on our first multi-level warehouse in Sydney, Ascent on Bourke, with practical completion to occur during FY25, pre-leased to customers Schindler and Coles.

We’ve had significant industrial and logistics leasing success, leasing over 689,000sqm across 61 transactions, with a weighted average lease expiry (WALE) of 11.4 years on all transactions nationally. We enjoy 99.3% occupancy across our entire industrial and logistics portfolio, which compares to a national average of 98.1% and our total portfolio has a 9.3 year WALE. We remain well-positioned to capitalise on the accelerating demand for modern, purpose-built, highly efficient facilities, managing one of the largest logistics platforms nationally.

Our Office development activity also remains robust. FY24 saw us deliver a brand new \$400 million Australia Post head office in Melbourne at 480 Swan Street, while continuing work on our \$2.8 billion committed pipeline, predominantly focused on our iconic Chifley Square South Tower in Sydney. Chifley South achieved a pre-commitment level of 55% ahead of breaking ground, with leading Australian law firm Gilbert + Tobin joining UBS and Charter Hall Group as future occupants. Modernisation of our Office portfolios is targeted to meet the bifurcation of tenant demand we have seen play out for many years. ►



Right: Hello Fresh,
Light Horse Logistics
Hub, NSW
Darug land

We continued to also enjoy strong leasing success in our Office projects, having leased over 320,000sqm across 237 leasing transactions. Notably, our Office portfolio has maintained a strong 96% occupancy versus a national average of 84%, demonstrating the strength and depth of our relationships with our tenant customers and our ability to deliver on our tenant customers' evolving needs.

In Retail, our non-discretionary convenience retail portfolio continues to provide resilient income returns. Our \$4 billion convenience retail shopping centre portfolio has seen occupancy improve, strong releasing spreads, improved footfall and record sales densities, demonstrating its resilient and defensive nature. This has been complemented by our net-lease convenience retail platform which now exceeds \$6.5 billion, enjoying strong rental growth from its CPI-linked annual rental escalations and capex efficient nature.

Similarly, the essential service thematic embedded in our Social Infrastructure portfolio and the importance of these assets to the community and the economy means such assets have delivered resilience and liquidity despite challenging conditions. The low correlation these assets have to the broader economic cycle continues to make this an attractive area of deployment. We continued to see opportunities to grow in this space and further our position as a market leading social infrastructure partner.

Our development capex continued to make a meaningful contribution to our FUM and portfolio curation across our core sectors of Industrial and Logistics, Office, Retail and Social Infrastructure. Our \$1.3 billion of development completions for FY24 have added significant incremental stabilised income to our portfolios.

Our continued success in this space is a reflection of the extensive tenant customer

relationships that we have driving meaningful pre-commitments, and our ability to deliver modern investment-grade properties that add significant value through enhancing income yield and total returns for our investors.

Our property funds management portfolio is well-diversified, comprising 1,618 properties with a lettable area of 11.4 million sqm and delivering nearly \$3.3 billion in net rental income per annum.

The resilience built into our platform has been strategic and achieved over time, through considered portfolio curation and diversification. This includes our triple net leases, which comprise 23% of our portfolio, meaning the tenant pays all outgoings including structural repairs and maintenance. Similarly, we have made a conscious effort to build portfolios that are positioned to benefit from rising inflation, with 22% of all leases having inflation-linked annual rent escalations, providing direct inflation hedging.

Our property funds management portfolio is well-diversified. Group WALE remains strong at 8.1 years and the weighted average capitalisation rate is 5.5%, reflecting the low risk profile and high-quality assets in our funds and partnerships.

Defensive and diversified Property Investment portfolio

With \$2.8 billion co-invested in our funds, our Property Investment portfolio provides a strong alignment of interest with our investor customers, while also ensuring that securityholders benefit from our property expertise. These earnings are characterised by the high quality of our tenants, the diversity of sectors, and the lack of concentration risk.

Occupancy remains strong at 97.4%, and the Property Investment portfolio WALE remains a healthy 7.2 years. Our weighted average rent review is attractive at 3.4%, boosted by our exposure to CPI-linked leases. The Group's Property Investment portfolio is a very defensive, well diversified, core investment portfolio.

Our people are our greatest asset

Our people are what drive our success, along with the Executives and Non-Executive Directors that represent investors on our various Boards of listed and unlisted funds. It is the breadth of experience and unmatched talent within our sector-diverse business that enables us to consistently deliver for our customers.

Our culture has long been one of our key strengths. I'm proud and inspired by the way our people continue to respond dynamically to the challenges we face. This culture is reflected in our employee engagement.

For FY24, our engagement score held strong at 89% – nine points above the Australian norm – with 90% of our people saying that Charter Hall is a great place to work.

Diversity and inclusion continues to be a priority, and this is having a positive impact on our people. This year, 95% of our people said they feel they can be themselves at work, with an overall well-being score of 86%, ten points above the high-performing norm and 17 points above the Australian norm. We continue to actively seek talented people from a wide range of experiences, backgrounds and perspectives, celebrate diversity and provide a sense of belonging for all our people.

Long-term performance

Financially, we continue to be disciplined and self-funded from a growth perspective via a consistent 6% per annum distribution growth policy that has facilitated cash retention to fund a FY24 payout ratio of circa 59%.

Our growth in earnings comes after-tax. On a post-tax basis, we delivered 11.6% OEPS compound annual growth rate (CAGR) annually over the last ten years. Tax paid earnings also deliver valuable franking credits for our securityholders. Grossed-up for franking credits, securityholders received distributions worth 58.2 cps for FY24. The quantum of franking credits delivered by Charter Hall to securityholders makes us unique in the Australian real estate investment trust sector.

Outlook and guidance

Based on no material adverse change in current market conditions, FY25 guidance is for post-tax OEPS of approximately 79 cents. FY25 distribution per security guidance is for 6% growth over FY24.

On behalf of the Executive Committee, thank you to all our people for your hard work this year. I would also like to thank the Group Board for their continued strategic guidance along with the Independent Directors of our Fund Boards.

Our approach to partnership and focus on customer underpins the strength of our long-term outlook. We will continue to deepen our existing relationships and establish new ones, driving value to create an enduring impact for our customers, our communities, and our people.

We are proud of what has been achieved over more than three decades and continue to look beyond the horizon, as we set the foundation for our next growth phase. Finally, thank you to all our investors and tenants for continuing to be part of our Charter Hall Group community.

David Harrison
Managing Director & Group CEO

Capital sources

From the properties we invest in, to the way we source and deploy capital, diversification is central to our success. This informs our portfolio curation strategy and investment options, which attract a wide range of investors, including wholesale, institutional and retail.



60 King William Street
Adelaide SA
Burramattagal land

Wholesale pooled and partnerships	Listed	Direct
FUM		
\$44.7 _{bn}	\$12.0 _{bn}	\$8.8 _{bn}
Occupancy		
97.3%	99.3%	98.9%
Capitalisation rate		
5.3%	5.5%	5.9%
Gearing ¹		
35.5%	29.4% ²	39.4% ⁴
WALE		
7.9 _{yrs}	9.6 _{yrs}	7.2 _{yrs}
CHC investment		
\$1.7 _{bn}	\$0.7 _{bn} ³	\$0.3 _{bn}
1. Gearing has been adjusted for any contracted divestments post June 2024.	2. Reflects aggregate balance sheet gearing of all listed REITs. 3. Held at accounting value not market value.	4. Direct gearing includes both Charter Hall and Folkestone Direct Funds and adjusted for contracted divestments post June 2024.

Industrial & Logistics

\$25.1bn
Total FUM

\$6.3bn
Development pipeline

9.3yrs
WALE

340
Properties

5.3%
Capitalisation rate

66

With one of the largest national portfolios and land banks in the sector, this year we've continued to identify opportunities to deepen our tenant customer relationships.

This includes our multi-billion dollar development pipeline, delivering new facilities to meet the accelerating demand for modern, purpose-built and highly efficient warehouses. In Sydney, we progressed our first multi-level warehouse, Ascent on Bourke, which is set to reach practical completion later this year. We were also pleased to announce our partnership with Western Sydney International Airport, delivering the first stage of its Business Precinct through a 50/50 joint venture.

We continue to work closely with our tenant customers to increase the productivity, sustainability and supply chain resilience of their operations, while creating strong returns for our investors. Accelerating digitalisation of the global economy means Charter Hall is well placed with our large industrial footprint and landbank in highly sought after data centre availability zones."

Richard Stacker
Industrial & Logistics CEO



Light Horse Logistics Hub, NSW
Darug land



Net Lease Retail

\$6.7_{bn}

Total FUM

5.0%

Capitalisation
rate

11.6_{yrs}

WALE

746

Properties

“

The strength of our underlying portfolio of long WALE assets continues to deliver strong, consistent rental growth thanks to the blend of CPI-linked and fixed annual rental increases.

Our portfolio is further bolstered by our focus on strong tenant covenants, active management and portfolio curation, which has enabled us to navigate the property cycle despite a negative impact to earnings as a result of the higher-for-longer interest rate environment.

Importantly, we continue to manage our portfolio with a focus on long-term performance, and the robustness of our portfolio continues to provide a strong foundation for future growth.”

Avi Anger
Diversified CEO

Shopping Centre Retail

\$4.0bn
Total FUM

6.0%
Capitalisation rate

4.6yrs
WALE

48
Properties

66

Our long-term and deep relationships with some of Australia's best-known brands has enabled us to become Australia's leading owner and manager of convenience retail property, providing investors with a highly defensive and resilient income stream, throughout the property cycle.

This year, we focused on recycling capital out of smaller, non-core assets into larger-scale and well-located assets, such as our acquisition of Eastgate Bondi Junction as well as unlocking the low site coverage of our properties to create further value and grow income through our pad site development program."

Ben Ellis
Retail CEO and Fund Manager, Charter Hall Retail REIT (CQR)



Eastgate, Bondi Junction NSW
Bidjigal and Gadigal land



Office

\$25.1bn
Total FUM

\$6.2bn
Development
pipeline

6.3yrs
WALE

88
Properties

5.8%
Capitalisation
rate

66

Our modern portfolio of Office assets continues to perform well in the face of a challenging market, thanks to our focus on best-in-class, amenity-rich and sustainable precincts, in line with the needs of our customers.

We’ve maintained a strong 96% occupancy versus a national average of 84%, demonstrating the strength and depth of our relationships with our tenant customers and our ability to deliver on their evolving needs.

We continue to closely partner with our customers to understand their long-term ambitions. This is reflected in our \$6.2 billion Office pipeline, which includes our Chifley South development, where we achieved a 55% pre-commitment level prior to construction commencing this year.”

Carmel Hourigan
Office CEO

Social Infrastructure

\$3.9bn
Total FUM

5.2%
Capitalisation rate

12.6yrs
WALE

398
Properties

66

We provide investors with secure income and capital growth through exposure to social infrastructure properties and support communities with essential services. Our diversified portfolio has strong covenants and long WALEs to tenant customers including government and Goodstart Early Learning.

The essential service thematic embedded in our portfolio and the roles these assets play in the community and the economy have delivered resilience for our customers, as well as strong liquidity of assets for portfolio curation. We continue to see opportunities to grow in this space and further our position as a market leading social infrastructure partner.”

Travis Butcher
Fund Manager, Charter Hall Social Infrastructure REIT (CQE)



Only About Children
Camberwell Vic
Wurundjeri land



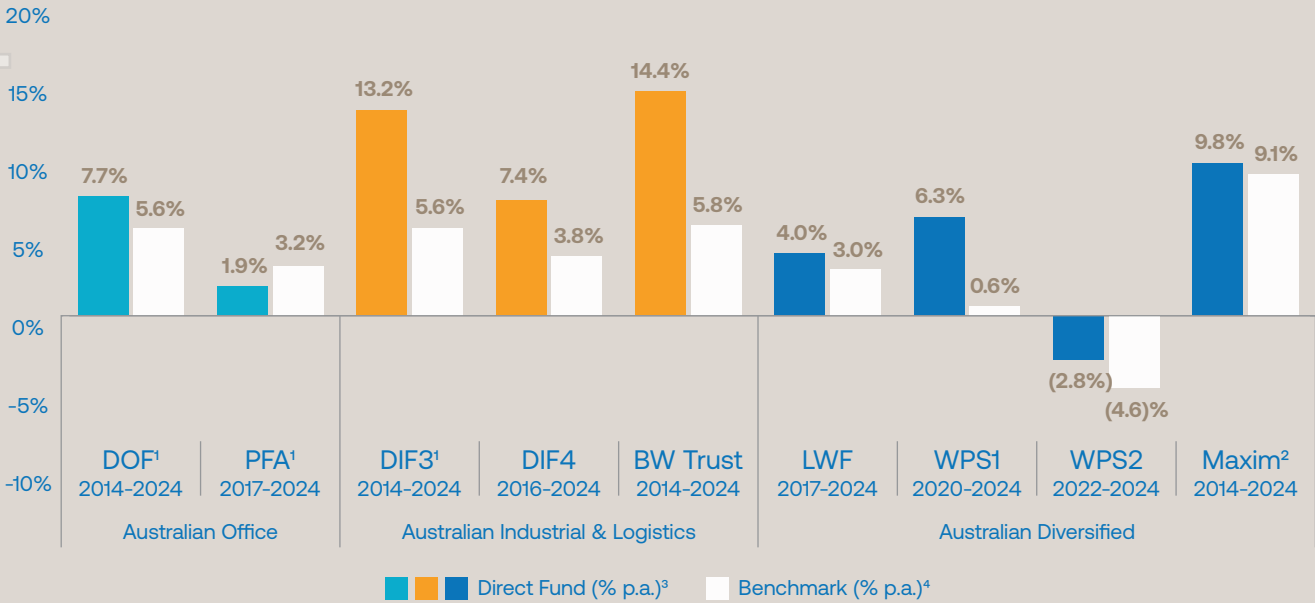
Direct

Charter Hall Direct has a strong track record managing unlisted property funds for more than 25 years.

The breadth and depth of expertise across the Charter Hall platform, coupled with our focus on high quality, well-located assets have enabled us to navigate the property cycle while continuing to provide our investors with regular distributions and investment performance over the long-term. Importantly, we’re well-positioned for growth once the cycle turns and to provide our investors with a range of high quality, long-term investment options.”

Steve Bennett
Direct CEO

Direct funds net return since inception



The Direct funds have a strong track record of outperformance.

1. Returns refer to the following unit classes; DIF3 – Wholesale, PFA – Ordinary and DOF – Wholesale A.
2. Benchmark refers to S&P/ASX 300 A-REIT Accumulation Index. Charter Hall Maxim Property Securities Fund and Benchmark Index returns series as at June 2024, over the past 10-year return period. Past performance is not a reliable indicator of future performance.
3. DOF, DIF3, DIF4, LWF – returns assume Bonus Units or Entitlement Offer as per respective PDS.
4. Benchmark refers to the headline MSCI/IPD Unlisted Core Wholesale Property Fund Index returns series as at June 2024, since the respective fund inception dates. Years shown are indicative of inception year to 30 June 2024, though returns are as at exact inception date. Past performance is not a reliable indicator of future performance.

Sustainability

Our approach to sustainability is practical, platform-wide and integrated into how the Group does business, delivering value for our stakeholders. To ensure our approach is current and fully informed, our review of our material issues includes research into pivotal global shifts, as well as emerging ESG issues, stakeholder interests, thought leadership and peer reporting in the real estate and construction sectors.

The Group's Sustainability Framework focuses our efforts on where we can generate the greatest value and make the most difference over the long-term. Our purpose and values guide how we deliver on the full range of economic, environmental, and social impacts that we promise.

Achievements in FY24

Powered by clean energy

80MW of onsite solar installed to date, with >77% directly supplying our tenants. >80% of our grid-supplied electricity from renewable sources¹.

71% reduction in carbon emissions

(Scope 1 and 2)² against FY17 baseline, with an 8% reduction achieved through nature-based carbon offsets.

Support for disaster and hardship

Invested over \$1.4m to support communities with resources to build and rebuild strong foundations.

ESG leadership and performance

15 Charter Hall funds scored in the top 20% of GRESB, with three Funds recognised as leaders in their peer group.

Partnering in our supply chain

Over \$2.6m in procurement spend with social enterprise and First Nations businesses.

Australia's largest independently rated green space

~7.1m sqm of Green Star Performance rated space².

89% employee engagement

Nine points above the high-performing industry norm.

\$6.4bn sustainable finance transactions to date

Increased by \$3bn in the period covering approximately ~21% of all platform facilities.

Our strategic pillars align with the United Nations Sustainable Development Goals and enable us to:

Cultivate

deep, trusted relationships with stakeholders and high-performing talent.

Respond

to the challenges and consequences of a warming climate through rethinking how we use resources and prioritising the protection and restoration of nature.

Drive

lasting change through partnerships that deliver learning and employment opportunities for vulnerable young Australians and support communities impacted by natural disaster and hardship through strong communities, healthy places and pathways to prosperity.

Deliver

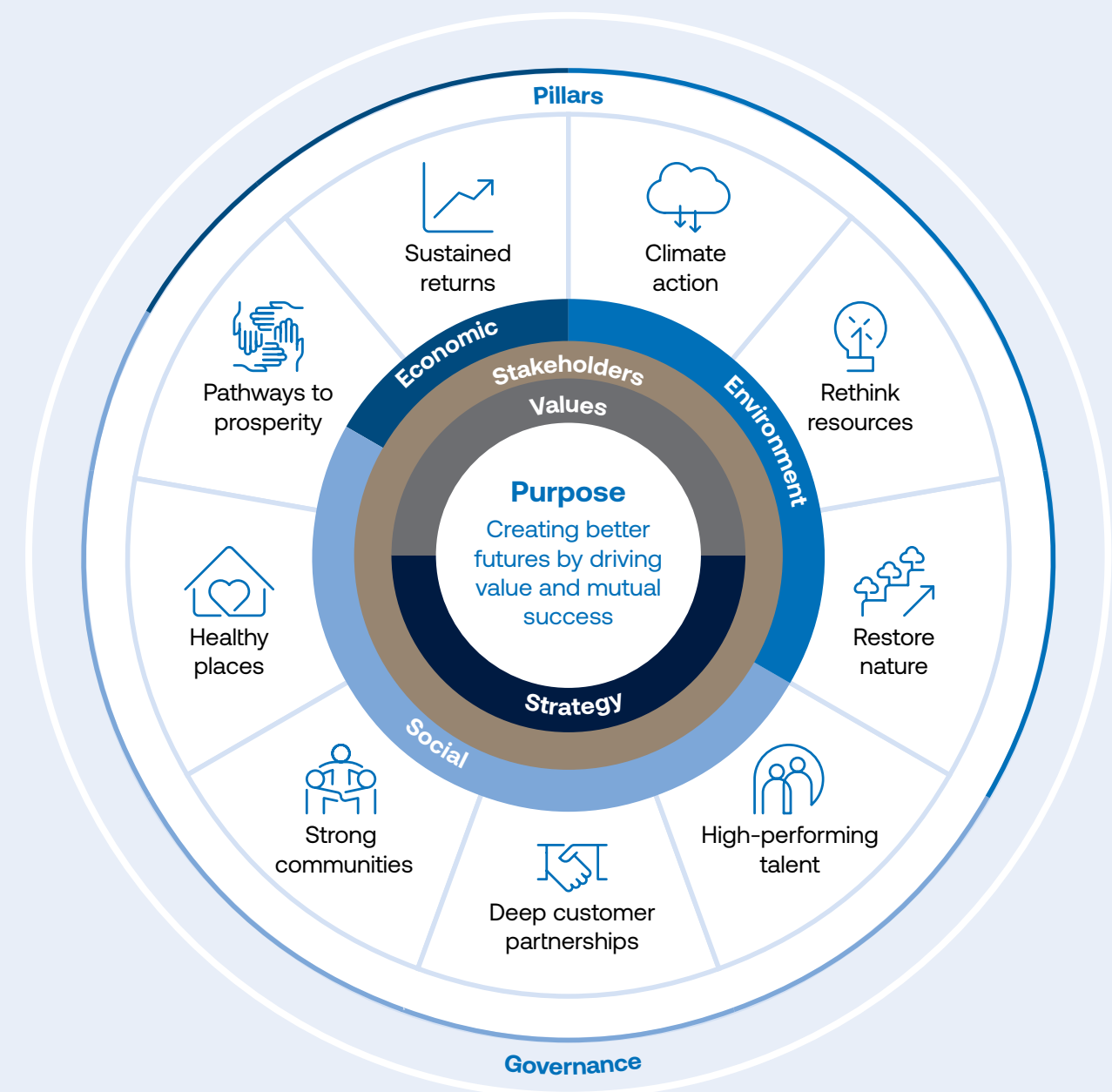
long-term value and mutual success for our investors, customers and communities.

→ 2024 Sustainability Report

More information provided in our 2024 Sustainability Report.

1. For assets in operational control reported under Scope 2 emissions.
2. Our Net Zero target applies to Scope 1 and Scope 2 emissions for existing assets that fall under the operational control of responsible entities for which Charter Hall Limited is the controlling corporation. Where residual Scope 1 emissions are offset, Charter Hall will use high quality nature-based offsets.

Sustainability Framework



Progress against our sustainability targets

Strategic pillar	FY24 performance	Looking forward
Climate action		
Scope 1 and 2 carbon emissions	– 71% reduction in carbon emissions (Scope 1 and 2) ¹ against FY17 baseline	– Net Zero emissions by 2025 (Scope 1 and 2) ¹
Clean energy	– 81% renewable electricity supplied to our assets, underpinned by long-term PPA ²	– 100% electricity supplied from renewable sources by 2025 for assets in operational control
	– 80MW of onsite solar installed Group-wide, ³ an uplift of 23% since FY23	– An additional 11MW of solar committed or planned during FY25
Scope 3 emission target	– 77% of the onsite solar across the Group supplies tenants with clean energy, reducing our downstream Scope 3 emissions	– Over 50% reduction in emissions per square meter of lettable area in our leased assets by 2030 (Cat 13) ⁴ , against the baseline year
Energy performance	– Maintained 5.1 star NABERS Energy rating for Office portfolio, covering 100% of eligible assets, ² an uplift of 0.1 star	– Target 5.5 star NABERS Energy for Office portfolio by 2025
	– Maintained 5.1 star NABERS Energy rating for Shopping Centre Retail portfolio, covering 80% of eligible assets ²	– Maintain NABERS Energy for Shopping Centre Retail portfolio
Benchmarking performance	– Australia’s largest footprint of independently rated green space	– Maintain Green Star Performance rating, while transitioning to the updated rating tool
	– ~7.1m sqm of Green Star Performance rated space across the country for our Office, Retail and Industrial & Logistics sectors	
	– 5.0 star Green Star Performance for Office portfolio, covering 93% of eligible assets ²	
	– 3.0 star Green Star Performance for Retail portfolio, covering 100% of eligible assets ²	
	– 2.0 star Green Star Performance for Industrial & Logistics portfolio, covering 71% of eligible assets ²	

1. Our Net Zero target applies to Scope 1 and Scope 2 emissions for existing assets that fall under the operational control of responsible entities for which Charter Hall Limited is the controlling corporation. Where residual Scope 1 emissions are offset, Charter Hall will use high quality nature-based offsets.

2. Eligible assets in operational control.

3. Measure of total solar installed within the portfolio,. Includes a mix of solar directly installed by Charter Hall or acquired during acquisition.

4. Target is to be achieved without carbon offsets, and the boundary includes energy use equipment in the lease that is landlord responsibility. Target reflects current business activity and plan. Charter Hall will monitor emerging reporting frameworks, reserving the right to change the target in the future.

Strategic pillar	FY24 performance	Looking forward
Rethink resources		
Operational waste	– 52% of operational waste diverted from landfill for Office portfolio, a 19% improvement from last year – 40% operational waste diverted from landfill for Shopping Centre Retail portfolio, a 1% improvement from last year	– 75% diversion target from landfill by 2030 for Retail Shopping Centre portfolio portfolios where Charter Hall manages waste
Align to circular economy	– Circular Economy Framework adopted	– Implementation of our circular economy framework
Restore nature		
Potable water consumption	– 518kL/sqm water intensity, up 10% from last year as a result of higher occupancy in our assets	– Improve understanding of water consumption through submetering
Water performance	– 4.5 star NABERS Water for Office portfolio, covering 96% of eligible assets², a decrease of 0.2 star – 4.1 star NABERS Water for Shopping Centre Retail portfolio, covering 70% of eligible assets², a decrease of 0.1 star	– Target 5.0 star NABERS Water for Office portfolio rating by 2025
High-performing talent		
Inclusion, diversity and equality	– 29% female participation on the CHC Board and 38% in senior management – Achieved an employee engagement of 89% and 95% employee participation rate in its Annual Engagement Survey – Received Silver status in the annual Pride in Diversity Australian Workplace Equality Index (AWEI) – Maintained Workplace Gender Equality Agency (WGEA) recognition for gender equality	– Sustain levels of engagement that align with being a global high-performing culture
Deep customer partnerships		
Customer satisfaction	– 86% tenant customer retention rate – 61% (by income) of our tenant customers hold leases in more than one Charter Hall tenancy – Our combined cross-sector NPS held steady at +52, a strong result for the third year	– Investing in centralised and connected data to deepen our understanding of customer needs

Strategic pillar	FY24 performance	Looking forward
Strong communities		
Community investment	Donated over \$1.4 million to support communities with resources to build and rebuild strong foundations	Continue to co-create initiatives that make a genuine long-term impact for our communities
First Nations	Released our Innovate RAP, which focusses our efforts on empowering First Nations people to drive their own economic future	
Health and well-being		
Healthy buildings	Achieved 5 stars or above NABERS Indoor Environment on more than 1m sqm, representing 36 Office assets. Maintained WELL Health Safety rating for 56 Office assets covering over 1.4m sqm	Continue to improve the indoor environment for our tenants, benchmarked through NABERS Indoor Environment, WELL Health Safety and WELL at Scale
Workforce health and safety	Lost Time Injury Frequency Rate (LTIFR) = 3.4. includes employees and contractor	
Pathways to prosperity		
Create employment opportunities	222 youth employment outcomes generated	Achieve 400 employment outcomes for vulnerable young Australians by 2025 and 1,200 by 2030
Employee volunteering	Provided 3,766 hours of employee volunteering, which equates to \$315k, up 11% from last year	Volunteer 6,000 hours in the community by FY25
Social procurement	Procured over \$2.6m with social enterprises and First Nations businesses	Continue to partner to create enduring impact
Sustained returns		
Sustainable finance	Provided \$6.4bn of sustainable finance transactions, up \$3bn since FY23 and comprising ~22% of total debt	Leverage approach to ESG to support future sustainable financing opportunities
Governance		
Transparency and disclosure	15 out of 29 Charter Hall funds scored in the top 20% of GRESB, with three funds recognised as peer group leaders - Maintained Australia’s largest Green Star Performance certified portfolio - Published our fourth Modern Slavery Statement	Actively monitor progress of International Sustainability Standards Board and future integration of environmental and financial metrics

Climate-related disclosure

We are actively aligning our climate action approach to the requirements of the draft Australian Sustainability Reporting Standards and maturing our understanding of the impacts of climate-related risks and opportunities on our financial position, financial performance and cashflows.

Governance

Charter Hall’s Board has ultimate responsibility for our sustainability strategy, policies, and the oversight of our climate-related risks and opportunities within the business. They are supported by the Audit Risk and Compliance Committee (‘ARCC’), which receives quarterly updates from the Executive Committee on sustainability issues and initiatives.

Responsibility for the oversight of climate-related risks and opportunities is outlined in the ARCC charter, as part of the committee’s responsibility to review the Group’s Risk Management Framework and Risk Register, where the Group’s key strategic and operational risks and mitigants for those risks are recorded.

The Managing Director & Group CEO has responsibility for the day-to-day management and strategic direction of the business, as well as fostering an environment that supports embedding ESG into business strategy. The Executive Committee have strategic oversight of ESG strategy, target setting, monitoring and implementation. Our ESG Committee makes recommendations on targets, and focuses on the platform-wide alignment and the implementation of our ESG strategy and initiatives

We have ESG Performance metrics included in short term incentives for Non-Executive Directors, Managing Director and Executives. In FY24 these included measures related to progress on decarbonisation, including working towards our carbon targets and increasing our solar installed. These measures are cascaded across our management teams including Fund Managers, Asset Managers and Development Managers through our balanced scorecard approach.

Strategy

Charter Hall has a longstanding commitment to delivering meaningful action on climate change. Our strategy to meet our Net Zero carbon emission goals and strengthen the resilience of our assets to climate-related impacts is:

- Achieve highly energy efficient portfolio powered by clean energy;
- Partner with our customers and suppliers to reduce emissions in our value chain;
- Improve the adaptive capacity of our portfolio to climate-related impacts;
- Support communities with both immediate relief and long term recovery from natural disasters;
- Collaborate toward Net Zero and climate resilience.

Risk Management

In FY24, we undertook a series of climate-related risk and opportunity workshops with Senior Leaders from across the business to reassess our climate-related risks and opportunities across our three future climate scenarios between now and 2050. The workshops identified the following climate-related exposures:

- Adapting products and services;
- Access to capital;
- Partnerships to support transition;
- Resource availability;
- Supply chain;
- Policy and regulation;
- Physical impacts to assets.

To assess the physical exposure of stabilised assets, new developments, and new acquisitions, Charter Hall utilises downscaled, location-specific climate data to assess the likelihood of acute and physical impacts. We have utilised an RCP8.5 future climate scenario to undertake physical risk assessments, using 2050 outcomes, as a ‘worst case’ future scenario. We are currently evaluating inherent risk with consideration for building attributes in line with our Risk Management Framework. We have identified a range of adaptation measures to further reduce risk that will be incorporated into strategic asset plans.

In FY25, we aim to further understand the effect of our climate-related risk and opportunities on our business model, strategy and value chain.

Metrics and Targets

Net Zero carbon by 2025¹

- 71% reduction in absolute Scope 1 and Scope 2 emissions supported by our approach to renewables, as well as execution of our nature-based offset strategy¹

100% renewable electricity by 2025²

- 81% renewable electricity supplied to assets in operational control

>50% reduction in tenant-related emissions intensity by 2030³

- Improved our measurement approach and sought third party assurance on our FY22 baseline

Climate scenarios

We understand that there are global uncertainties which relate to emissions pathways, pace of policy implementation, changing demographics, supply chain impacts and resource availability, as well as the effectiveness of technology and pace of investment. We have adopted climate scenarios to test the resilience of our business to these uncertainties.

In FY22, we developed our climate scenarios, and during FY24 we commenced testing the resilience of our business strategy and model using the climate scenarios. The scenarios have been informed by qualitative and quantitative inputs from a range of sources including Intergovernmental Panel on Climate Change, Network for Greening the Financial System and International Energy Agency.

Each of these scenarios are centred around specific societal pressures led by demand, supply or market drivers respectively, and use quantitative and qualitative projections of socioeconomic drivers including population, GDP and urbanisation to model energy use, air pollution, land use and greenhouse gas emissions.

Our scenarios have been created to test future climate related risks and opportunities for the Group.

1. Our Net Zero target applies to Scope 1 and Scope 2 emissions for existing assets that fall under the operational control of responsible entities for which Charter Hall Limited is the controlling corporation. Where residual Scope 1 emissions are offset, Charter Hall will use high quality nature-based offsets.
2. Eligible assets in operational control.
3. Applies to emission from energy using equipment in the lease that is landlord responsibility, against FY22 baseline year.



Scenario

Equitable Well-being

Societal action increases global technology adoption and policy effectiveness, therefore reducing global warming beyond current forecasts. This scenario tests demand side enablers of rapid decarbonisation driven by a unified desire to create equitable well-being for all.

- Degree warming potential 2.5°C, or assuming extreme mitigation efforts are in place, an opportunity to achieve a 1.5°C outcome
- SSP2 shifting towards SSP1
- RCP4.5 to RCP2.6

Key indicators

- Demand-side drivers
- Population peaks at 8.5 billion in 2050
- No net deforestation by 2050
- Sea level rise 0.5 metres by 2100
- Net Zero emissions by 2080

Technology and Policy Effectiveness

Socioeconomic trends rely on technology and policy effectiveness to limit global warming. This scenario is “middle of the road” and tests the effectiveness of technology and policy response to decarbonising a growing economy.

- Degree warming potential 3.0°C, or assuming extreme mitigation efforts are in place, below 2.0°C outcome
- SSP2
- RCP6.0 to RCP2.6

- Market-led drivers
- Population stable at 9.2 billion by 2050
- One percent net forest loss by 2050
- Sea level rise 0.6 metres by 2100
- Net Zero emissions after 2100

Regional Rivalry

This scenario is likely to see a breakdown in international policy collaboration and investment in clean technology. This scenario tests supply side challenges to global decarbonisation which are expected to occur from increased physical climate change impacts. Climate impacts create increased regional rivalry and resource protectionism.

- Degree warming potential 3.5°C, or assuming extreme mitigation efforts are in place, an opportunity to achieve a 2.5°C outcome
- SSP2 shifting towards SSP3
- RCP7.0 to RCP3.4

- Supply-side drivers
- Population 10 billion in 2050
- 4 percent net forest loss by 2050
- Sea level rise 0.7 metres by 2100
- Doubling of emissions by 2100

Leadership

Board of Directors



From Left:
Greg Paramor AO Independent Non-Executive Director
Jacqueline Chow FAICD Independent Non-Executive Director
David Clarke Chair/Independent Non-Executive Director
David Harrison Managing Director & Group CEO
Karen Moses Independent Non-Executive Director
Stephen Conry AM Independent Non-Executive Director
David Ross Independent Non-Executive Director

See pages 51-52
for information on the Directors.

Management



From Left:
Anastasia Clarke Chief Financial Officer
Richard Stacker Industrial & Logistics CEO
Steve Bennett Direct CEO
Natalie Devlin Chief Experience Officer
David Harrison Managing Director & Group CEO
Ben Ellis Retail CEO
Carmel Hourigan Office CEO
Sean McMahon Chief Investment Officer
Avi Anger Diversified CEO

David Harrison
**Managing Director &
Group CEO**

*BBus (Land Economics), FAPI,
GradDip Applied Finance*
See page 52.

Richard Stacker
Industrial & Logistics CEO

BBA (Accounting and Finance)
Richard has over 30 years of experience in real estate funds management, real estate finance, accounting and risk management.

With experience across all our sectors, Richard brings broad insights and perspective to his role as Industrial & Logistics CEO, having led the establishment, structuring, funding and management of new funds, and overseeing the transactional, development, asset and property management.

Driven by an ethos of creating better futures, Richard believes Charter Hall’s willingness to partner with tenants and investors across sectors is a key differentiator. He is focused on ensuring our funds remain resilient through cycles, unlocking greater financial success for our investors and partners, while delivering best-in-class solutions to tenants for the long-term. This has been demonstrated throughout Richard’s long career with Charter Hall, having previously held other senior leadership roles, including Head of Global Investor Relations and prior to that, Direct CEO.

Richard serves as a Board member for Charter Hall’s largest Wholesale Industrial Fund as well as other Charter Hall entities. Richard has spent many years representing Charter Hall on the Board of Advisers for the Property Industry Foundation. He is a member of the Institute of Chartered Accountants in Australia.

Before joining Charter Hall, Richard held the roles of Division Director of Macquarie Group and CEO of Macquarie Direct Property Management Limited, General Manager with Lendlease Corporation, and senior manager with PricewaterhouseCoopers.

Steve Bennett
Direct CEO

BBA, CA, GAICD

Steve is CEO of the Direct property business within Charter Hall. In addition to overseeing approximately \$9 billion of assets on behalf of self-managed super funds, family offices, high-net-worth and direct investors, Steve manages a team of property and funds management professionals who are responsible for unlisted property funds across all the core real estate sectors. His day-to-day responsibility includes overseeing asset management and tenancy services, managing the financial structure of the funds, stakeholder communications and raising new equity capital.

Steve is a past President of the Australian Property Funds Association and is currently the Vice-President of the PCA NSW Divisional Council.

Prior to joining Charter Hall, Steve worked for Macquarie Bank in Sydney and London. Steve has over 23 years’ of experience in funds management, banking, property, accounting and consultancy and is a member of the Institute of Chartered Accountants in Australia and New Zealand. Steve is a graduate of the Australian Institute of Company Directors.

Natalie Devlin
Chief Experience Officer

BA, Postgrad Dip in MR Management

Natalie has over 20 years’ of experience across Asia Pacific, leading and implementing organisational development and transformational change. In over 10 years at Charter Hall, she has focused on bringing to life its unique market proposition, built upon a philosophy of “better futures and mutual success” for customers, employees and communities. Using the levers of capability, brand, culture and workplace, Natalie is integral to how we scale and transform the Group, driving cross-sector connectivity and ensuring we retain our inventive spirit as we grow. She has driven the Group’s environmental, social and governance strategy,

including its ongoing commitment to creating strong local communities and tangible outcomes for vulnerable young Australians using the Pledge 1% framework.

Passionate about continuous improvement, Natalie’s previous roles include Head of People and Development at Valad Property Group, where she established the human resources function during its rapid growth period, and Head of HR, Asia Pacific for a multinational publishing company, where she transformed its operating model.

Natalie represents Charter Hall on the National and NSW Board of Advisors for the Property Industry Foundation, and is a member of Chief Executive Women and IWF Australia.

Ben Ellis
Retail CEO

BAS (Property Economics)

Ben brings more than 25 years’ experience in the property market, and with that, a deep knowledge of Charter Hall’s business.

As Fund Manager of the Charter Hall Retail REIT and Charter Hall’s Retail CEO, Ben is responsible for all management aspects of the Retail Funds Management platform to deliver value creation within the retail portfolio and optimise returns for our investors. Ben’s focus on delivering mutual success for our customers has remained consistent throughout his dynamic 22-year career with Charter Hall.

Ben is driven by his passion to foster strong and sustainable relationships that add value for investor customers, tenant customers, partners and communities. Under his leadership, the Retail sector has been recognised for its innovative spirit, with the development of two significant technologies – Autom8 and Lease Easy – that have transformed the way Retail does business for our people and for our customers.

Prior to becoming the Retail CEO, Ben held several roles with Charter Hall including Head of Retail Wholesale and Head of Capital Transactions, overseeing more than \$25 billion of gross transactions across all sectors.

Carmel Hourigan
Office CEO

*BBus (Land Economics),
GradDip Finance and Investment*

Carmel brings 30 years’ experience in the real estate investment industry, spanning key senior leadership positions and roles in funds management across public and private markets, investment, research and advisory services.

As Office CEO, Carmel is responsible for driving the office business’ strategic growth, including funds management, portfolio curation, capital raising and equity flows.

Carmel’s previous roles include the Global Head of Real Estate at AMP Capital, CIO at GPT Group and Head of Investment Management at Lendlease.

Carmel has served as a Director of the Property Council of Australia for 9 years, including Vice President. Carmel currently serves as a member of the Property Champions of Change group. Carmel is also a former member of the Trustee Board and Deputy Chancellor of Western Sydney University.

Sean McMahon
Chief Investment Officer

BBus (Property)

Sean has over 30 years of property and investment banking experience in the real estate sector and is active in the listed, wholesale and direct capital markets.

As Chief Investment Officer, Sean is responsible for the Group’s strategy and balance sheet investments, mergers and acquisitions, with oversight for multi-sector disciplines including property transactions and corporate development. He brings a wealth of experience across investment markets, diversified across office, industrial and retail sectors, and has been responsible for driving the development of corporate strategies, capital allocation and reinvestment programs.

Prior to joining Charter Hall, Sean worked at national diversified property group Australand (now Frasers) as Chief Investment Officer and was previously responsible for investment and development for all commercial, industrial and retail property.

Prior to Frasers, Sean spent seven years at Macquarie Bank as a senior executive in the Property Investment Banking division undertaking property finance, structured finance, funds management and joint venture transactions.

Anastasia Clarke
Chief Financial Officer

FCA, FCPA, B.Acc

Anastasia brings over 30 years’ experience in the real estate industry across finance, risk management, funds management, asset management, development, and construction.

As the Chief Financial Officer at Charter Hall, Anastasia is responsible for overseeing all Finance functions, leading a team of over 180 dedicated individuals who ensure the ongoing resilience of our business.

Anastasia strongly believes in collaboration, innovation, and continuous learning, fostering a supportive workplace environment that focuses on growth, creativity, and mutual support.

Anastasia has previously served as the Chief Financial Officer at GPT Group, New City, and as the Head of Finance and Group Treasurer at Dexus.

Anastasia is a member of Chief Executive Women (CEW) and has previously served as the Board Director of the Property Council of Australia and Audit & Risk Board Committee at Western Sydney University.

Avi Anger
Diversified CEO

BCom, MCom

Avi has over 20 years’ experience in real estate funds management, corporate finance and accounting.

As CEO of Charter Hall’s Diversified funds business, Avi is responsible for a team of property and funds management professionals managing approximately \$11 billion of assets on behalf of wholesale and listed investors.

Avi joined Charter Hall in 2003 and has played an integral role in delivering the strong growth of Charter Hall’s funds management business. Prior to his current role, Avi was Head of Transactions and Advisory and was responsible for all property transactions of the Group and its managed funds.

During his time at Charter Hall, Avi has been involved in the creation of new funds and partnerships for the Group as well as maintaining and developing relationships with new and existing investor customers. Notably, Avi led the establishment and listing of the Charter Hall Long WALE REIT (ASX:CLW) in 2016 and continues to lead CLW as Fund Manager.

Avi is currently Chair of Property Council of Australia Capital Markets Global Investment Committee and Member of the Property Council of Australia Capital Markets Division Council.

Prior to joining Charter Hall, Avi worked for Ernst & Young Corporate Finance and Terrace Tower Group. Avi holds a Bachelor of Commerce and a Master of Commerce from the University of New South Wales.

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Directors' Report and Financial Report

For the year ended 30 June 2024

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Directors' Report

The Directors of Charter Hall Limited and the Directors of Charter Hall Funds Management Limited, the Responsible Entity (RE) of Charter Hall Property Trust, present their report together with the consolidated financial report of the Charter Hall Group (Group or CHC) and the consolidated financial report of the Charter Hall Property Trust Group (CHPT Group) for the year ended 30 June 2024, and the independent auditor's report thereon. The financial report of the Group comprises Charter Hall Limited (Company or CHL) and its controlled entities, which include Charter Hall Funds Management Limited as the RE of Charter Hall Property Trust (CHPT or Trust) and CHPT and its controlled entities. The financial report of the Charter Hall Property Trust Group comprises the Trust and its controlled entities.

Charter Hall Limited and Charter Hall Funds Management Limited have identical Boards of Directors. The term Board hereafter should be read as a reference to both these Boards.

The units in the Trust are 'stapled' to the shares in the Company. A stapled security comprises one Company share and one Trust unit. The stapled securities cannot be traded or dealt with separately.

Directors

The following persons were Directors of the Group during the year and up to the date of this report.

- David Clarke

– Jacqueline Chow

– Stephen Conry AM

– David Harrison

– Karen Moses

– Greg Paramor AO

– David Ross
- Chair and Independent Non-Executive Director

– Independent Non-Executive Director

– Independent Non-Executive Director

– Managing Director and Group CEO

– Independent Non-Executive Director

– Independent Non-Executive Director

– Independent Non-Executive Director

Distributions/Dividends – Charter Hall Group

Distributions/dividends paid/payable to stapled securityholders during the year were as follows:

	2024 \$'m
Final ordinary distribution of 2.30 cents and final ordinary dividend of 20.70 cents per stapled security for the six months ended 30 June 2024 payable on 30 August 2024	108.7
Interim ordinary distribution of 12.15 cents and interim ordinary dividend of 9.94 cents per stapled security for the six months ended 31 December 2023 paid on 29 February 2024	104.5
Total Distributions/Dividends paid and payable to stapled securityholders	213.2

Operating and financial review

The Group recorded a statutory loss after tax attributable to stapled securityholders for the year to 30 June 2024 of \$222.1 million compared to a profit of \$196.1 million for the year ended 30 June 2023.

Operating earnings amounted to \$358.7 million for the year to 30 June 2024, compared to \$441.2 million for the year ended 30 June 2023, a decrease of 18.7%. Operating earnings is a financial measure which represents statutory profit after tax adjusted for the items in the table below. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

	2024 \$'m	2023 \$'m
Operating earnings attributable to stapled securityholders	358.7	441.2
Net fair value movements on investments & property ¹	(461.7)	(220.7)
Net gain/(loss) on disposal of equity accounted investments ¹	(17.9)	–
Non-operating income tax benefit/(expense)	8.3	4.6
Realised and unrealised net (losses)/gains on derivatives ¹	(43.9)	(8.5)
Impairment of equity accounted investments	(48.4)	(9.1)
Performance fees expense ¹	3.6	3.0
Amortisation expense	(23.2)	(18.7)
Other ¹	2.4	4.3
Statutory profit/(loss) after tax attributable to stapled	(222.1)	196.1

¹ Includes the Group's proportionate share of non-operating items of equity accounted investments on a look through basis.

Operating and financial review continued

The 30 June 2024 financial results with comparatives are summarised as follows:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
Revenue (\$ million)	597.8	869.7	25.0	21.8
Statutory (loss)/profit after tax for stapled securityholders (\$ million)	(222.1)	196.1	(375.0)	(115.9)
Statutory earnings per stapled security (EPS) (cents)	(47.0)	41.5	(79.3)	(24.5)
Operating earnings for stapled securityholders (\$ million)	358.7	441.2	n/a	n/a
Operating earnings per stapled security (cents)	75.8	93.3	n/a	n/a
Distribution/dividend per stapled security (cents)	45.1	42.5	14.5	23.4
Property investment segment EBITDA (\$ million) ¹	271.0	248.5	n/a	n/a
Development investment segment EBITDA (\$ million) ¹	36.4	36.6	n/a	n/a
Funds management segment EBITDA (\$ million) ¹	271.6	375.4	n/a	n/a
Total assets (\$ million)	3,643.7	4,072.6	2,697.5	2,892.2
Total liabilities (\$ million)	823.1	817.4	948.2	698.4
Total net assets (\$ million)	2,820.6	3,255.2	1,749.3	2,193.8
Net assets attributable to stapled securityholders (\$ million)	2,820.6	3,255.2	1,749.3	2,193.8
Stapled securities on issue (million)	473.0	473.0	473.0	473.0
Net assets per stapled security (\$)	5.96	6.88	3.70	4.64
Net tangible assets (NTA) attributable to stapled securityholders (\$ million) ²	2,596.6	2,971.6	1,749.3	2,193.8
NTA per stapled security (\$) ²	5.49	6.28	3.70	4.64
Balance sheet gearing ³	3.0%	2.2%	n/a	n/a
Funds under management (FUM) (\$ million) ⁴	80,912.9	87,420.9	n/a	n/a
Property FUM (\$ million)	65,529.3	71,864.9	n/a	n/a

1 Segment earnings and revenue is used by the Group CEO in assessing the performance and allocating of resources to its operating segments.
2 NTA attributable to stapled securityholders and NTA per stapled security (\$) are calculated using total assets less total liabilities, net of intangible assets (including goodwill recorded in the carrying value of equity accounted investments and share purchase option derivatives) and related deferred tax and non-controlling interests in NCI not related to CHPT. NTA includes right of use assets.
3 Gearing is calculated as interest-bearing debt drawn (excluding hedged foreign exchange movements subsequent to the related debt drawing) net of cash, divided by total assets net of cash and derivative assets.
4 Includes 100% of Paradise Investment Management Funds Management Portfolio \$15.4 billion (30 June 2023: \$15.6 billion), of which the Group owns 50%.

Operating and financial review continued

Property investment

Property investment provides the Group with yields from its co-investments in Group funds. During the year property investment contributed \$271.0million (30 June 2023: \$248.5million) in segment EBITDA to the Group.

The Group's property investments are classified into the following real estate sectors:

- Industrial & Logistics;
- Convenience Net Lease Retail;
- Office;
- Social Infrastructure;
- Shopping Centre Retail; and
- Diversified.

The following table summarises the key metrics for the property investments of the Group:

	Ownership stake (%)	Charter Hall investment (\$m)	FY2024 Charter Hall investment EBITDA ¹ (\$m)	Weighted average lease expiry (years)	Weighted average market cap rate (%)	Weighted average discount rate (%)	Weighted average rental reviews (%)	FY2024 Charter Hall investment yield ² (%)
Industrial & Logistics								
Charter Hall Prime Industrial Fund (CPIF)	1.3	110.2	6.7	9.7	5.1	7.0	3.2	3.4
Charter Hall PGGM Industrial Partnership (CHPIP)	12.0	33.9	3.2	7.6	5.6	7.0	3.0	2.5
Core Logistics Partnership Trust (CLP)	4.9	83.7	10.6	9.0	5.1	7.0	3.2	3.7
Long WALE Hardware Partnership (LWHP)	16.8	217.4	16.7	5.7	5.0	6.2	2.6	3.2
Charter Hall Direct Industrial Fund No. 4 (DIF4)	1.8	33.3	2.0	9.6	5.4	7.0	3.1	4.5
Office								
Charter Hall Prime Office Fund (CPOF)	4.8	230.4	23.8	6.5	5.7	6.7	3.5	4.5
Charter Hall Office Trust (CHOT)	15.7	224.2	26.9	7.4	5.2	6.6	3.6	3.7
Charter Hall Direct PFA Fund (PFA)	12.6	120.8	16.8	5.4	6.4	7.1	3.5	5.7
CH 52 Martin Place Trust (CH52MPT)	50.0	120.3	5.9	31.0	4.8	6.5	3.8	3.9
Charter Hall Direct Office Fund (DOF)	8.7	115.2	15.1	5.8	6.1	6.8	3.6	5.9
Brisbane Square Wholesale Fund (BSWF)	16.8	110.9	13.6	9.6	5.4	6.6	3.3	4.2
Genge Office Trust (CHGOT)	49.9	71.0	11.2	3.4	5.9	7.0	3.5	8.8
Other Office investments		96.4	12.4	n/a	n/a	n/a	n/a	n/a
Shopping Centre Retail								
Charter Hall Retail REIT (ASX: CQR)	9.3	241.1	27.2	7.2	5.8	7.0	4.0	5.8
Net Lease Retail								
CH DJ Trust (CHDJT)	43.2	61.1	5.9	16.7	5.1	6.8	2.5	3.5
CH Investment Trust (HPI)	50.0	46.0	2.3	n/a	n/a	n/a	n/a	11.6
Other Convenience Net Lease Retail investments		18.9	1.3	n/a	n/a	n/a	n/a	n/a
Social Infrastructure								
Charter Hall Social Infrastructure REIT (ASX: CQE)	8.6	119.2	9.6	12.4	5.4	n/a	3.4	4.1
Charter Hall Exchange Wholesale Trust (CHEWT)	6.5	28.8	2.4	16.2	4.6	6.1	6.5	4.5
Other Social Infrastructure investments		78.8	5.2	n/a	n/a	n/a	n/a	n/a
Diversified								
Charter Hall Long WALE REIT (ASX: CLW)	10.6	350.4	36.1	10.5	5.4	5.8	4.3	4.7
Charter Hall DVP Fund (DVP)	13.2	61.0	4.0	6.3	4.1	4.9	3.4	1.4
Charter Hall PGGM Industrial Partnership No. 2 (CHPIP2)	12.0	83.5	8.5	4.8	5.8	6.8	3.3	3.4
Other investments		101.7	3.5	n/a	n/a	n/a	n/a	n/a
Property Investment Total		2,758.2	271.0	7.2	5.7	6.8	3.4	4.7

1 Charter Hall Group property investment segment EBITDA per segment information in Note 1(b) of the financial report.
2 Yield = Operating earnings divided by investment value at start of the year adjusted for investments/divestments during the year. Excludes MTM movements in NTA during the year.

Operating and financial review continued

Development investment

Development investment provides the Group with development profits and interest income from its development assets held directly on balance sheet and through co-investments in development ventures. During the year, development investment contributed \$36.4 million (30 June 2023: \$36.6 million) in segment EBITDA to the Group.

Funds management

The funds management business provides investment management, asset management, property management, development management and leasing and transaction services to the Group's \$65.5 billion property funds management portfolio. The Group also holds a 50% interest in Paradise Investment Management, a fund manager with \$15.4 billion in funds under management invested in Australian and global listed equities.

During the year, the funds management business contributed \$271.6 million (30 June 2023: \$375.4.8 million) in segment EBITDA to the Group.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the period.

Principal activities

During the year, the principal activities of the Group consisted of:

- (a) Investment in property funds;
- (b) Development investment; and
- (c) Funds management.

Matters subsequent to the end of the period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect:

- (a) The Group's operations in future financial years; or
- (b) The results of those operations in future financial years; or
- (c) The Group's state of affairs in future financial years.

Likely developments and expected results of operations

Business strategy and prospects

The Group's strategy is to use its specialist property expertise to access, deploy and manage equity invested in office, industrial, retail, diversified and social infrastructure property portfolios. Charter Hall Group invests alongside equity partners to create value and provide superior returns for clients and the Group's securityholders. Growth is driven by a strong development capability that adds value for fund/partnership investors, whilst deployment through acquisitions complements the development capability to deploy the equity raised from investors in line with each property's strategy.

Charter Hall is well positioned to benefit from further capital inflows from investors seeking property investments driven by the positive spread between property returns and long-term interest rates. During the last 12 months, the Group has seen positive equity flows.

Various risks could impact the Group's financial performance, and the potential nature and impact of these risks can change over time. The Group actively manages risks in line with the Group's Corporate Governance Framework and the Risk Management Policy. In addition to the business risks referenced below, key strategic and operational risks include breaches of cyber security and privacy, work, health and safety, as well as environmental (including climate change), social, governance and regulatory risks. The Group is maturing its approach to the disclosure of climate related financial risks and opportunities in line with the emerging requirements of the draft Australian Sustainability Reporting Standards, building upon the work to date on alignment with Taskforce for Climate related Financial Disclosure recommendations. In the reporting period management has maintained a dedicated ESG Committee to drive platform-wide alignment and implementation of its ESG Strategy, including Group's approach to climate related risks and opportunities. These frameworks and policies can be found at www.charterhall.com.au.

Property investment portfolio

The property investment portfolio of the Group is primarily composed of co-investments in funds and partnerships where,

typically, between 5-20% of the equity in a fund is contributed by Charter Hall. The percentage stake may be higher than the long-term target at origination of the fund or partnership but will fall toward the long-term target over time with external equity flows.

The Group regularly reviews the performance of its property investment portfolio and may reduce its investment in funds to reinvest into new partnerships or funds to align with new partners. Sector diversification, industry diversification and earnings growth of each fund/partnership co-investment, together with associated funds management earnings derived from each fund/partnership, combine to provide a matrix to which the balance sheet capital is allocated. The material business risks faced by the property investment portfolio that may have an effect on financial performance of the Group include interest rate risk, refinancing risk, lease defaults or extended vacancies, portfolio concentration risks, development risk, joint venture risk and changes in economic or industry factors impacting tenants, property values or the ability to source suitable investment opportunities.

Development investment portfolio

The development investment portfolio comprises development assets held directly on balance sheet and co-investments in development associates and joint ventures. Primarily, development investments will provide stabilised investment opportunities made available to our funds.

The Group regularly reviews the performance of its development investments and relevant economic drivers to actively manage performance of each development.

The material business risks faced by the development investment portfolio that may have an effect on financial performance of the Group include interest rate risk, refinancing risk, development risk, construction risk, leasing risk, joint venture risk and changes in economic or industry factors impacting customers, property values or the ability to source suitable investment opportunities.

Funds management platform

The Group manages primarily property investments on behalf of listed, wholesale and direct investors and has strict policies in place to ensure appropriate governance procedures are in place to meet fiduciary responsibilities and manage any conflicts of interest. Charter Hall provides a suite of services including investment management, asset management, property management, development services, treasury, finance, legal and custodian services based on each fund's individual requirements.

The Group regularly reviews investor requirements and preferences for an investment partner in the Australian core real estate sectors and transaction structures that would meet their requirements.

The material business risks faced by the funds management platform that may have an effect on the financial performance of the Group include not delivering on investor expectations or organisational conduct leading to loss of FUM or management rights, loss of key personnel impacting service delivery, economic factors impacting fee streams or property valuations, development risk and access to capital.

Information on Directors

David Clarke

Chair/Independent Non-Executive Director

Experience and expertise

David joined the Board of the Charter Hall Group on 10 April 2014 and was appointed Chair of the Board on 12 November 2014.

David has over 35 years' experience in investment banking, funds management, property finance and retail banking. David was Chief Executive Officer of Investec Bank (Australia) Limited from 2009 to 2013.

Prior to joining Investec Bank, David was the CEO of Allco Finance Group and a Director of AMP Limited, following five years at Westpac Banking Corporation where he held a number of senior roles including Chief Executive of the Wealth Management Business, BT Financial Group. David was also previously an Executive Director at Lendlease Corporation Limited, Chief Executive of MLC Limited, and prior to this was Chief Executive Officer of Lloyds Merchant Bank in London.

David holds a Bachelor of Laws degree.

Other current listed company directorships

AUB Group Limited

Former listed company directorships in last three years

Nil

Special responsibilities as at 30 June 2024

Chair of the Nominations Committee

Member of the Audit, Risk and Compliance Committee

Member of the Investment Committee

Interests in securities

49,875 stapled securities in Charter Hall Group via an indirect interest

Jacqueline Chow, FAICD

Independent Non-Executive Director

Experience and expertise

Jacqueline joined the Board of the Charter Hall Group on 17 February 2021.

An experienced Non-Executive Director, Jacqueline is currently a Non-Executive Director of Coles Group and nib Holdings Limited and holds the role of Senior Advisor with McKinsey in their Transformation Group. Prior to commencing her Non-Executive career, Ms Chow held senior positions at Accenture, the Kellogg Company, and Campbell's, and most recently, she was the Chief Operating Officer, Global Consumer and Food Service for Fonterra.

Jacqueline holds a Bachelor of Science (Hons) from the University of NSW and holds a Master of Business Administration (Dean's Distinguished Service Award) from the Kellogg School of Management at Northwestern University.

Other current listed company directorships

Coles Group Limited

nib Holdings Limited

Former listed company directorships in last three years

Boral Limited (resigned 5th July 2024, delisted 5th July 2024)

Special responsibilities as at 30 June 2024

Member of the Audit, Risk and Compliance Committee

Member of the Nominations Committee

Interests in securities

10,000 stapled securities in Charter Hall Group

Stephen Conry AM

Independent Non-Executive Director

Experience and expertise

Stephen joined the Board of the Charter Hall Group on 16 January 2023.

Stephen brings over 40 years' experience in executive positions in the property industry in Australia and globally.

Stephen held the position of CEO at Jones Lang LaSalle (JLL) Australia for 13 years until 2022, following a career with JLL that spanned four decades, including serving as an International Director for 22 years.

Stephen has held roles with numerous business and community boards, including the Property Council of Australia where he was National President from 2019 to 2021. Stephen is currently Chairman of private investment company Langdon Capital Pty Ltd, a member of the Commonwealth Remuneration Tribunal, a Board member of Redkite, a Fellow of the Australian Property Institute, a Fellow of the Royal Institution of Chartered Surveyors, and Fellow of the Australian Institute of Company Directors.

Stephen was appointed a Member of the Order of Australia in the 2019 Queens Birthday Honours list for his service to the Australian Commercial Property Sector and the Community.

Other current listed company directorships

Nil

Former listed company directorships in last three years

Nil

Special responsibilities as at 30 June 2024

Member of the Remuneration and Human Resources Committee

Member of the Investment Committee

Interests in securities

27,775 stapled securities in Charter Hall Group via an indirect interest

Information on Directors continued

David Harrison

Managing Director and Group CEO

Experience and expertise

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 Chief Executive Officer, 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 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 manager 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 (FAPI) and holds a Graduate Diploma in Applied Finance from the Securities Institute of Australia.

Other current listed company directorships

Charter Hall Retail REIT
Charter Hall Long WALE REIT
Charter Hall Social Infrastructure REIT (Alternative Director)

Former listed company directorships in last three years

Nil

Special responsibilities as at 30 June 2024

Member of the Investment Committee

Interests in securities

327,026 stapled securities in Charter Hall Group via direct interests and 841,773 stapled securities in Charter Hall Group via indirect interests.

David also holds 1,016,515 performance rights, 905,776 performance rights (ROP), 124,100 service rights in the Charter

Hall Performance Rights and Options Plan, as well as 284,911 STI Service Rights.

Total 3,500,101 securities and rights

Karen Moses

Independent Non-Executive Director

Experience and expertise

Karen joined the Board of Charter Hall Group on 1 September 2016 and was appointed Chair of the Audit, Risk and Compliance Committee on 9 November 2016.

Karen has over 30 years' corporate experience in the energy industry spanning oil, gas, electricity and coal commodities, gaining her experience both within Australia and overseas. During her executive career, Karen was a senior executive at Origin Energy in roles including Executive Director, Finance and Strategy and Chief Operating Officer.

Karen holds a Bachelor of Economics and a Diploma of Education from the University of Sydney.

Other current listed company directorships

Orica Ltd
Former listed company directorships in last three years
Boral Limited (Resigned 26th October 2024, Delisted 5th July 2024)

Special responsibilities as at 30 June 2024

Chair of the Audit, Risk and Compliance Committee
Member of the Nominations Committee
Member of the Remuneration and Human Resources Committee

Interests in securities

23,137 stapled securities in Charter Hall Group via indirect interests

Greg Paramor AO

Independent Non-Executive Director

Experience and expertise

Greg joined the Board of the Charter Hall Group on 30 November 2018.

Greg has been in the real estate and funds management industry for more than 40 years, and was the co-founder of Equity Real Estate Partners, Growth Equities Mutual, Paladin Australia and the James Fielding Group.

Greg was the CEO of Mirvac Group between 2004 and 2008. Greg is a past president of the Property Council of Australia and past president of Investment Funds Association, a Fellow of the Australian Property Institute and The Royal Institute of Chartered Surveyors. Greg is a board member of the Sydney Swans, the Sydney Swans Foundation and Eureka Group Holdings Limited.

Greg was awarded an Officer in the General Division (AO) of the Order of Australia in January 2015 for his distinguished service to the community through executive roles in a range of fields,

Information on Directors continued

including breast cancer research, the not-for-profit sector and real estate and property investment industries.

Other current listed company directorships

Eureka Group Holdings Limited

Former listed company directorships in last three years

Nil

Special responsibilities as at 30 June 2024

Chair of the Investment Committee
Member of the Nominations Committee
Member of the Remuneration and Human Resources Committee

Interests in securities

14,300 stapled securities in Charter Hall Group via indirect interests

David Ross

Independent Non-Executive Director

Experience and expertise

David joined the Board of the Charter Hall Group on 20 December 2016.

David has over 30 years' corporate experience in the property industry and has gained his experience both within Australia and overseas, including a total of eight years as Chief Executive

Officer of GPT and Global Chief Executive Officer, Real Estate Investments for Lendlease.

David is the Chair of Arena REIT, which owns, manages and develops property in the childcare and healthcare sectors. Previously, David held executive positions at GPT, Lendlease and Babcock & Brown. Prior board appointments include a non-executive directorship with Sydney Swans Foundation Limited.

David holds a Bachelor of Commerce from the University of Western Australia and an Associate Diploma in Valuation from Curtin University in Western Australia.

Other current listed company directorships

Arena REIT

Former listed company directorships in last three years

Nil

Special responsibilities as at 30 June 2024

Chair of the Remuneration and Human Resources
Member of the Investment Committee
Member of the Audit, Risk and Compliance Committee

Interests in securities

17,500 stapled securities in Charter Hall Group via indirect interests

Company Secretary

Mark Bryant was appointed as Company Secretary on 24 August 2015.

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 19 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 King & Wood Mallesons.

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

Meetings of Directors

The number of meetings of the Group's Board of Directors and of each Committee of the Board held during the year ended 30 June 2024, and the number of meetings attended by each Director were:

	Full meetings of the Board of Directors		Audit, Risk and Compliance Committee		Investment Committee		Nomination Committee		Remuneration and HR Committee	
	A	B	A	B	A	B	A	B	A	B
D Clarke	8	8	4	5	3	3	1	1	*	*
J Chow	8	8	5	5	*	*	1	1	*	*
S Conry	8	8	*	*	3	3	*	*	5	5
D Harrison	7	8	*	*	*	*	*	*	*	*
K Moses	8	8	5	5	*	*	1	1	5	5
G Paramor	7	8	*	*	3	3	1	1	5	5
D Ross	8	8	5	5	3	3	*	*	5	5

* Not a member of the stated Committee.
A = Number of meetings attended.
B = Number of meetings held during the time the Director held office or was a member of the stated Committee during the year.

Remuneration Report

Dear Securityholders,

We are pleased to present this Remuneration Report for Charter Hall on behalf of the Board. The report details the Group's executive remuneration strategy and outcomes, aligned to Charter Hall's operating performance for the financial year ended 30 June 2024 (FY24).

During the year, Charter Hall continued to navigate the challenging economic landscape with higher interest rates and bond yields impacting commercial property markets. Despite these industry-wide challenges, the underlying health of our business including our strategy, operating model, and investor and tenant customer relationships remains strong. This has enabled us to achieve the targets we set for FY24 and is largely the result of a focus on controlling our cost base, maintaining high occupancy rates and ensuring high quality assets within our portfolio. Our commitment to the sustainability of our portfolio remains resolute, with significant progress made in the decarbonisation of the Group. These efforts, combined with our culture of engagement and experience-based development, have allowed us to retain top talent, positioning us well for when the property market emerges from the current challenging phase of the market cycle.

FY24 performance and remuneration outcomes

The Group achieved an Operating Earnings Per Security (OEPS) result of 75.8 cents per security for FY24. While this was down on FY23 (due largely to the higher performance fees earned in FY23), it was the third-highest OEPS result in Charter Hall's history. Excluding performance and transaction fees, it is the second-highest result, only slightly below FY23 demonstrating the Group's ability to improve margins in a challenging environment.

Throughout the year, our people continued to show remarkable dedication and resilience, focusing on the key workstreams we identified to enable us to stay close to our customers, navigate market conditions successfully and do more with less. Some highlights include:

- Strong tenant customer results across Retail, Office, Industrial & Logistics and Social Infrastructure with a weighted Net Promoter Score (NPS) of +52;
- Industry-leading tenant occupancy rates in Retail (98%), Social Infrastructure (100%), Industrial & Logistics (99.5%) and Office (96%);
- 89% Employee Engagement score, 9 points above the Australian norm with a 95% participation rate;
- AFR BOSS Most Innovative Property, Construction and Transport Company in 2023, the second consecutive year;
- Innovate RAP status endorsed by Reconciliation Australia;
- Silver status in the annual Pride in Diversity Australian Workplace Equality (AWEI) Index in 2024;
- 68% reduction in absolute carbon emissions (Scope 1 and Scope 2) against the FY17 baseline year;
- 3,766 volunteering hours, representing an 11% increase in volunteering from FY23.

Based on an assessment of the Group's overall performance 100% of the target Short Term Incentive (STI) amount was made available to award eligible employees based on team and individual performance outcomes.

The Managing Director & Group CEO's (Managing Director) KPI outcomes met/exceeded the targets for the FY24 period. As a result, his STI payment is 100% of his STI target. Other Reported Executives have been awarded an STI payout at 100% of their STI target.

On 31 August, 93.75% of the FY21 Long Term Incentive (LTI) will vest based on the following performance against the two measures:

- Aggregate OEPS – this was equivalent to a 19.8% pa compound average growth rate (CAGR) over the four-year performance period exceeding the stretch hurdle, and vesting in full and;
- Relative Total Shareholder Return (TSR) – a TSR of 36.72% (an equivalent CAGR of 8.1%) which will result in 87.5% of this component vesting.

Changes to FY24 total remuneration

During the year, the Board reviewed KMP remuneration in the context of industry-wide executive leadership changes and the requirement to maintain continuity during a challenging market cycle. Following a talent retention risk assessment and a market salary benchmarking exercise, the following changes were made effective 1 July 2023:

- Sean McMahon (CIO) received an increase in total target remuneration to \$3,200,000
- Russell Proutt (former CFO) received an increase in total target remuneration to \$3,000,000

Details of other KMP remuneration during FY24 include:

- David Harrison (Managing Director) received no changes to remuneration;
- Anastasia Clarke (CFO) was appointed 29 January 2024, at a total target remuneration of \$3,000,000. This followed the departure of Russell Proutt on 29 February 2024.

For FY24, there were no material changes to the remuneration structure at Charter Hall.

Non-Executive Director (NED) fees were increased by 3.5% effective 1 July 2023.

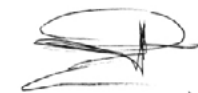
More details

Additional information on our operating conditions and business achievements is provided in the Chair and Managing Director messages in the FY24 Annual Report.

Further details on the outcomes contained in this letter can be found in this report as follows:

- FY24 STI performance and remuneration outcomes – section 6.4
- FY21 LTI – section 6.8
- Key Management Personnel (KMP) remuneration – sections 2 and 6.2
- NED Fees – section 8

The Board will continue to monitor Charter Hall's performance and remuneration policies and framework to ensure they remain fit for purpose, drive the right behaviours, deliver on the intended strategy and meet securityholder expectations. We welcome your feedback on Charter Hall's remuneration framework and practices and look forward to your continued support at our 2024 Annual General Meeting.



Stephen Conry AM
Chair – Remuneration and Human Resources Committee



David Clarke
Chair – Board

1. Key Management Personnel

This Report outlines the remuneration policies and practices that apply to Charter Hall's KMP for the year ended 30 June 2024. The KMP include the Non-Executive Directors, Managing Director and Other Reported Executives.

Name	Role	Term as KMP
Non-Executive Directors		
David Clarke	Chair	Full year
Jacqueline Chow	Director	Full year
Stephen Conry AM	Director	Full year
Karen Moses	Director	Full year
Greg Paramor AO	Director	Full year
David Ross	Director	Full year
Managing Director		
David Harrison	Managing Director and Group CEO	Full year
Other Reported Executives		
Anastasia Clarke	Chief Financial Officer (CFO)	Part year – appointed 29 January 2024
Sean McMahon	Chief Investment Officer (CIO)	Full year
Former Reported Executive		
Russell Proutt	Chief Financial Officer	Part year – ceased employment 29 February 2024

The Report has been prepared and audited in accordance with the requirements of the *Corporations Act 2001* (Cth) (Act).

2. FY24 Remuneration outcome summary and framework changes at a glance

Charter Hall Limited is pleased to present its Remuneration Report for the year ended 30 June 2024 (FY24). The table below outlines the FY24 outcomes and key remuneration framework changes.

Component	Section	Outcomes/Remuneration Framework Changes
Total Target Remuneration (TTR)	6.2	There were no changes to the TTR for the Managing Director during FY24. There were increases in the TTR during FY24 for the CIO and former CFO of 11.4% and 11.7% respectively. More information on the rationale for the increases can be found in section 6.2.
Fixed Annual Remuneration (FAR)	6.3	There were no changes to FAR for the Managing Director during FY24. There were increases to FAR during FY24 for the CIO and the former CFO of 8.1% and 4.0% respectively. More information on the rationale for the increases can be found in section 6.2.
Short Term Incentive (STI)	6.4	There were no changes to the STI target for the Managing Director during FY24. There were increases to the STI target during FY24 for the CIO and the former CFO of 7.6% and 9.9% respectively. More information on the rationale for the increases can be found in section 6.2. Group OEPS was 75.8 cents, which was 1.8% above the target FY24 OEPS. Assessment of individual performance scorecards has resulted in 100% of the aggregate target STI at Group level being awarded to eligible employees across the Group. For all Group Executives (including the Reported Executives), STI is delivered in the form of cash (67%) and deferred service rights (33%). The Managing Director and Other Reported Executives KPI performance and STI outcomes are provided in section 6.4.
Long Term Incentive (LTI)	6.8	The FY21 LTI grant reached the end of its four-year performance period on 30 June 2024. As a result of performance exceeding the stretch hurdle for the aggregate OEPS measure (50% of the LTI) this component will fully vest and with the Relative TSR measure (50% of LTI) outcome at the 68.75 th percentile of its comparator group 87.5% of this component will vest. On a combined basis, 93.75% of the LTI will vest on 31 August 2024.
NED Fees	8	NED Board base and Committee fees were increased by 3.5% in FY24.

3. FY24 Actual remuneration received

Below is the table displaying the actual remuneration received by Reported Executives for the fiscal year ending on 30 June 2024. This voluntary disclosure is provided to increase transparency and includes:

- Fixed pay and other benefits for FY24
- FY23 cash STI paid during FY24
- The value of any past LTI and STI award that vested and were exercised during FY24.

The actual remuneration presented in the table below is distinct from the disclosed remuneration (as required by section 308(C) of the *Corporations Act 2001* (Cth) (Act)) in section 7.1 of this Report, which is calculated in accordance with statutory obligations and accounting standards. The numbers in section 7.1 include accounting values for current and prior years' LTI grants that have not been (or may not be) received, as they are dependent on performance hurdles and service conditions being met.

The STI in the table below is representative of what was paid in FY24 in cash, for FY23 performance. R Proutt elected to voluntarily defer 50% of the \$732,799 cash component of his FY23 STI into rights.

Name	Salary and other benefits ¹ \$	Short Term Incentive ² \$	Value of securities vested and exercised ³ \$	Total exercised rights \$	% of remuneration consisting of vested and exercised rights %
Managing Director					
D Harrison	1,500,812	1,657,500	2,802,292	5,960,604	47.0
Other Reported Executives					
A Clarke ⁴	406,501	—	—	406,501	—
S McMahon	1,000,812	783,629	1,112,217	2,896,658	38.4
Former Reported Executive					
R Proutt ⁵	600,379	366,410	1,399,099	2,365,888	59.1
Totals	3,508,504	2,807,539	5,313,608	11,629,651	45.7

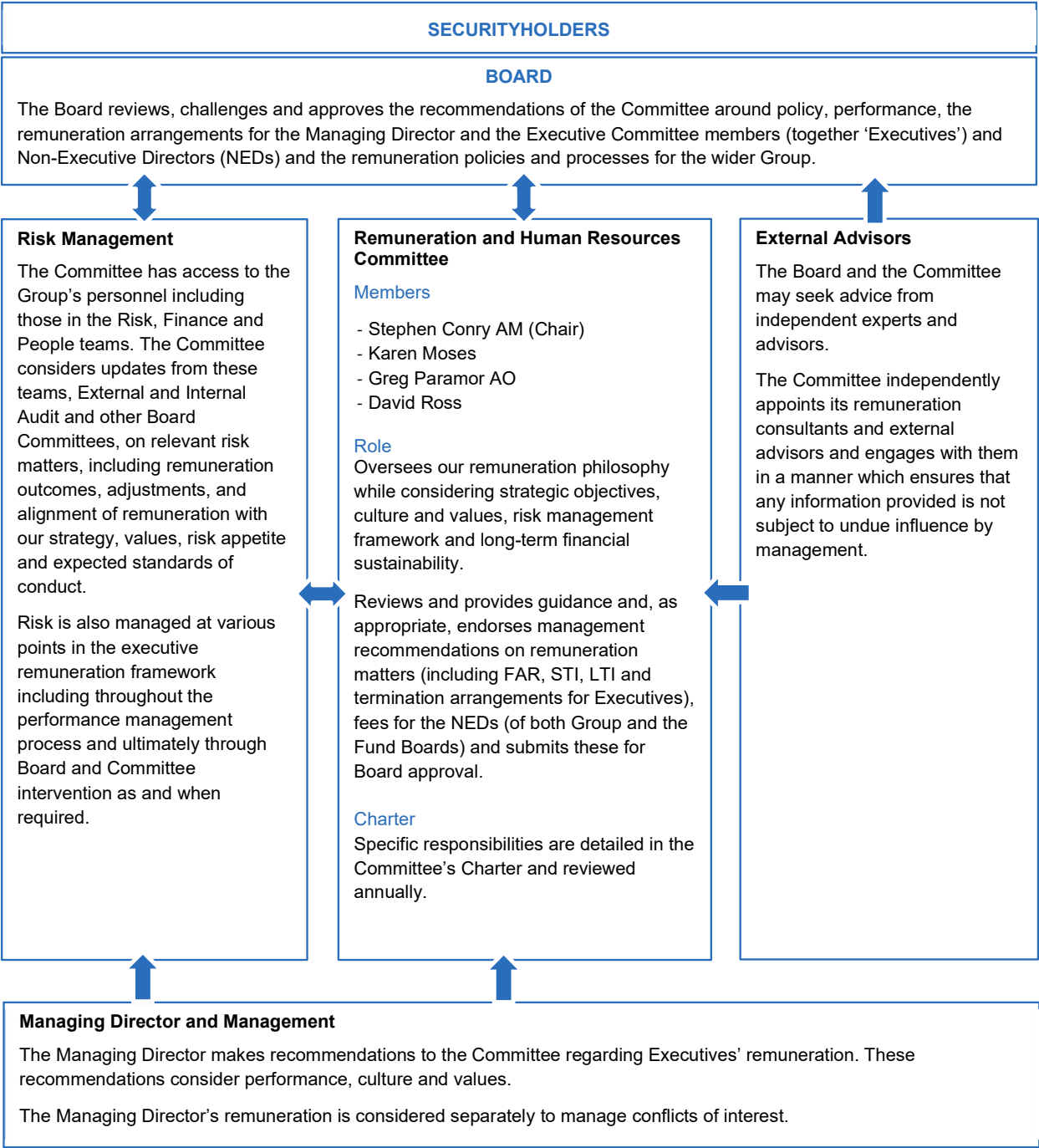
1 Other benefits include superannuation and non-monetary benefits.
2 Values relate to STI paid in FY24 in cash for FY23 performance. R Proutt elected to voluntarily defer 50% of the cash component of his FY23 STI into rights.
3 Values calculated using the closing share price of \$10.84 on the vesting date applied to the number of rights that vested and were exercised for the FY20 LTI performance rights (Tranche2), the FY21 STI T2 deferred service rights, the FY22 STI T1 deferred service rights, FY20 STI T3 voluntary deferred service rights and FY23 STI voluntarily deferred service rights. A closing share price of \$10.37 was used to calculate the value of the FY23 STI voluntary deferred service rights. The value at the vesting date includes the change in the price of Charter Hall securities since the grant of the rights which were based upon independent valuations at the time.
4 A Clarke commenced on 29 January 2024, remuneration is pro-rata for this period.
5 R Proutt ceased employment on 29 February 2024, remuneration shows actual remuneration whilst employed.

4. FY25 Summary of remuneration framework changes at a glance

The are no proposed changes to the remuneration framework planned for FY25.

5. Remuneration governance

Charter Hall's Board and the Remuneration and Human Resources Committee (the Committee) are responsible for overseeing the remuneration policy for the Group. The following diagram illustrates Charter Hall's remuneration governance framework.



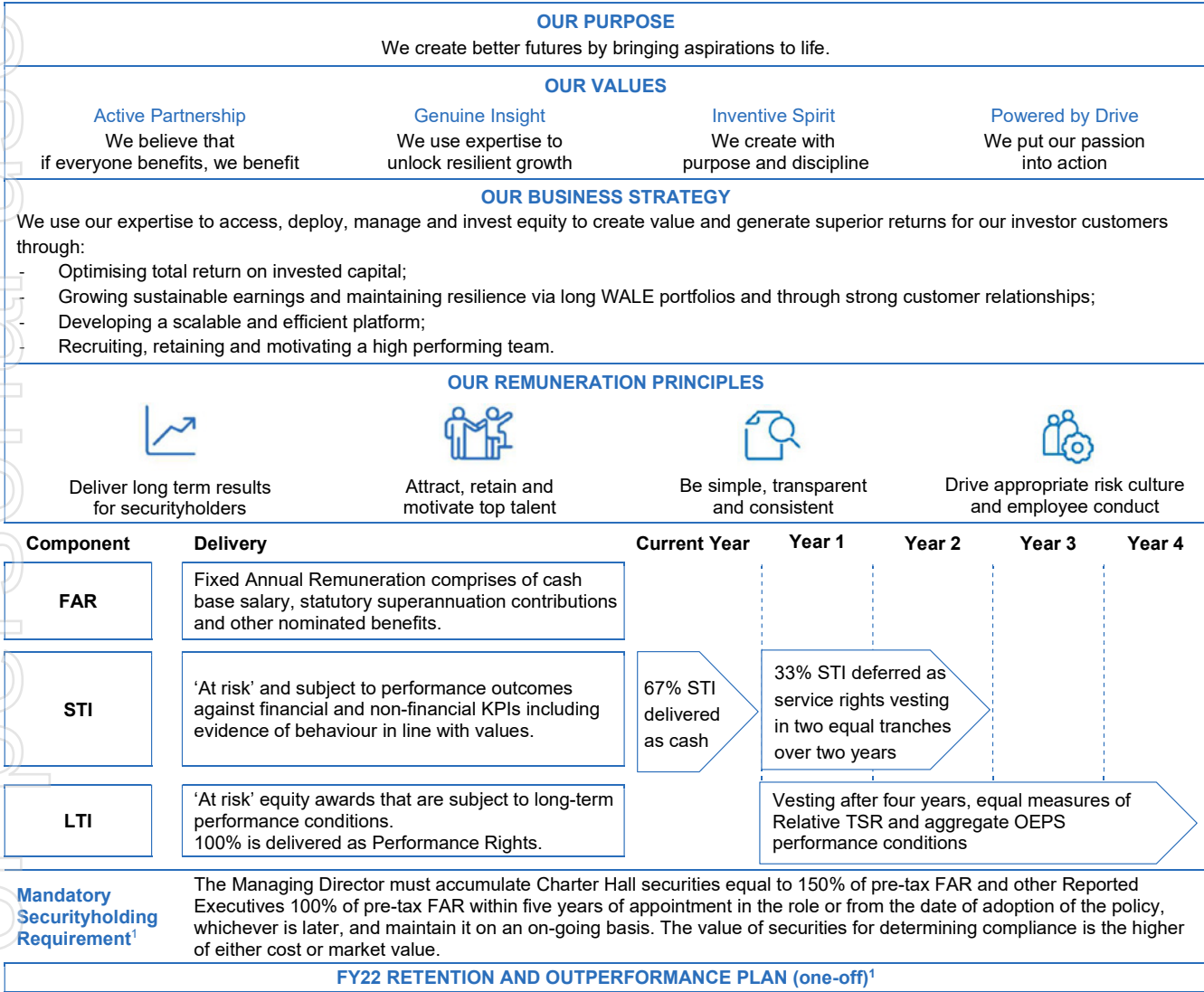
Specific responsibilities of the Board and the Committee are detailed in their respective Charters which are available on the Group website at www.charterhall.com.au.

6. Executive remuneration framework

Charter Hall's remuneration framework is designed to attract and retain talented people by rewarding them for achieving performance outcomes that are aligned with our purpose, culture and values, business strategy, risk appetite and the long-term interests of our investors, customers and securityholders.

6.1 Executive remuneration strategy

The below diagram illustrates the remuneration framework that applied to the Managing Director and Other Reported Executives in FY24. It also outlines the link between Charter Hall's business and remuneration framework.



Remuneration Report

6.3 Fixed Annual Remuneration

Composition	FAR comprises cash base salary, statutory superannuation contributions and other nominated benefits.
Benchmarking and Review	The positioning of FAR for Executives (including Reported Executives) takes into account Charter Hall's FUM relative to the entities in the S&P/ASX 200 Australian Real Estate and Investment Trust (A-REIT) industry group. Whilst market capitalisation relative to these companies is also considered, an individual's broad range of skills and experience are recognised given the complexity of Charter Hall's business. FAR is reviewed regularly and benchmarked against equivalent roles in the market recognising individual performance and the market environment for each individual's skills and capabilities.
Comparator Group	The entities in the S&P/ASX 200 Australian Real Estate and Investment Trust (A-REIT) industry group are included in the comparator Group used to determine the Reported Executives' remuneration.
Charter Hall Managing Director	The Managing Director's FAR remained unchanged at \$1,500,000 in FY24.
Other Reported Executives	The CIO and former CFO received increases to FAR of 8.1% and 4.0% respectively in FY24.

6.4 Short Term Incentive

FY24 STI award – key features

Features	Approach																
Purpose	STI is an 'at-risk' incentive awarded annually, subject to performance against agreed financial and non-financial Key Performance Indicators (KPIs) including evidence of behaviour in line with values.																
Participants	Executives																
Gateway for STI	Group: A financial gateway of 95% of target OEPS must be met before any STI entitlement is available, with the Board retaining overall discretion on performance achievement. Individual: To help us maintain an effective risk management culture, all Executives must complete risk and compliance training during the performance year (including Code of Conduct training) to ensure they fully understand their role and comply with relevant legislative requirements. Both gateways need to be met for any STI to be awarded.																
Determining and assessing achievement of STI target	The percentage achievement of STI target is determined by the Board, upon advice from the Committee, based on actual OEPS achieved relative to an OEPS target. The Board retains the discretion to increase or decrease the percentage of the overall STI target achieved, based on its assessment of the overall performance throughout the year.																
Individual opportunity	The maximum STI potential for all employees is 150% of their STI target, enabling recognition for outperformance. Individual STI outcomes are determined on the basis of Group and individual performance through a balanced scorecard. The scorecard is split into three elements: Financial & Risk; Strategy & Customer; and Leadership, Culture & Collaboration with 50% financial and 50% non-financial. For each of these elements, there are KPIs aligned to our core strategic objectives of Growth and Resilience. The Board believes that having a mix of financial and non-financial KPIs provides measurable performance criteria strongly linked to year-on-year securityholder returns and encourages the achievement of individual goals consistent with the Group's overall objectives. The scorecard elements of financial and risk, strategy and customer, and leadership, culture and collaboration have been chosen as KPI categories because they represent important elements of Charter Hall's core strategic objectives. Each of these categories has measures of 'Growth' and 'Resilience'.																
Performance targets	<table><tr><th>Role</th><th>Financial & Risk</th><th>Strategy & Customer</th><th>Leadership, Culture & Collaboration</th></tr><tr><td>Managing Director</td><td>50%</td><td>30%</td><td>20%</td></tr><tr><td>CFO</td><td>50%</td><td>30%</td><td>20%</td></tr><tr><td>CIO</td><td>50%</td><td>25%</td><td>25%</td></tr></table>	Role	Financial & Risk	Strategy & Customer	Leadership, Culture & Collaboration	Managing Director	50%	30%	20%	CFO	50%	30%	20%	CIO	50%	25%	25%
Role	Financial & Risk	Strategy & Customer	Leadership, Culture & Collaboration														
Managing Director	50%	30%	20%														
CFO	50%	30%	20%														
CIO	50%	25%	25%														

Remuneration Report

Features	Approach
Determining and assessing performance	In consultation with the Committee, the Board assesses the Group's financial performance and the performance of all Reported Executives against agreed KPIs. The Board applies the following general principles when determining and measuring performance goals and any STI incentive for the Executives: - STI outcomes should always align with the market reported results, with any adjustments being consistent with business performance and behaviour aligned to Group values; - 'On target' performance aligns with the Board approved target for the financial year; - Payout above gateway for STI is up to a maximum (150% of STI target). These principles for assessing performance were chosen because they are, as far as practicable, objective and fair and the most appropriate way to assess the Executives' individual contribution and determine remuneration outcomes in alignment with the financial performance of the Group.
Board discretion	Once the balanced scorecard has been assessed and performance against KPIs has been determined, the outcome is subject to Board discretion. The Board may modify the performance outcomes upwards or downwards taking into account risk-related matters, behaviour in line with values and expected standards of conduct.
Delivery	For all Executives, STI is delivered in the form of cash (67%) and deferred service rights (33%). Service rights are deferred over two years with 50% vesting at the end of year one and 50% at the end of year two. Effective for grants from 1 July 2023, participants have the right to elect the timing of exercise of rights that vest for a period of up to 10 years from the initial grant date.
Voluntary deferral of cash component of STI	Under the FY24 STI Plan Executives and certain senior managers had an option to elect to receive up to 100% of their cash STI payment in the form of rights to acquire CHC securities. Effective for grants of rights from 1 July 2023, participants have the right to elect the timing of the exercise of rights for a period of up to 10 years from the initial grant date. These rights will be subject to Charter Hall's Performance Rights and Options Plan (PROP) however, will not be subject to performance conditions or forfeiture on termination of employment.
Rights allocation methodology	The methodology to determine the number of mandatorily deferred STI service rights and rights for the voluntarily deferred component of cash STI, allocated under the PROP plan, will be on a face value basis, calculated on the VWAP for the month of June 2024. For rights granted from 1 July 2022 onwards, a cash payment equivalent to cash distributions declared and paid to the securityholders during the period from the grant date to the date of exercise of the rights following vesting will be paid to the participants on exercise of the rights. This will only be payable on the rights that vest.
Cessation of employment	In the event of resignation (other than genuine retirement) or termination for cause or for poor performance (as determined by the Board), all unvested mandatorily deferred STI in service rights will lapse, unless the Board determines otherwise. In any other circumstances unless the Board determines otherwise, the rights will continue to remain on foot and, subject to the original terms of the offer, as though the Executive had not ceased employment.
Preventing inappropriate benefits	For the mandatorily deferred STI component, the Board has the discretion to reduce, including to nil, unvested rights in certain circumstances to ensure Executives do not obtain an inappropriate benefit. The circumstances in which the Board may exercise this discretion include, for example, where the Board determines that an Executive has acted fraudulently, dishonestly, or has engaged in gross misconduct or has acted in a manner that brings the Group into disrepute.

Remuneration Report

KPI Performance and STI outcome for financial year ending 30 June 2024 – Managing Director

Group Gateway	A financial gateway of 95% of target OEPS (74.5 cps) must be met before any STI entitlement is available, with the Board retaining overall discretion on performance achievement.	Achieved
Individual Gateway	Completion of risk and compliance training during the performance year (including Code of Conduct training) to ensure they fully understand their role and comply with relevant legislative requirements.	Fully met

Financial & Risk (50%) Operating Earnings is a key measure of the financial performance of the Group in a financial year. Fund and partnership property portfolio performance during the financial year compared to relevant benchmark measures whether fund investors are satisfied that their investment performance meets or exceeds expectations, measured either against the funds return objective or relevant benchmarks. Risk Management is implemented at an acceptable level throughout the Group, measured by feedback from Investors and Board members.				
G/R	KPI (Financial & Risk)	Weighting	Scorecard result	Outcome
Growth	Group OEPS Group OEPS (Target 74.5 cps) Group OEPS after tax excluding Performance Fees and STI	35%	Meets expectations	Group OEPS of 75.8 cps which was 1.8% above target OEPS. Group OEPS after tax excluding Performance Fees and STI was 3.1% above target.
	Performance of Funds & Partnerships relative to agreed benchmarks	10%	Does not meet expectations	This was below our internal goal for funds and partnerships that CHC co-invests in weighted by value, relative to agreed benchmarks.
Resilience	Risk management	5%	Meets expectations	Commercial risk was well managed during the year with strong leasing momentum, stable margins and FUM. Broader risks were largely anticipated and controlled although rising interest rates impacted fund investment returns.

Remuneration Report

Strategy & Customer (30%) Equity allotted is a measure of the funds' inflow raised from investors in funds and partnerships and drives capacity to grow portfolios. Progressing decarbonisation aligns with Charter Hall's long term sustainability goals, with ESG being an extricable part of 'how' we do business. Satisfied customers who receive above expectation service from the Group are most likely to become repeat business customers.				
G/R	KPI (Strategy & Customer)	Weighting	Scorecard result	Outcome
Growth	Group Fund & Partnership gross equity allotted	10%	Exceeds expectations	Gross equity allotted of \$1.6 bn exceeded target.
Resilience	Key ESG initiatives progress <i>Progress decarbonisation of the group</i>	10%	Exceeds expectations	70% reduction in Scope 1 and 2 absolute emissions reduction compared to FY17 baseline. Three-year forward procurement of nature-based carbon offsets. Uplift of 23% in solar installed since FY23.
	Investor & tenant customer relationships <i>Listed and unlisted investor customer confidence and advocacy</i> <i>NPS scores</i>	10%	Exceeds expectations	Maintained high scores consistent with prior years. Tenant customer survey weighted NPS result exceeded target at +52 representing strong performance relative to peers.
Leadership, Culture & Collaboration (20%) Leadership capability for growth and scale is to develop and retain key talent to build a pipeline of future leaders. Deep, diverse and engaged talent pipeline that results in higher retention and drives productivity resulting in better business performance.				
G/R	KPI (Leadership, Culture & Collaboration)	Weighting	Scorecard result	Outcome
Growth	Leadership capability for growth and scale <i>Succession plan progress</i>	10%	Exceeds expectations	Strong feedback from internal stakeholders, investors and tenant customers on leadership capability and strategic direction of the Group.
Resilience	Deep, diverse and engaged talent pipeline <i>Role modelling leadership behaviours</i>	10%	Exceeds expectations	Female representation in Senior Management increased to 36.96% as at 30 June 2024 up from 35.85% as at 30 June 2023. Employee engagement was 89% (nine points above the Australian norm) and Employee wellbeing was 86% (17 points above the Australian norm and 10 points above the High Performing organisation norm).

Final Scorecard Outcome

After consideration of the performance of the Group and the Managing Director's KPI performance outcomes, the Board awarded an STI equivalent to 100% of STI target.

Remuneration Report

KPI performance and STI outcome for financial year ending 30 June 2024 – Other Reported Executives

KPIs for other Reported Executives are aligned to that of the Managing Director. These are focused on growth and resilience measures in individual areas of accountability.

Scorecard	KPI	Anastasia Clarke Performance Rating	Sean McMahon Performance Rating
Financial & Risk	Including as relevant for each role: Group and Divisional financial measures, fund investment performance, transaction activity for funds and partners, and risk management.	Meets/Exceeds expectations	Meets expectations
Strategy & Customer	Including as relevant for each role: customer experience, service and satisfaction measures, ESG progress, Group treasury and liquidity management, Group Fund & Partnership gross equity allotted and divisional Funds under Management growth.	Meets/Exceeds expectations	Exceeds expectations
Leadership, Culture & Collaboration	Including as relevant for each role: leadership contribution, succession, talent, diversity, engagement and wellbeing.	Meets/Exceeds expectations	Meets/Exceeds expectations

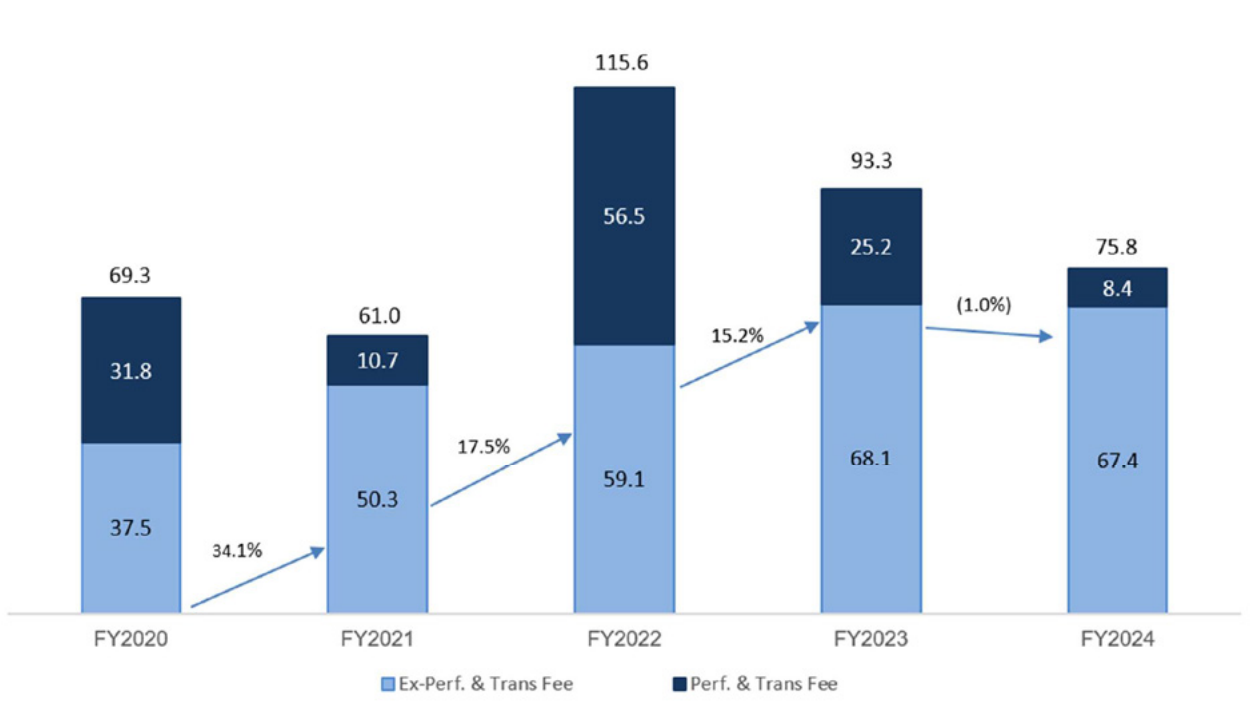
Final scorecard outcomes for Other Reported Executives

After consideration of the performance of the Group and the Other Reported Executives' KPI performance outcomes, the Board awarded an STI equivalent to 100% of the STI target.

Remuneration Report

Group FY24 performance outcomes

In FY24, Charter Hall's OEPS was 75.8 cents, which was 18.8% below the FY23 OEPS, largely due to lower performance fees in FY24 compared to FY23. As can be seen in the table below, OEPS excluding Performance & Transaction fees has grown over the last four years with a CAGR of 15.8% and with FY24 only slightly below FY23 despite the more difficult market conditions.



FY24 STI outcomes	Assessment of individual performance scorecards has resulted in 100% of the aggregate target STI at Group level to be awarded, in September 2024, to eligible employees across the Group. The below table shows the STI outcomes for Reported Executives for 2024. The Managing Director received an STI payout at 100% of the STI target and the Other Reported Executives received an STI payout at 100% of the target, for FY24. This is based on individual achievement against KPIs including evidence of behaviour in line with values and overall leadership team contribution to the Group.
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Name	STI earned \$	Paid in cash ¹ \$	Voluntary deferral into rights \$	Mandatory deferral into service rights \$	Target STI as % of fixed pay %	STI earned compared to target %	STI earned compared to maximum %
Managing Director							
D Harrison	2,486,250	-	1,657,500	828,750	166%	100%	66.7%
Other Reported Executives							
A Clarke ²	431,284	-	287,523	143,761	108%	100%	66.7%
S McMahon	1,100,000	733,333	-	366,667	110%	100%	66.7%
Former Reported Executive							
R Prutt ³	-	-	-	-	-	-	-

1 To be paid on 15 September 2024.
2 STI pro-rata for the period employed.
3 No STI payable following departure.

Remuneration Report

6.5 Long Term Incentive

FY24 LTI plan – key features

Features	Approach										
Purpose	LTI is ‘at risk’ and aligns with the long-term interests of securityholders and business performance. It also plays an important role in employee retention.										
Participants	Executives										
Type of equity awarded	The LTI is governed by the Performance Rights and Options Plan (PROP), under which rights to stapled securities are granted to participants. Each performance right entitles the participant to one stapled security in the Charter Hall Group for nil consideration at the time of vesting, subject to meeting the performance hurdles outlined below.										
Performance period	Performance Rights are subject to a four-year performance period commencing on 1 July 2023 and ending on 30 June 2027.										
Performance Rights allocation methodology	The number of rights granted to a participant in FY24 was determined based on the face value of Charter Hall securities, calculated on the VWAP for the month of June prior to the grant date. This was a change from prior years and better aligns with securityholders. The previous methodology was based on an independent value calculated by Deloitte using the Black Scholes Merton valuation method, which discounted for dividends/distributions forgone during the performance period. There was no discount for market risk.										
Vesting conditions	Performance Rights will vest subject to the satisfaction of the following performance conditions measured over the performance period: - 50% of Performance Rights are subject to an aggregate operating earnings per security (OEPS) growth hurdle; - 50% of Performance Rights are subject to a relative total securityholder return (TSR) hurdle.										
OEPS growth performance measure (50% of LTI allocation)	<table><tr><th>If the aggregate OEPS achieved over the four-year performance period is:</th><th>Percentage of Performance Rights subject to the aggregate OEPS performance measure which may vest</th></tr><tr><td>Less than an aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR)</td><td>0%</td></tr><tr><td>Equal to aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR)</td><td>25%</td></tr><tr><td>More than an aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR) but less than an aggregate OEPS (after tax) of 443.2 cps (based on a 7% CAGR)</td><td>Pro rata straight line vesting between 25%-50%</td></tr><tr><td>Equal to or more than an aggregate OEPS (after tax) of 443.2 cps (based on a 7% CAGR)</td><td>50%</td></tr></table>	If the aggregate OEPS achieved over the four-year performance period is:	Percentage of Performance Rights subject to the aggregate OEPS performance measure which may vest	Less than an aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR)	0%	Equal to aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR)	25%	More than an aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR) but less than an aggregate OEPS (after tax) of 443.2 cps (based on a 7% CAGR)	Pro rata straight line vesting between 25%-50%	Equal to or more than an aggregate OEPS (after tax) of 443.2 cps (based on a 7% CAGR)	50%
If the aggregate OEPS achieved over the four-year performance period is:	Percentage of Performance Rights subject to the aggregate OEPS performance measure which may vest										
Less than an aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR)	0%										
Equal to aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR)	25%										
More than an aggregate OEPS (after tax) of 422.2 cps (based on a 5% CAGR) but less than an aggregate OEPS (after tax) of 443.2 cps (based on a 7% CAGR)	Pro rata straight line vesting between 25%-50%										
Equal to or more than an aggregate OEPS (after tax) of 443.2 cps (based on a 7% CAGR)	50%										

Remuneration Report

Performance is determined based on the Group’s total ASX shareholder return (assuming distributions are reinvested) ranking against the members of the comparator group over the performance measurement period. The Board determines who is included in that comparator group and how the companies in that group are to be treated.		
The Board has determined the following comparator group for the FY24 LTI:		
Relative TSR Performance Measure (50% of LTI Allocation)	Abacus Property Group (ABP)	GPT Group (GPT)
	Arena REIT No. 1 (ARF)	Growthpoint Properties Australia (GOZ)
	BWP Trust (BWP)	Home Consortium Ltd (HMC)
	Centuria Capital Group (CNI)	Homeco Daily Needs REIT (HDN)
	Centuria Industrial REIT (CIP)	Ingenia Communities Group (INA)
	Charter Hall Group (CHC)	Mirvac Group (MGR)
	Charter Hall Long Wale REIT (CLW)	National Storage REIT (NSR)
	Charter Hall Retail REIT (CQR)	Region Group (RGN)
	Charter Hall Social Infrastructure REIT (CQE)	Scentre Group (SCG)
	Cromwell Property Group (CMW)	Stockland (SGP)
	Dexus Property Group (DXS)	Vicinity Centres (VCX)
	Goodman Group (GMG)	Waypoint REIT (WPR)
If, over the relevant performance period the Charter Hall Group Relative TSR when ranked to a comparator group of the S&P/ASX 200 A-REIT Accumulation Index is:		
Less than the comparator group 50th percentile	0%	
Equal to the comparator group 50th percentile	25%	
More than the comparator group 50th percentile and less than 75th percentile	Pro rata straight line vesting between 25% - 50%	
Exceeds the comparator group 75th percentile	50%	
OEPS growth performance measure rationale		
The aggregate OEPS performance measure was selected because it is within the Executive's ability to influence and is a key driver of securityholder returns and therefore aligns performance with returns to securityholders. The Board excluded the CHOT performance fee from the aggregate OEPS hurdles and actual OEPS performance in the FY19, FY20 and FY21 LTI Plans, however, all other performance fees were included. With the CHOT performance fee paid out in full in FY20 it was not required to be excluded in the FY22 LTI Plan aggregate OEPS performance measure.		
The OEPS growth rates used to set the aggregate OEPS performance hurdles are 5% per annum compound for the minimum aggregate OEPS hurdle and 7% per annum compound for the stretch aggregate OEPS hurdle and is regarded by the Board as a competitive growth rate “through the cycle” when compared to other REITs in the ASX200 A-REIT Accumulation Index.		
Rationale for Performance Measures	For AREITs that have been in the S&P ASX 200 AREIT accumulation index over three and five years (excluding Charter Hall), the average and median OEPS growth over three and five years to 30 June 2023 was less than a 2.5% CAGR.	
	Based on the above historic OEPS growth within the comparator group an OEPS CAGR hurdle of at least 5% over a four-year period requires top quartile performance.	
	Charter Hall has typically delivered aggregate OEPS growth in excess of the 5-7% CAGR range. This has been achieved as a consequence of a strategy to build a property funds management business which has been well executed by management. The Board believes that management should continue to be rewarded when delivering an OEPS CAGR in excess of the majority of its peers. The Board does not believe that the OEPS CAGR hurdle ranges should be changed rather that management should continue to be motivated and incentivised to outperform its peers. As the OEPS CAGR hurdle range is “through the cycle” there may be periods when achieving the hurdle growth rates is more difficult.	
The aggregate OEPS performance measure was selected because Charter Hall’s OEPS can fluctuate due to performance and transaction fee income, and the Board believes that aggregate OEPS allows for OEPS to be considered over the entire four-year performance period.		

Remuneration Report

	Relative TSR performance measure rationale TSR measures the overall returns that a company has provided for its securityholders, reflecting share price movements and reinvestment of dividends over a specified period. Relative TSR is the most widely used LTI performance measure used in Australia. It ensures that value is only delivered to participants if the investment return received by CHC securityholders is sufficiently high relative to the investment returns provided by the comparator group over the same period. The comparator group for determining the relative TSR performance for the FY24 LTI Relative TSR measure is comprised of the REITs included in the S&P/ASX 200 A-REIT Accumulation Index as at 1 July 2023. This comparator group is regarded as sufficiently large enough and the most relevant comparator group as it represents all the major REITs listed and categorised as REITs on the ASX.
Voluntary restriction period	For Performance Rights allocations granted from 1 July 2023, participants have the right to elect the timing of exercise of vested rights for a period of up to 10 years from the grant date. Following vesting of the Performance Rights, the restricted stapled securities allocated to participants will not be subject to forfeiture upon termination.
Distributions	For Performance Rights allocations granted from 1 July 2022, a cash payment equivalent to cash distributions declared and paid to the securityholders during the period from the grant date to the date of exercise of the Performance Rights following vesting will be paid to the participants. This will only be payable on the rights that vest, once Performance Rights are exercised.
Cessation of employment	In the event of resignation (other than genuine retirement) or termination for cause or termination for poor performance, all unvested Performance Rights will lapse, unless the Board determines otherwise. In any other circumstances unless the Board determines otherwise, the Performance Rights will continue to remain on foot and, subject to the original terms of the offer, as though the Executive had not ceased employment.
Preventing inappropriate benefits	The Board has discretion to reduce, including to nil, unvested rights in certain circumstances to ensure Executives do not obtain an inappropriate benefit. The circumstances in which the Board may exercise this discretion include for example, if the Board determines that an Executive has acted fraudulently or dishonestly or engaged in gross misconduct or has acted in a manner which brings the Group into disrepute.

6.6 Deferred STI and LTI rights awarded – additional terms and conditions

Deferred STI and LTI Awards are subject to some additional terms and conditions as per below:

Change of control provisions	The Board, in its absolute discretion, may determine the manner in which the rights will be dealt with, including that some or all rights vest or lapse, where a change of control event is likely to occur. Where there is an actual change of control event, unless the Board determines otherwise, all unvested rights will vest on a pro rata basis (based on the proportion of the vesting period that has elapsed), and all vested rights will be automatically exercised.
Hedging and margin lending prohibitions	In accordance with the Corporations Act 2001, all participants are prohibited from hedging or otherwise protecting the value of unvested stapled securities.

Remuneration Report

6.7 FY24 Group performance summary

The table below provides information on Charter Hall's performance against key metrics over the last five years.

Key performance metrics	2020	2021	2022	2023	2024
Statutory (loss)/profit after tax for stapled securityholders (\$m)	345.9	476.8	911.1	196.1	(222.1)
Statutory earnings per stapled security (EPS) (cents)	74.3	102.4	194.1	41.5	(47.0)
Operating earnings for stapled securityholders (\$m)	322.8	284.3	542.8	441.2	358.7
Operating earnings per stapled security (cents)	69.3	61.0	115.6	93.3	75.8
Growth in OEPS %	46.3	(12.0)	89.5	(19.3)	(18.8)
Operating earnings per stapled security (ex CHOT performance fee) (cents) ¹	53.9	61.0	115.6	93.3	75.8
Growth in OEPS (ex CHOT performance fee) %	36.8	13.2	89.5	(19.3)	(18.8)
Distribution per stapled security (cents)	35.7	37.9	40.1	42.5	45.1
Stapled security price at 30 June (\$)	9.69	15.52	10.83	10.71	11.18
CHC total securityholder return – Jul to Jun (%)	(7.4)	64.1	(28.3)	2.6	8.4
Total Funds Under Management (\$bn)	40.5	52.3	79.9	87.4	80.9
Property Funds Under Management (\$bn) ²	40.5	52.3	65.6	71.9	65.5

1 No CHOT performance fee was recognised in FY21, FY22, FY23 and FY24.

2 Excluding Paradise Investment Management (PIM).

TSR for Charter Hall versus comparable indices is outlined below

Charter Hall has outperformed its peer group over the longer term. The following table compares the total securityholder return for Charter Hall against various indices and time periods.

CHC ¹	8.4%	(7.2%)	3.9%	14.8%
S&P ASX 100	12.2%	7.1%	7.8%	8.3%
S&P ASX 200 A-REIT	24.6%	5.7%	4.4%	8.9%
MSCI World REITs	20.8%	7.4%	12.3%	NA

1 Source UBS.

6.8 Group LTI performance outcomes

OEPS (FY20 LTI Tranche 2) – the Group delivered aggregate OEPS of 323.8 cents (excluding Charter Hall Office Trust performance fees) over the four years to 30 June 2023 (FY20 LTI performance period) equivalent to a 31.0% CAGR exceeding the upper end of the performance hurdle aggregate OEPS of 187.18 cents based upon a 7% CAGR over four-year performance period.

Relative TSR (FY20 LTI Tranche 2) – The TSR for the four-year performance period to 30 June 2023 was 8.93% equivalent to a 2.2% CAGR, achieving the seventh ranking (at the 62.5th percentile) of the 17 REITs in the comparator group from the S&P/ASX200 A-REIT Accumulation Index.

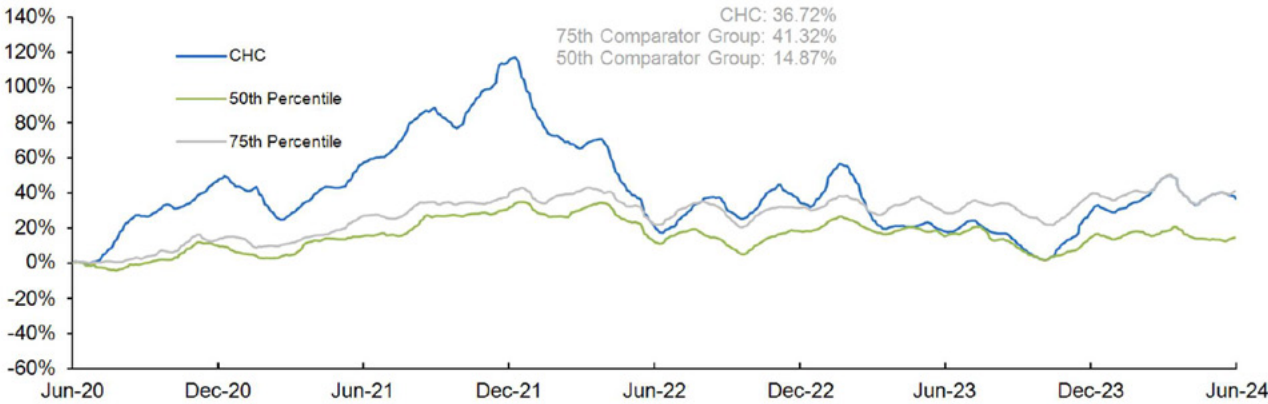
OEPS (FY21) – the Group delivered aggregate OEPS of 345.7 cents (excluding Charter Hall Office Trust performance fees) over the four years to 30 June 2024 (FY21 LTI performance period) equivalent to a 19.8% CAGR exceeding the upper end of the performance hurdle aggregate OEPS of 256.3 cents based upon a 7% CAGR over the four-year performance period.

Relative TSR (FY21) – the TSR for the four-year performance period to 30 June 2024 was 36.72% equivalent to an 8.1% CAGR achieving an outcome at the 68.75th percentile (ranking sixth rank among the 17 REITs) in the comparator group from the S&P/ASX200 A-REIT Accumulation Index.

The following graphs illustrate the Group's TSR compared with the comparator group's 50th and 75th percentile for FY20 (Tranche 2) and FY21 LTI performance periods.

Remuneration Report

FY20 LTI - Tranche 2 performance period



- Outcomes
- The FY20 Tranche 2 LTI, with a four-year vesting period had a vesting date of 31 August 2023. As a result of the aggregate OEPS and TSR performance achieved over the four years to 30 June 2023, the aggregate OEPS stretch hurdle was exceeded and the relative TSR performance hurdle achieved the 62.5th percentile, 87.5% of the performance rights vested on 31 August 2023.

The FY21 LTI, with a four-year vesting period has a vesting date of 31 August 2024. As a result of the aggregate OEPS and TSR performance achieved over the four years to 30 June 2024, the aggregate OEPS and relative TSR stretch hurdles were exceeded, 93.75% of the Performance Rights will vest on 31 August 2024.

Further details of the terms of these awards are set out in the relevant prior year remuneration reports.

7. Executive remuneration in detail
7.1 Total remuneration of Reported Executives

The following table details the total remuneration of the Reported Executives of the Group for FY23 and FY24.

Name	Short-term benefits			Post-employment benefits	Security-based payments				Other long-term benefits	Termination benefits	Total	% of total remuneration consisting of rights ⁵	
	Salary	Cash short-term incentive	Annual leave ¹		Non-monetary benefits ²	Superannuation	Voluntarily deferred short-term incentive ⁶	Mandatory security-based short-term incentive ⁶	Securities options and performance rights	Long service leave ¹			Termination benefits
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Managing Director													
D Harrison ³													
2024	1,472,601	–	(48,338)	812	27,399	1,598,735	799,367	3,969,225	(101,084)	–	7,718,717	82	
2023	1,474,708	1,657,500	(84,807)	814	25,292	–	1,024,318	3,621,285	(34,326)	–	7,684,784	60	
Other Reported Executives													
A Clarke ⁴													
2024	394,445	–	32,286	342	11,714	277,325	53,817	772,072	–	–	1,542,001	72	
2023	–	–	–	–	–	–	–	–	–	–	–	–	
S McMahon													
2024	972,601	733,333	60,719	812	27,399	–	353,668	1,264,053	26,421	–	3,439,006	47	
2023	899,708	783,629	(74,712)	814	25,292	–	456,327	1,120,921	16,188	–	3,228,167	49	
Former Reported Executive													
R Proutt ⁵													
2024	581,734	–	10,623	379	18,266	–	(251,549)	(2,008,068)	(90,097)	28,714	(1,709,998)	132	
2023	839,708	366,400	(41,919)	814	25,292	344,324	421,620	1,078,904	15,138	–	3,050,281	60	
Total 2024	3,421,381	733,333	55,290	2,345	84,778	1,876,060	955,303	3,997,282	(164,760)	28,714	10,989,726	62	
Total 2023	3,214,124	2,807,529	(201,438)	2,442	75,876	344,324	1,902,265	5,821,110	(3,000)	–	13,963,232	58	

1 Shows the movement in leave accruals for the year.
2 Non-monetary benefits for FY24 is salary continuance insurance.
3 D Harrison elected to voluntarily defer 100% of the cash component of his FY24 STI into rights.
4 A Clarke elected to voluntarily defer 100% of the cash component of her FY24 STI into rights.
5 R Proutt elected to voluntarily defer 50% of the cash component of his FY23 STI into rights. Negative values reflect the lapsing of rights.
6 Includes voluntarily deferred cash STI, mandatory security based STI and Securities options and Performance Rights.
7 The amounts included in the table above reflect the fair value of the mandatory deferred and voluntary deferred STI awards at the respective grant dates rather than the June VWAP ('face value') used for allocation purposes. Total STI awards in FY24, based on allocation date, for each reported executive was: D. Harrison \$2,486,250; A. Clarke \$431,284; S. McMahon \$1,100,000.

7.2 Key terms of employment

The remuneration and other terms of employment for Reported Executives are formalised in employment contracts. Each of these contracts provides for participation in the Group's STI and LTI programs and payment of other benefits.

All Reported Executives' contracts are ongoing in duration. The notice period for the Managing Director and Other Reported Executives are summarised below:

Name	Position	Minimum Notice Period ¹	
		Employee	Charter Hall
Managing Director			
David Harrison ²	Managing Director and Group CEO	6 months	12 months
Other Reported Executives			
Anastasia Clarke ³	Chief Financial Officer	6 months	6 months
Sean McMahon	Chief Investment Officer	6 months	6 months
Former Reported Executives			
Russell Proutt ⁴	Chief Financial Officer	6 months	6 months

1 No notice period is required for termination by the Company for serious or wilful misconduct by the employee.

2 Where the Managing Director gives notice of his cessation of employment, he is entitled to a restraint payment of a maximum of six-months equivalent fixed remuneration so long as he complies with the terms of his employment agreement for the period of six months following his cessation.

3 A Clarke commenced on 29 January 2024.

4 R Prutt ceased employment on 29 February 2024.

Other than as described above, the Reported Executives' contracts do not provide for any termination benefits aside from payment in lieu of notice (where applicable).

8. Non-Executive Director remuneration

Policy	The Committee makes recommendations to the Board on the total level of remuneration of the Chair and other Non-Executive Directors, including any additional fees payable to Directors for membership of Board committees.
Benchmarking	Fees are set by reference to the following considerations: – industry practice and best principles of corporate governance; – responsibilities and risks attached to the role of NEDs; – the time commitment expected of NEDs on Group matters; – reference to fees paid to NEDs of other comparable companies. NED fees are periodically reviewed and benchmarked against the market to ensure they remain in line with general industry practice and reflect proper compensation for duties undertaken.
Fee framework	NED fees, including committee fees, are set by the Board within the aggregate amount of \$2.0 million per annum as approved by securityholders at the AGM in November 2021. Under the current framework, NEDs, other than the Chair receive (inclusive of superannuation): – Board base fee; – Committee fees. The Chair receives an all-inclusive fee. NEDs are also entitled to be reimbursed for all business-related expenses, including travel on Charter Hall business, incurred in the discharge of their duties in accordance with Charter Hall's Constitution. In accordance with principles of good corporate governance, NEDs do not receive any benefits upon retirement under any retirement benefits schemes (other than statutory superannuation) and NEDs are not eligible to participate in any of Charter Hall's employee incentive schemes.
Remuneration outcomes	The Chair, member and committee fees were increased by 3.5% in FY24. Further details are outlined in section 8.1 below.

Minimum shareholding requirement	NEDs are required to hold a minimum of 100% of annual base director fees, excluding Committee membership fees in CHC securities within three years of appointment as a NED or from the date of this policy, whichever is the later and maintain it on an on-going basis. The value of securities for determining compliance is the higher of either cost or market value.
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8.1 Changes to NED fees and maximum aggregate NED fee pool

A summary of the NED fees in FY23 and the increased fees in FY24 are set out below.

Summary of fee framework per annum	2024 \$	2023 \$
Board		
Chair	495,713	478,950
Member	186,559	180,250
Audit Risk and Compliance Committee		
Chair	58,633	56,650
Member	26,651	25,750
Remuneration and Human Resources Committee		
Chair	42,642	41,200
Member	19,722	19,055
Nomination Committee		
Chair	5,330	5,150
Member	5,330	5,150
Investment Committee		
Chair	18,123	17,510
Member	12,793	12,360

8.2 Statutory NED remuneration for FY24

Non-Executive Director remuneration	2024 fees \$	2023 fees \$
Non-Executive Directors		
D Clarke	495,713	478,950
J Chow	218,540	207,888
S Conry AM	219,073	85,807
K Moses	270,244	261,105
G Paramor AO ¹	391,080	225,147
D Ross	268,645	259,560
Total	1,863,295	1,518,457

¹ Fees include those payable for his role on CHC Board and his role on a CH subsidiary Board.

The maximum aggregate NED fee pool is \$2.0 million which was approved by securityholders at the 2021 AGM.

9. Additional disclosures

9.1 Securityholdings

Key management personnel securityholdings

Name	Opening balance at 1 Jul 2023	Stapled securities acquired	Rights and options exercised	Stapled securities sold	Closing balance at 30 Jun 2024
Directors of Charter Hall Limited					
<i>Ordinary stapled securities</i>					
D Clarke	49,875	-	-	-	49,875
J Chow	10,000	-	-	-	10,000
S Conry AM	16,000	11,775	-	-	27,775
K Moses	23,137	-	-	-	23,137
G Paramor AO	14,300	-	-	-	14,300
D Ross	17,500	-	-	-	17,500
Managing Director					
D Harrison ¹	1,168,799	-	258,514	(258,514)	1,168,799
Other Reported Executives					
A Clarke ²	-	-	-	-	-
S McMahon	305,009	-	102,603	-	407,612
Former Reported Executives					
R Proutt ³	105,612	-	-	-	-

¹ Opening balance restated.

² A Clarke commenced on 29 January 2024.

³ R Proutt ceased employment on 29 February 2024. Refer to section 10 for rights exercised during employment.

9.2 Performance rights and option plan details

Performance rights and service rights outstanding under the PROP

Performance rights			
Financial year of grant	Securities	Exercise price	Vesting conditions
2021	691,704	Nil	OEPS and relative performance criteria
2022	661,764	Nil	OEPS and relative performance criteria
2022	5,000,000	Nil	Performance conditions
2023	922,792	Nil	OEPS and relative performance criteria
2024	1,147,764	Nil	OEPS and relative performance criteria
Total performance rights outstanding	8,424,024		

Service rights			
Financial year of grant	Securities	Exercise price	Vesting conditions
2020	130,000	Nil	Service Conditions
2021	276,166	Nil	Voluntary Deferred STI
2022	307,514	Nil	Voluntary Deferred STI
2023	119,413	Nil	Service conditions - Deferred STI
2023	434,110	Nil	Voluntary Deferred STI
2023	12,909	Nil	Service Conditions
2024	204,914	Nil	Service conditions - Deferred STI
2024	157,728	Nil	Service Conditions
Total service rights outstanding	1,642,754		

10. Appendix

Valuation model

The Black-Scholes-Merton methodology which discounts for dividends/distributions foregone (there is no discount for market risk) is used for accounting purposes for non-market-based Performance Rights. The Monte Carlo method is used for accounting purposes for market-based Performance Rights. The accounting value determined using a Monte Carlo simulation valuation is in accordance with AASB 2.

Reported Executive rights – details by plan

Type of equity	Rights held at 1 July 2023	Rights granted during the year	Rights vested and exercised during the year	Rights forfeited during the year	Rights held at 30 June 2024	Grant date	Fair value per right at grant date (\$)	Vesting date	Fair value to be expensed in future years (\$) ¹
Managing Director									
D Harrison									
LTI Performance Rights	113,705	-	99,492	14,213	-	25-Nov-19	7.01	31-Aug-23	-
LTI Performance Rights	265,737	-	-	-	265,737	26-Nov-20	10.33	31-Aug-24	109,894
ROP Performance Rights	905,776	-	-	-	905,776	11-Nov-21	5.86	31-Aug-26	2,223,786
LTI Performance Rights	218,594	-	-	-	218,594	14-Dec-21	18.52	31-Aug-25	1,132,127
LTI Performance Rights	258,198	-	-	-	258,198	17-Nov-22	11.83	31-Aug-26	1,586,607
LTI Performance Rights	-	273,986	-	-	273,986	07-Dec-23	8.70	31-Aug-27	1,808,343
STI Deferred Service Rights	84,918	-	84,918	-	-	01-Jul-20	8.83	31-Aug-23	-
STI Deferred Service Rights	91,263	-	-	-	91,263	01-Jul-20	8.22	31-Aug-25	-
STI Deferred Service Rights	25,692	-	25,692	-	-	27-Jul-21	15.27	31-Aug-23	-
STI Deferred Service Rights	48,412	-	48,412	-	-	29-Jul-22	12.74	31-Aug-23	-
STI Deferred Service Rights	48,412	-	-	-	48,412	29-Jul-22	12.74	31-Aug-24	-
STI Deferred Service Rights	96,824	-	-	-	96,824	29-Jul-22	12.74	31-Aug-24	-
STI Deferred Service Rights	96,824	-	-	-	96,824	29-Jul-22	12.74	31-Aug-25	-
STI Deferred Service Rights	-	37,844	-	-	37,844	16-Aug-23	10.29	31-Aug-24	-
STI Deferred Service Rights	-	37,844	-	-	37,844	16-Aug-23	10.29	31-Aug-25	-
Other Reported Executives									
A Clarke									
Sign On Rights	-	157,728	-	-	157,728	29-Jan-24	9.51	29-Jan-25	1,055,995
S McMahon									
LTI Performance Rights	33,916	-	29,677	4,239	-	25-Nov-19	7.01	31-Aug-23	-
LTI Performance Rights	79,264	-	-	-	79,264	26-Nov-20	10.33	31-Aug-24	32,779
ROP Performance Rights	372,374	-	-	-	372,374	11-Nov-21	4.58	31-Aug-26	714,528
LTI Performance Rights	67,400	-	-	-	67,400	14-Dec-21	18.52	31-Aug-25	349,073
LTI Performance Rights	79,610	-	-	-	79,610	17-Nov-22	11.83	31-Aug-26	489,197
LTI Performance Rights	-	100,460	-	-	100,460	07-Dec-23	8.70	31-Aug-27	663,049
STI Deferred Service Rights	40,708	-	40,708	-	-	01-Jul-20	8.83	31-Aug-23	-
STI Deferred Service Rights	12,781	-	-	-	12,781	27-Jul-21	14.91	31-Aug-24	-
STI Deferred Service Rights	12,316	-	12,316	-	-	27-Jul-21	15.27	31-Aug-23	-
STI Deferred Service Rights	19,902	-	19,902	-	-	29-Jul-22	12.74	31-Aug-23	-
STI Deferred Service Rights	19,902	-	-	-	19,902	29-Jul-22	12.74	31-Aug-24	-
STI Deferred Service Rights	-	17,892	-	-	17,892	16-Aug-23	10.29	31-Aug-24	-
STI Deferred Service Rights	-	17,892	-	-	17,892	16-Aug-23	10.29	31-Aug-25	-
Former Reported Executives									
R Proutt									
LTI Performance Rights	35,633	-	31,179	4,454	-	25-Nov-19	7.01	31-Aug-23	-
LTI Performance Rights	83,276	-	-	83,276	-	26-Nov-20	10.33	31-Aug-24	-
ROP Performance Rights	348,220	-	-	348,220	-	11-Nov-21	5.86	31-Aug-26	-
LTI Performance Rights	63,028	-	-	63,028	-	14-Dec-21	18.52	31-Aug-25	-
LTI Performance Rights	74,446	-	-	74,446	-	17-Nov-22	11.83	31-Aug-26	-
STI Deferred Service Rights	36,288	-	36,288	-	-	01-Jul-20	8.83	31-Aug-23	-
STI Deferred Service Rights ²	38,999	-	-	-	-	01-Jul-20	8.22	31-Aug-25	-
STI Deferred Service Rights ²	45,574	-	-	-	-	27-Jul-21	15.63	31-Aug-24	-
STI Deferred Service Rights	10,979	-	10,979	-	-	27-Jul-21	12.74	31-Aug-23	-
STI Deferred Service Rights	18,611	-	18,611	-	-	29-Jul-22	12.74	31-Aug-23	-
STI Deferred Service Rights	18,611	-	-	18,611	-	29-Jul-22	12.74	31-Aug-24	-
STI Deferred Service Rights ²	37,223	-	-	-	-	29-Jul-22	12.74	31-Aug-25	-
STI Deferred Service Rights	-	16,731	-	16,731	-	16-Aug-23	10.29	31-Aug-24	-
STI Deferred Service Rights	-	16,731	-	16,731	-	16-Aug-23	10.29	31-Aug-25	-

1 The maximum value of the grants yet to vest is the fair value amount at the grant date yet to be reflected in the Group's consolidated income statement. The minimum future value is \$nil as the future performance and service conditions may not be met.

2 Voluntary deferred service rights held at cessation of employment.

11. Other Transactions with KMP

There were no loans made, guaranteed or secured, directly or indirectly, by the Company and any of its subsidiaries to KMP or their related parties during the year. There were no other transactions between the Company or any of its subsidiaries and any KMP or their related parties during the year.

Directors' report – continued

Indemnification and insurance of directors, officers and auditor

During the year, the Charter Hall Group contributed to the premium for a contract insuring all directors, secretaries, executive officers and officers of the Charter Hall Group and of each related body corporate of the Group, with the balance of the premium paid by funds managed by members of the Charter Hall Group. The insurance does not provide any cover for the independent auditor of the Charter Hall Group or of a related party of the Charter Hall Group. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

So long as the officers of the Responsible Entity act in accordance with the Charter Hall Property Trust's constitution and the *Corporations Act 2001*, the officers are indemnified out of the assets of the Charter Hall Property Trust against losses incurred while acting on behalf of the Charter Hall Property Trust. The Charter Hall Group indemnifies the auditor (PricewaterhouseCoopers Australia) against any liability (including legal costs) for third party claims arising from a breach by the Charter Hall Group of the auditor's engagement terms, except where prohibited by the *Corporations Act 2001*.

Non-audit services

The Company may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Group are important.

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers) for non-audit services provided during the year are set out below.

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 compatible 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 below, did not compromise the auditor 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 they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year, the following fees were paid for non-audit services provided by the auditor and its related practices by the Charter Hall Group and Charter Hall Property Trust Group:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$	\$	\$	\$
PricewaterhouseCoopers – Australian Firm				
Taxation compliance services	61,732	67,970	–	–
Total remuneration for taxation compliance services	61,732	67,970	–	–
Other services				
PricewaterhouseCoopers – Australian Firm				
Sustainability assurance services	252,000	160,000	–	–
Other assurance services	–	13,178	–	13,178
Total remuneration for other services	252,000	173,178	–	13,178
Total remuneration for non-audit services	313,732	241,148	–	13,178

Environmental regulation

The Charter Hall Group recognises that sustainability is more than protecting the natural environment; it is about responding to the needs of our customers, achieving our long-term commercial goals and working in partnership with our stakeholders to improve environmental and social outcomes. Our approach focuses on where and how we can make the most difference.

The Board has oversight of our sustainability strategy, policies, risks and opportunities, including our approach to risks and opportunities of a changing climate and the integration of ESG into our systems. Our Group Sustainability Policy outlines our commitments to achieving a sustainable future and can be found at: www.charterhall.com.au/About-Us/corporate-governance/corporate-governance-charter-hall-group.

The Group has processes in place to comply with applicable environmental standards and regulations. The Group reports its greenhouse gas emissions and energy use on an annual basis under the *National Greenhouse and Energy Reporting Act 2007*, as well as disclosing in our voluntary Annual Sustainability Report, which can be found at: <https://www.charterhall.com.au/sustainability>.

The Group is actively addressing and managing environmental impacts to support the following outcomes:

- Net Zero Carbon in operation for Scope 1 and Scope 2 by 2025, accelerating our commitment by 5 years
- 100% Renewable electricity powering our assets in operational control by 2025
- 50% waste diversion from landfill by 2025
- 4.5 Star National Australian Built Environment Rating System (NABERS) Water weighted average portfolio rating for Office and Retail by 2030
- 5 Star NABERS Energy weighted average portfolio rating for Office by 2025
- 4.5 Star NABERS Energy weighted average portfolio rating for Retail by 2025

Charter Hall has a demonstrated track record in using independent rating tools to benchmark and measure operational performance of its property portfolios, including Green Star, National Australian Built Environmental Rating System (NABERS) and International WELL Building Standard (WELL).

Charter Hall voluntarily reports annually to international organisations, such as the United Nations Principles for Responsible Investment (PRI), Dow Jones Sustainability Index (DJSI), and Global Real Estate Sustainability Benchmark (GRESB). This year, the Group responded to the DJSI Reports for CHC and GRESB Real Estate Assessment Reports for 28 funds representing \$58.5 billion of FUM. Additionally, GRESB Public Disclosure Statements were submitted for CLW, CQR, CHC, and CQE.

Labour practices

Charter Hall Group became a signatory to the UN Global Compact on 8 March 2019. Charter Hall's Human Rights Policy

and Supplier Code of Conduct can be found at www.charterhall.com.au/About-Us/corporate-governance/corporate-governance-charter-hall-group. These documents outline our commitment to manage our operations in line with the UN Guiding Principles, the UN Global Compact and international and Australian Modern Slavery legislation, reflecting both our business needs and the expectations of our customers and key stakeholders.

Tax Governance Statement

Charter Hall Group has adopted the Board of Taxation's Tax Transparency Code (TTC) at 30 June 2017. As part of the TTC, Charter Hall has published a Tax Governance Statement (TGS) which details Charter Hall Group's corporate structure and tax corporate governance systems. Charter Hall Group's TGS can be found on our website at www.charterhall.com.au/about-us/corporate-governance/corporate-governance-charter-hall-group.

Proceedings on behalf of the Company

Section 237 of the *Corporations Act 2001* allows for a person to apply to the Court to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, in certain circumstances.

No person has made such an application and no proceedings have been brought or intervened in on behalf of the Company with the Court.

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 82.

Rounding of amounts

The Company and the Trust is of a kind referred to in *ASIC Corporations Instrument (Rounding in Financial/Directors' Reports) 2016/191*, relating to the rounding off of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that instrument to the nearest hundred thousand dollars, or in certain cases, to the nearest dollar.

Directors' authorisation

The Directors' Report is made in accordance with a resolution of the Directors. The Financial Statements were authorised for issue by the Directors on 21 August 2024. The Directors have the power to amend and re-issue the Financial Statements.



David Clarke
Chair

Sydney
21 August 2024



Auditor’s Independence Declaration

As lead auditor for the audit of Charter Hall Group and Charter Hall Property Trust Group for the year ended 30 June 2024, I declare that 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; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Charter Hall Limited and the entities it controlled during the period and Charter Hall Property Trust and the entities it controlled during the period (together referred to as “Charter Hall Group”) and Charter Hall Property Trust and the entities it controlled during the period (together referred to as “Charter Hall Property Trust Group”).

R.W. McMahon

R W McMahon
Partner
PricewaterhouseCoopers

Sydney
21 August 2024

Consolidated Statements of Comprehensive Income

	Note	Charter Hall Group		Charter Hall Property Trust Group	
		2024	2023	2024	2023
		\$'m	\$'m	\$'m	\$'m
Income					
Revenue	4	597.8	869.7	25.0	21.8
Net gain on sale of investments		–	0.5	–	0.6
Other net fair value adjustments		–	0.7	–	4.2
Total income		597.8	870.9	25.0	26.6
Expenses					
Share of net loss from equity accounted investments	2,3	(350.3)	(83.4)	(340.7)	(100.6)
Employee costs	5	(192.4)	(187.0)	–	–
Development costs		(15.7)	(193.0)	–	–
Administration and other expenses	5	(47.5)	(40.1)	(4.1)	(3.6)
Finance costs		(33.2)	(26.9)	(51.8)	(29.2)
Depreciation, amortisation and impairment	5	(60.4)	(17.8)	–	(9.1)
Other net fair value adjustments		(17.7)	–	–	–
Other net losses		(8.2)	(0.9)	(3.4)	–
Total expenses		(725.4)	(549.1)	(400.0)	(142.5)
Profit/(loss) before tax		(127.6)	321.8	(375.0)	(115.9)
Income tax expense	6	(94.5)	(125.7)	–	–
Profit/(loss) for the year		(222.1)	196.1	(375.0)	(115.9)
Profit/(loss) for the year attributable to:					
Equity holders of Charter Hall Limited		152.9	312.0	–	–
Equity holders of Charter Hall Property Trust (non-controlling interest)		(375.0)	(115.9)	(375.0)	(115.9)
Profit/(loss) attributable to stapled securityholders of Charter Hall Group		(222.1)	196.1	(375.0)	(115.9)
Profit/(loss) for the year		(222.1)	196.1	(375.0)	(115.9)

		Charter Hall Group		Charter Hall Property Trust Group	
	Note	2024	2023	2024	2023
		\$'m	\$'m	\$'m	\$'m
Profit/(loss) for the year		(222.1)	196.1	(375.0)	(115.9)
Other comprehensive income					
<i>Items that may be reclassified to profit or loss</i>					
Exchange differences on translation of foreign operations		0.3	1.4	0.3	1.4
Changes in the fair value of cash flow hedges		(1.2)	(0.5)	(1.6)	(0.5)
Equity accounted fair value movements		0.2	(0.1)	–	–
Other comprehensive income/(loss) for the year		(0.7)	0.8	(1.3)	0.9
Total comprehensive income/(loss) for the year		(222.8)	196.9	(376.3)	(115.0)
Total comprehensive income/(loss) for the year is attributable to:					
Equity holders of Charter Hall Limited		153.5	311.9	–	–
Equity holders of Charter Hall Property Trust (non-controlling interest)		(376.3)	(115.0)	(376.3)	(115.0)
Total comprehensive income/(loss) attributable to stapled securityholders of Charter Hall Group		(222.8)	196.9	(376.3)	(115.0)
Total comprehensive income/(loss) for the year		(222.8)	196.9	(376.3)	(115.0)
Basic earnings per security (cents) attributable to:					
Equity holders of Charter Hall Limited		32.3	66.0	n/a	n/a
Equity holders of Charter Hall Property Trust (non-controlling interest)		(79.3)	(24.5)	(79.3)	(24.5)
Basic earnings per stapled security (cents) attributable to stapled securityholders of Charter Hall Group	8(a)	(47.0)	41.5	n/a	n/a
Diluted earnings per security (cents) attributable to:					
Equity holders of Charter Hall Limited		31.7	64.8	n/a	n/a
Equity holders of Charter Hall Property Trust (non-controlling interest)		(77.7)	(24.1)	(77.7)	(24.1)
Diluted earnings per stapled security (cents) attributable to stapled securityholders of Charter Hall Group	8(b)	(46.0)	40.7	n/a	n/a

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

Consolidated Balance Sheets

		Charter Hall Group		Charter Hall Property Trust Group	
	Note	2024	2023	2024	2023
		\$'m	\$'m	\$'m	\$'m
Assets					
<i>Current assets</i>					
Cash and cash equivalents		382.7	401.4	22.4	56.1
Receivables and other assets	9	105.4	159.5	45.8	39.1
Development assets		1.1	29.0	–	–
Derivative financial instruments	15	4.1	4.8	2.7	4.8
Assets classified as held for sale	10	78.8	–	78.8	–
Total current assets		572.1	594.7	149.7	100.0
<i>Non-current assets</i>					
Receivables and other assets	9	4.0	3.7	–	–
Derivative financial instruments	15	17.2	34.2	17.2	17.5
Financial assets at fair value through profit or loss		20.1	29.7	20.1	29.7
Investments accounted for at fair value through profit or loss	2,3	89.2	123.6	89.2	123.6
Development assets		32.5	76.3	–	–
Investments accounted for using the equity method	2,3	2,772.6	3,066.7	2,421.3	2,621.4
Intangible assets	11	113.0	113.5	–	–
Property, plant and equipment		10.4	14.1	–	–
Right-of-use assets		12.6	16.1	–	–
Total non-current assets		3,071.6	3,477.9	2,547.8	2,792.2
Total assets		3,643.7	4,072.6	2,697.5	2,892.2
Liabilities					
<i>Current liabilities</i>					
Trade and other liabilities	13	214.2	209.2	22.4	62.8
Development liabilities		7.8	13.3	–	–
Current tax liabilities		7.3	35.1	–	–
Lease liabilities		7.6	7.1	–	–
Liabilities associated with assets classified as held for sale	10	35.5	–	35.5	–
Total current liabilities		272.4	264.7	57.9	62.8
<i>Non-current liabilities</i>					
Trade and other liabilities	13	5.0	4.7	396.6	143.8
Derivative financial instruments	15	38.2	41.1	38.2	41.1
Borrowings	14	455.5	450.7	455.5	450.7
Development liabilities		27.7	16.0	–	–
Lease liabilities		11.4	16.4	–	–
Deferred tax liabilities	12	12.9	23.8	–	–
Total non-current liabilities		550.7	552.7	890.3	635.6
Total liabilities		823.1	817.4	948.2	698.4
Net assets		2,820.6	3,255.2	1,749.3	2,193.8
Equity					
<i>Equity holders of Charter Hall Limited</i>					
Contributed equity	16(a)	315.0	314.8	–	–
Reserves	17	2.9	1.2	–	–
Accumulated profit		753.4	745.4	–	–
Parent entity interest		1,071.3	1,061.4	–	–
<i>Equity holders of Charter Hall Property Trust</i>					
Contributed equity	16(a)	1,536.3	1,536.2	1,536.3	1,536.2
Reserves	17	2.4	3.7	2.4	3.7
Accumulated profit		210.6	653.9	210.6	653.9
Equity holders of Charter Hall Property Trust (non-controlling interest)		1,749.3	2,193.8	1,749.3	2,193.8
Total equity		2,820.6	3,255.2	1,749.3	2,193.8

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

Consolidated Statement of Changes in Equity - Charter Hall Group

	Note	Attributable to the owners of Charter Hall Limited			Non- controlling interest \$'m	Charter Hall Group Total equity \$'m
		Contributed equity \$'m	Reserves \$'m	Accumulated profit/(losses) \$'m		
Balance at 1 July 2022		314.8	(13.3)	524.1	2,464.1	3,289.7
Profit/(loss) for the year		—	—	312.0	(115.9)	196.1
Other comprehensive income/(loss)		—	(0.1)	—	0.9	0.8
Total comprehensive income/(loss)		—	(0.1)	312.0	(115.0)	196.9
<i>Transactions with equity holders in their capacity as equity holders:</i>						
Buyback and issuance of securities for exercised performance rights		(0.7)	(6.4)	—	(1.8)	(8.9)
Tax recognised direct to equity	6(c)	0.7	—	—	—	0.7
Transfer due to deferred compensation payable in service rights		—	8.4	—	—	8.4
Security-based benefit expense		—	12.6	—	—	12.6
Dividend/distribution provided for or paid	7	—	—	(90.7)	(110.5)	(201.2)
Loss of control of subsidiary		—	—	—	(43.0)	(43.0)
		—	14.6	(90.7)	(155.3)	(231.4)
Balance at 30 June 2023		314.8	1.2	745.4	2,193.8	3,255.2
Balance at 1 July 2023		314.8	1.2	745.4	2,193.8	3,255.2
Profit/(loss) for the year		—	—	152.9	(375.0)	(222.1)
Other comprehensive income/(loss)		—	0.6	—	(1.3)	(0.7)
Total comprehensive income/(loss)		—	0.6	152.9	(376.3)	(222.8)
<i>Transactions with equity holders in their capacity as equity holders:</i>						
Buyback and issuance of securities for exercised performance rights		—	(12.5)	—	0.1	(12.4)
Tax recognised direct to equity	6(c)	0.2	(0.4)	—	—	(0.2)
Transfer due to deferred compensation payable in service rights		—	(3.1)	—	—	(3.1)
Security-based benefit expense		—	17.1	—	—	17.1
Dividend/distribution provided for or paid	7	—	—	(144.9)	(68.3)	(213.2)
		0.2	1.1	(144.9)	(68.2)	(211.8)
Balance at 30 June 2024		315.0	2.9	753.4	1,749.3	2,820.6

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

Consolidated Statement of Changes in Equity - Charter Hall Property Trust Group

	Note	Attributable to the owners of the Charter Hall Property Trust Group			Non- controlling interest \$'m	Total equity \$'m
		Contributed equity \$'m	Reserves \$'m	Accumulated profit/(losses) \$'m		
Balance at 1 July 2022		1,538.0	3.1	879.8	43.2	2,464.1
Loss for the year		—	—	(115.9)	—	(115.9)
Other comprehensive income		—	0.9	—	—	0.9
Total comprehensive income/(loss)		—	0.9	(115.9)	—	(115.0)
<i>Transactions with equity holders in their capacity as equity holders:</i>						
Buyback and issuance of securities for exercised performance rights		(1.8)	—	—	—	(1.8)
Dividend/distribution provided for or paid	7	—	—	(110.5)	—	(110.5)
Loss of control of subsidiary		—	(0.3)	0.5	(43.2)	(43.0)
		(1.8)	(0.3)	(110.0)	(43.2)	(155.3)
Balance at 30 June 2023		1,536.2	3.7	653.9	—	2,193.8
Balance at 1 July 2023		1,536.2	3.7	653.9	—	2,193.8
Loss for the year		—	—	(375.0)	—	(375.0)
Other comprehensive loss		—	(1.3)	—	—	(1.3)
Total comprehensive loss		—	(1.3)	(375.0)	—	(376.3)
<i>Transactions with equity holders in their capacity as equity holders:</i>						
Buyback and issuance of securities for exercised performance rights		0.1	—	—	—	0.1
Dividend/distribution provided for or paid	7	—	—	(68.3)	—	(68.3)
		0.1	—	(68.3)	—	(68.2)
Balance at 30 June 2024		1,536.3	2.4	210.6	—	1,749.3

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

Consolidated Cash Flow Statements

	Note	Charter Hall Group		Charter Hall Property Trust Group	
		2024	2023	2024	2023
		\$'m	\$'m	\$'m	\$'m
Cash flows from operating activities					
Receipts from customers (inclusive of GST)		762.7	890.7	14.7	21.8
Payments to suppliers and employees (inclusive of GST)		(308.3)	(520.0)	(5.7)	(1.8)
Tax paid		(133.4)	(165.5)	–	–
Interest received		13.5	11.3	1.4	2.1
Interest paid		(32.0)	(25.2)	(31.0)	(22.9)
Distributions and dividends from investments		125.5	147.6	95.6	110.1
Net cash inflow from operating activities	19	428.0	338.9	75.0	109.3
Cash flows from investing activities					
Payments for property, plant and equipment		(2.5)	(2.3)	–	–
Payments for investment properties		(78.8)	–	(78.8)	–
Investments in associates, joint ventures and financial assets		(319.7)	(434.3)	(319.7)	(300.8)
Proceeds on disposal and return of capital from investments in associates and joint ventures		145.0	115.5	131.8	91.9
Loans to associates, joint ventures and related parties		–	–	(53.8)	(64.6)
Repayments of loans from associates, joint ventures and related parties		–	–	290.8	274.3
Net cash inflow/(outflow) from investing activities		(256.0)	(321.1)	(29.7)	0.8
Cash flows from financing activities					
Buy back of stapled securities		(11.2)	(8.9)	–	–
Borrowing costs paid		(0.7)	–	(0.7)	–
Proceeds from borrowings (net of borrowing costs)		37.5	–	37.5	–
Repayment of borrowings		(2.0)	–	(2.0)	–
Principal elements of lease payments		(7.2)	(6.8)	–	–
Dividends/distributions paid to stapled securityholders		(207.1)	(195.4)	(113.8)	(107.4)
Net cash outflow from financing activities		(190.7)	(211.1)	(79.0)	(107.4)
Net increase/(decrease) in cash and cash equivalents		(18.7)	(193.3)	(33.7)	2.7
Cash and cash equivalents at the beginning of the year		401.4	594.7	56.1	53.4
Cash and cash equivalents at the end of the year		382.7	401.4	22.4	56.1

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

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Notes to the Consolidated Financial Statements

The notes to these consolidated financial statements include additional information to assist the reader in understanding the operations, performance and financial position of the Charter Hall Group and the Charter Hall Property Trust Group. The financial report of Charter Hall Group (Group or CHC) comprises Charter Hall Limited (Company or CHL) and its controlled entities, which include Charter Hall Funds Management Limited as the Responsible Entity of Charter Hall Property Trust (CHPT or Trust) and CHPT and its controlled entities. The financial report of the Charter Hall Property Trust Group comprises the Trust and its controlled entities.

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, assumptions and judgements in the process of applying accounting policies.

Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances. The critical judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are described in their respective notes:

- Note 2 Investments in associates
- Note 3 Investments in joint ventures
- Note 4 Revenue
- Note 11 Intangible assets
- Note 21(d) Valuation techniques used to derive Level 3 fair values
- Note 23 Controlled entities

1 Segment information

(a) Description of segments

Charter Hall Group

The operating segments disclosed are based on the reports reviewed by the Group CEO to make strategic decisions, assess performance, and allocate resources. Operating earnings is a financial measure which represents statutory profit after tax adjusted for the items in Note 1(c). Operating earnings is the primary measure of the Group's underlying and recurring earnings. Operating earnings is used by the Group CEO to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

The Group's operating segments comprise:

Property investments

This segment comprises investments in property funds.

Development investments

This segment comprises investments in developments.

Funds management

This segment comprises investment management services and property services.

Geographical segments are immaterial as the vast majority of the Group's income is from Australian sources. Assets and liabilities have not been reported on a segmented basis as the Group CEO is focused on the consolidated balance sheet.

Charter Hall Property Trust Group

The Group CEO allocates resources and assesses the performance of operating segments for the entire Charter Hall Group. Results are not separately identified and reported according to the legal structure of the Charter Hall Group and therefore segment information for CHPT is not prepared or provided to the Group CEO.

(b) Proportionally consolidated operating segments

The operating segments reported to the Group CEO for the reportable segments for the year ended 30 June 2024 are as follows:

1 Segment information continued

	Property Investment	Development Investment	Funds Management ¹	Total
2024	\$'m	\$'m	\$'m	\$'m
Revenue	322.8	73.3	448.6	844.7
Costs and expenses ²	(90.2)	(36.9)	(148.4)	(275.5)
Elimination of co-investment revenue ³	38.4	–	(38.4)	–
Non-real estate earnings	–	–	9.8	9.8
EBITDA	271.0	36.4	271.6	579.0
Depreciation and amortisation expense	–	–	(11.5)	(11.5)
Net interest expense	(84.5) ⁴	(1.7)	(19.8) ⁵	(106.0)
Elimination of co-investment revenue reinstatement ⁶	(38.4)	–	38.4	–
Operating earnings before tax	148.1	34.7	278.7	461.5
Income tax expense				(102.8)
Operating earnings attributable to stapled securityholders				358.7
Basic weighted average number of stapled securities				473.0
Operating earnings per stapled security (cents)				75.8

2023				
Revenue	280.3	249.3	565.8	1,095.4
Costs and expenses ²	(79.7)	(212.7)	(156.5)	(448.9)
Elimination of co-investment revenue ³	47.9	–	(47.9)	–
Non-real estate earnings	–	–	14.0	14.0
EBITDA	248.5	36.6	375.4	660.5
Depreciation and amortisation expense	–	–	(8.2)	(8.2)
Net interest expense	(63.1) ⁴	(0.6)	(17.1) ⁵	(80.8)
Elimination of co-investment revenue reinstatement ⁶	(47.9)	–	47.9	–
Operating earnings before tax	137.5	36.0	398.0	571.5
Income tax expense				(130.3)
Operating earnings attributable to stapled securityholders				441.2
Basic weighted average number of stapled securities				473.0
Operating earnings per stapled security (cents)				93.3

¹ Funds management revenue comprises fees paid by the funds to Group for investment management, asset management, property management, development management and leasing and transactions services.

² Costs and expenses comprise net operating expenses, corporate expenses, and other costs.

³ The Group's co-investment share of revenue paid by the funds to the Group, eliminated on proportional consolidation (i.e. Inter-segment eliminations).

⁴ Group co-investment share of interest expense in funds, net of interest income and derivative income/expense (excluding fair value movements which are non-operating).

⁵ Interest expense on balance sheet borrowings, net of interest income and derivative income/expense (excluding fair value movements which are non-operating).

⁶ Reversal of inter-segment eliminations recognised in EBITDA (footnote 3).

1 Segment information continued

(c) The reconciliation of operating earnings to statutory profit after tax attributable to stapled securityholders is shown below

	2024 \$'m	2023 \$'m
Operating earnings attributable to stapled securityholders	358.7	441.2
Net fair value movements on investments & property ¹	(461.7)	(220.7)
Net gain/(loss) on disposal of equity accounted investments ¹	(17.9)	–
Non-operating income tax benefit/(expense)	8.3	4.6
Realised and unrealised net (losses)/gains on derivatives ¹	(43.9)	(8.5)
Impairment of equity accounted investments	(48.4)	(9.1)
Performance fees expense ¹	3.6	3.0
Amortisation expense	(23.2)	(18.7)
Other ¹	2.4	4.3
Statutory profit/(loss) after tax attributable to stapled securityholders	(222.1)	196.1

¹ Includes the Group's proportionate share of non-operating items of equity accounted investments on a look through basis.

(d) Reconciliation of segment earnings to the share of net profit of equity accounted investments

	2024 \$'m	2023 \$'m
Segment earnings – property investments	148.1	137.5
Segment earnings – development investments	34.7	36.0
Segment earnings – funds management	9.8	14.0
	192.6	187.5
Add: Non-operating equity accounted profit/(loss)	(501.3)	(238.4)
Less: Development profit	(32.8)	(26.6)
Less: Net gain on investment in associates and financial assets at fair value	(8.0)	(1.7)
Less: Interest income on loan receivable	–	(2.2)
Less: Interest expense/(income) on development investments	0.1	(0.3)
Less: Distributions in operating income	(0.9)	(1.7)
Share of net profit of investments accounted for using the equity method	(350.3)	(83.4)

(e) Reconciliation of funds management earnings to revenue per the statement of comprehensive income

	2024 \$'m	2023 \$'m
Investment management revenue	342.0	458.0
Property services revenue	106.6	107.8
Segment revenue – funds management	448.6	565.8
Add: Recovery of property and fund-related expenses	86.6	70.5
Add: Development revenue	43.5	217.0
Add: Rental income	5.2	2.6
Add: Interest income	13.0	12.1
Add: Distributions received for investments accounted for at fair value	0.9	1.7
Revenue per statement of comprehensive income	597.8	869.7

2 Investment in associates

(a) Carrying amounts

All associates are incorporated and operate in Australia. Refer to Note 31(c) for accounting policy information relating to associates.

		Ownership interest		Carrying amount	
Charter Hall Group		2024	2023	2024	2023
Name of entity	Principal activity	%	%	\$'m	\$'m
Accounted for at fair value through profit or loss:¹					
<i>Unlisted</i>					
Charter Hall Maxim Property Securities Fund	Property investment	16.1	14.1	27.2	22.6
CH Deep Value AREIT Partnership Trust	Property investment	14.0	14.0	21.7	20.9
Other associates				4.1	23.1
				53.0	66.6

Equity accounted

Unlisted

Charter Hall Prime Office Fund	Property investment	4.8	4.8	230.4	290.9
Charter Hall Office Trust ²	Property investment	15.7	15.7	224.2	277.8
Charter Hall Direct PFA Fund	Property investment	12.6	12.4	120.8	172.6
Charter Hall Direct Office Fund	Property investment	8.7	8.6	115.2	162.8
Charter Hall Prime Industrial Fund	Property investment	1.3	1.3	110.2	121.0
Core Logistics Partnership	Property investment	4.9	5.6	83.7	92.4
Deep Value Partnership	Property investment	13.2	13.0	61.0	67.5
Charter Hall Direct Industrial Fund No. 4	Property investment	1.8	–	33.3	–
Charter Hall Exchange Wholesale Trust	Property investment	6.5	3.0	28.8	17.5
Other associates				52.8	55.8

Listed

Charter Hall Long WALE REIT ³	Property investment	10.6	10.7	350.4	429.2
Charter Hall Retail REIT ⁴	Property investment	9.3	10.7	241.1	288.7
Charter Hall Social Infrastructure REIT ⁵	Property investment	8.6	8.7	119.2	126.0

				1,771.1	2,102.2
Total investments in associates				1,824.1	2,168.8

¹ These investments comprise units in certain unlisted Charter Hall managed funds which have been designated at fair value through profit or loss. Changes in fair values of investments in associates at fair value through profit or loss are recorded in fair value adjustments in the consolidated statement of comprehensive income. Information about the Charter Hall Group's material exposure to share and unit price risk is provided in Note 20.

² The entity has a 31 December balance date.

³ Fair value at the ASX closing price as at 30 June 2024 was \$247.9 million (30 June 2023: \$309.5 million).

⁴ Fair value at the ASX closing price as at 30 June 2024 was \$176.5 million (30 June 2023: \$224.2 million).

⁵ Fair value at the ASX closing price as at 30 June 2024 was \$75.7 million (30 June 2023: \$94.0 million).

2 Investment in associates continued

Charter Hall Property Trust Group		Ownership interest		Carrying amount	
		2024	2023	2024	2023
Name of entity	Principal activity	%	%	\$'m	\$'m
Accounted for at fair value through profit or loss:¹					
<i>Unlisted</i>					
Charter Hall Maxim Property Securities Fund	Property investment	16.1	14.1	27.2	22.6
CH Deep Value AREIT Partnership Trust	Property investment	14.0	14.0	21.7	20.9
Other associates				4.1	23.1
				53.0	66.6
Equity accounted					
<i>Unlisted</i>					
Charter Hall Office Trust ²	Property investment	15.7	15.7	224.2	277.8
Charter Hall Prime Office Fund	Property investment	3.7	3.7	176.7	222.7
Charter Hall Direct PFA Fund	Property investment	12.6	12.4	120.8	172.6
Charter Hall Direct Office Fund	Property investment	8.7	8.6	115.2	162.8
Core Logistics Partnership	Property investment	4.9	5.6	83.7	92.4
Deep Value Partnership	Property investment	13.2	13.0	61.0	67.5
Charter Hall Direct Industrial Fund No. 4	Property investment	1.8	–	33.3	–
Charter Hall Exchange Wholesale Trust	Property investment	6.5	3.0	28.8	17.5
Charter Hall Prime Industrial Fund	Property investment	0.2	0.3	21.4	23.3
Other associates				66.0	67.4
<i>Listed</i>					
Charter Hall Long WALE REIT ³	Property investment	10.6	10.7	350.4	429.2
Charter Hall Retail REIT ⁴	Property investment	9.3	10.7	241.1	288.7
Charter Hall Social Infrastructure REIT ⁵	Property investment	8.6	8.7	144.1	150.9
				1,666.7	1,972.8
Total investments in associates				1,719.7	2,039.4

- 1 These investments comprise units in certain unlisted Charter Hall managed funds which have been designated at fair value through profit or loss. Changes in fair values of investments in associates at fair value through profit or loss are recorded in fair value adjustments in the consolidated statement of comprehensive income. Information about the Charter Hall Property Trust Group's material exposure to share and unit price risk is provided in Note 20.
- 2 The entity has a 31 December balance date.
- 3 Fair value at the ASX closing price as at 30 June 2024 was \$247.9 million (30 June 2023: \$309.5 million).
- 4 Fair value at the ASX closing price as at 30 June 2024 was \$176.5 million (30 June 2023: \$224.2 million).
- 5 Fair value at the ASX closing price as at 30 June 2024 was \$75.7 million (30 June 2023: \$94.0 million).

(b) Critical judgements

Investments in associates are accounted for at either fair value through profit or loss or by using the equity method. The Group designates investments in associates as fair value through profit or loss or equity accounted on a case by case basis taking the investment strategy into consideration. In instances where the Group owns less than 20% of the ownership interest in an investment, management will assess the Group influence within the investment and its ability to participate in the financial and operational decisions.

Management regularly reviews equity accounted investments for impairment and remeasures investments carried at fair value through profit or loss by reference to changes in circumstances or contractual arrangements, external independent property valuations and market conditions, using generally accepted market practices. When a recoverable amount is estimated through a value in use calculation, critical judgements and estimates are made regarding future cash flows and an appropriate discount rate. When a fair value is estimated through an earnings valuation, critical judgements and estimates are made in relation to the earnings measure and appropriate multiple.

Due to the difference in the fair value and carrying amounts, the recoverable amounts for all listed equity accounted investments were estimated through a value in use calculation. These calculations were performed using the share of the present value of the estimated future cash flows expected to be generated by the associates and used the following assumptions:

- base case cash flow projections covering a 10 year period based on executed lease agreements, CPI estimates and estimated net market rents;
- weighted average investment property discount rates of 6.7%-7.5%; and
- investment property terminal values calculated using capitalisation rates of 5.6%-6.3%.

Independent external valuation support for the investment property carrying values of underlying listed funds was obtained for 82% of the gross asset values on a look-through basis as at June 2024 and 90% of asset values from March 2024 to June 2024.

2 Investment in associates continued

(c) Summarised movements in carrying amounts of associates accounted for at fair value through profit or loss

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Opening balance	66.6	42.4	66.6	42.4
Investment	0.8	28.2	0.8	28.2
Net gain/(loss) on investment in associates at fair value	7.6	(4.0)	7.6	(4.0)
Divestments	(22.0)	–	(22.0)	–
Closing balance	53.0	66.6	53.0	66.6

(d) Summarised movements in carrying amounts of equity accounted associates

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Opening balance	2,102.2	2,241.6	1,972.8	2,180.9
Investment	135.0	204.7	134.9	132.6
Share of profit/(loss) after income tax	(278.9)	(62.7)	(261.0)	(65.3)
Distributions received/receivable	(89.7)	(98.2)	(84.1)	(92.9)
Share of movement in reserves	0.2	1.0	(0.2)	1.1
Impairment of carrying amount	–	(7.1)	–	(7.1)
Divestments	(96.3)	(177.1)	(95.7)	(176.5)
Return of capital	(1.4)	–	–	–
Closing balance	1,771.1	2,102.2	1,666.7	1,972.8

(e) Summarised financial information for material associates

The tables below provide summarised financial information for the associates that are material to CHC and CHPT. Materiality is assessed on the investments' contribution to Group income and net assets. The information presented reflects the amounts in the financial statements of the associates, not the Group's proportionate share.

	Charter Hall Office Trust	Charter Hall Retail REIT	Charter Hall Prime Office Fund	Charter Hall Long WALE REIT
	\$'m	\$'m	\$'m	\$'m
2024				
Summarised balance sheet:				
Current assets	53.0	68.5	427.3	374.1
Non-current assets	3,160.5	3,729.1	7,729.7	4,878.4
Current liabilities	32.4	120.4	157.2	90.2
Non-current liabilities	1,756.2	1,058.6	3,148.8	1,792.4
Net assets	1,424.9	2,618.6	4,851.0	3,369.9
Summarised statement of comprehensive income:				
Revenue	120.7	215.7	456.1	219.9
Profit/(loss) for the year from continuing operations	(342.6)	17.2	(1,012.9)	(510.9)
Other comprehensive loss	–	(3.5)	(1.1)	(1.1)
Total comprehensive income/(loss)	(342.6)	13.7	(1,014.0)	(512.0)
2023				
Summarised balance sheet:				
Current assets	35.1	68.0	339.8	48.3
Non-current assets	3,718.6	4,031.5	8,724.9	6,155.1
Current liabilities	35.1	120.3	258.9	90.7
Non-current liabilities	1,952.6	1,230.7	2,748.5	2,043.0
Net assets	1,766.0	2,748.5	6,057.3	4,069.7
Summarised statement of comprehensive income:				
Revenue	108.8	213.4	401.7	222.5
Profit/(loss) for the year from continuing operations	(182.4)	37.8	(174.0)	(189.0)
Other comprehensive income/(loss)	–	6.2	(0.3)	2.9
Total comprehensive income/(loss)	(182.4)	44.0	(174.3)	(186.1)

2 Investment in associates continued

(f) Reconciliation of net assets of associates to carrying amounts of equity accounted investments

	Charter Hall Office Trust \$'m	Charter Hall Retail REIT \$'m	Charter Hall Prime Office Fund \$'m	Charter Hall Long WALE REIT \$'m
Charter Hall Group				
2024				
Net assets of associate	1,424.9	2,618.6	4,851.0	3,369.9
Group's share in %	15.7%	9.3%	4.8%	10.6%
Group's share in \$	224.2	246.1	234.6	357.2
Other movements not accounted for under the equity method ¹	–	(5.0)	(4.2)	(6.8)
Carrying amount	224.2	241.1	230.4	350.4
Movements in carrying amounts:				
Opening balance	277.8	288.7	290.9	429.2
Investment	5.4	–	–	–
Share of earnings after income tax	(53.9)	2.3	(50.9)	(53.7)
Other comprehensive loss	–	(0.2)	–	(0.1)
Distributions received/receivable	(5.1)	(13.7)	(9.6)	(20.0)
Divestment	–	(36.0)	–	(5.0)
Closing balance	224.2	241.1	230.4	350.4
2023				
Net assets of associate	1,766.0	2,748.5	6,057.3	4,069.7
Group's share in %	15.7%	10.7%	4.8%	10.7%
Group's share in \$	277.8	294.1	292.6	435.5
Other movements not accounted for under the equity method ¹	–	(5.4)	(1.7)	(6.3)
Carrying amount	277.8	288.7	290.9	429.2
Movements in carrying amounts:				
Opening balance	311.2	300.6	325.6	470.7
Investment	1.9	–	72.0	–
Share of earnings after income tax	(28.7)	4.0	(8.4)	(20.2)
Other comprehensive income	–	0.8	–	0.3
Impairment of carrying amount	(0.3)	–	–	–
Distributions received/receivable	(6.3)	(16.7)	(11.5)	(21.6)
Divestment	–	–	(86.8)	–
Closing balance	277.8	288.7	290.9	429.2

1 Other movements are primarily due to the funds issuing new units to external investors at a price above or below the underlying net assets of the fund, or where the Group has historically acquired units on-market at a price different to the fund's NTA (for listed investments), or where the Group has recorded an impairment to the investment in associate.

2 Investment in associates continued

	Charter Hall Office Trust \$'m	Charter Hall Retail REIT \$'m	Charter Hall Prime Office Fund \$'m	Charter Hall Long WALE REIT \$'m
Charter Hall Property Trust Group				
2024				
Net assets of associate	1,424.9	2,618.6	4,851.0	3,369.9
Group's share in %	15.7%	9.3%	3.7%	10.6%
Group's share in \$	224.2	246.1	180.1	357.2
Other movements not accounted for under the equity method ¹	–	(5.0)	(3.4)	(6.8)
Carrying amount	224.2	241.1	176.7	350.4
Movements in carrying amounts:				
Opening balance	277.8	288.7	222.7	429.2
Investment	5.4	–	–	–
Share of earnings after income tax	(53.9)	2.3	(38.7)	(53.7)
Other comprehensive loss	–	(0.2)	–	(0.1)
Distributions received/receivable	(5.1)	(13.7)	(7.3)	(20.0)
Divestment	–	(36.0)	–	(5.0)
Closing balance	224.2	241.1	176.7	350.4
2023				
Net assets of associate	1,766.0	2,748.5	6,057.3	4,069.7
Group's share in %	15.7%	10.7%	3.7%	10.7%
Group's share in \$	277.8	294.1	224.7	435.5
Other movements not accounted for under the equity method ¹	–	(5.4)	(2.0)	(6.3)
Carrying amount	277.8	288.7	222.7	429.2
Movements in carrying amounts:				
Opening balance	311.2	300.6	325.6	470.7
Investment	1.9	–	–	–
Share of earnings after income tax	(28.7)	4.0	(6.2)	(20.2)
Other comprehensive income	–	0.8	–	0.3
Impairment of carrying amount	(0.3)	–	–	–
Distributions received/receivable	(6.3)	(16.7)	(10.1)	(21.6)
Divestment	–	–	(86.6)	–
Closing balance	277.8	288.7	222.7	429.2

1 Other movements are primarily due to the funds issuing new units to external investors at a price above or below the underlying net assets of the fund, or where the Group has historically acquired units on-market at a price different to the fund's NTA (for listed investments), or where the Group has recorded an impairment to the investment in associate.

(g) Commitments and contingent liabilities of associates

The Group's associate entities may enter into contracts for the acquisition, construction and development of properties in Australia. The commitments in relation to such contracts are \$1,106.4 million (30 June 2023: \$1,664.2 million). These commitments have not been recognised in the consolidated financial statements.

3 Investments in joint ventures

(a) Carrying amounts

All joint ventures are incorporated and operate in Australia. Refer to Note 31(c) for accounting policy information relating to joint ventures.

Unless otherwise noted all joint ventures have a 30 June year end.

		Ownership interest		Carrying amount	
Charter Hall Group		2024	2023	2024	2023
Name of entity	Principal activity	%	%	\$'m	\$'m
Accounted for at fair value through profit or loss:					
<i>Unlisted</i>					
Other joint ventures				36.2	57.0
				36.2	57.0
Equity accounted					
<i>Unlisted</i>					
Long WALE Hardware Partnership ¹	Property investment	16.8	17.5	217.4	236.2
Paradise Investment Management	Funds management	50.0	50.0	145.8	196.8
CH 52 Martin Place Trust	Property investment	50.0	–	120.3	–
Brisbane Square Wholesale Fund	Property investment	16.8	16.8	110.9	129.6
Charter Hall PGGM Industrial Partnership No. 2	Property investment	12.0	12.0	83.5	94.6
CH Genge Office Trust	Property investment	49.9	49.9	71.0	78.8
CH DJ Trust	Property investment	43.2	43.2	61.1	68.5
CH Investment Trust	Property investment	50.0	–	46.0	–
Charter Hall PGGM Industrial Partnership	Property investment	12.0	12.0	33.9	46.9
Charter Hall Koala Investment Partnership	Property investment	20.0	20.0	25.9	26.7
CH Castlereagh Trust	Property development	50.1	50.1	21.4	27.4
Other joint ventures				64.3	59.0
				1,001.5	964.5
Total investments in joint ventures				1,037.7	1,021.5

1 Ownership interest is calculated as the weighted average holding of BP Fund 1 and BP Fund 2.

		Ownership interest		Carrying amount	
Charter Hall Property Trust Group		2024	2023	2024	2023
Name of entity	Principal activity	%	%	\$'m	\$'m
Accounted for at fair value through profit or loss:					
<i>Unlisted</i>					
Other joint ventures				36.2	57.0
				36.2	57.0
Equity accounted					
<i>Unlisted</i>					
Long WALE Hardware Partnership ¹	Property investment	16.8	17.5	217.4	236.2
CH 52 Martin Place Trust	Property investment	50.0	–	120.3	–
Brisbane Square Wholesale Fund	Property investment	16.8	16.8	110.9	129.6
Charter Hall PGGM Industrial Partnership No. 2	Property investment	12.0	12.0	83.5	94.6
CH DJ Trust	Property investment	43.2	43.2	61.1	68.5
CH Investment Trust	Property investment	50.0	–	46.0	–
Charter Hall PGGM Industrial Partnership	Property investment	12.0	12.0	33.9	46.9
Charter Hall Koala Investment Partnership	Property investment	20.0	20.0	25.9	26.7
Other joint ventures				55.6	46.1
				754.6	648.6
Total investments in joint ventures				790.8	705.6

1 Ownership interest is calculated as the weighted average holding of BP Fund 1 and BP Fund 2.

3 Investments in joint ventures continued

(b) Critical judgements

Investments in joint ventures are accounted for at either fair value through profit or loss or by using the equity method. The Group designates investments in joint ventures as fair value through profit or loss or equity accounted on a case by case basis taking the investment strategy into consideration.

Management regularly reviews equity accounted investments for impairment and remeasures investments carried at fair value through profit or loss by reference to changes in circumstances or contractual arrangements, external independent property valuations and market conditions, using generally accepted market practices. When a recoverable amount is estimated through a value in use calculation, critical judgements and estimates are made regarding future cash flows and an appropriate discount rate. When a fair value is estimated through an earnings valuation, critical judgements and estimates are made in relation to the earnings measure and appropriate multiple.

The recoverable amount for the Paradise Investment Management (PIM) investment was estimated through a value in use calculation. As a result of these estimates, impairment of \$48.4m was recorded during the year ended 30 June 2024 (2023: \$nil)

(c) Summarised movements in carrying amounts of joint ventures accounted for at fair value through profit or loss

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Opening balance	57.0	–	57.0	–
Investment	–	57.0	–	57.0
Share of profit after income tax	6.4	–	6.4	–
Distributions received/receivable	(6.4)	–	(6.4)	–
Return of capital	(20.8)	–	(20.8)	–
Closing balance	36.2	57.0	36.2	57.0

(d) Summarised financial information and movements in carrying amounts of equity accounted joint ventures

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Movements in aggregate carrying amount:				
Opening balance	964.5	791.5	648.6	569.2
Investment	213.0	272.6	213.1	158.4
Share of profit/(loss) after income tax	(71.4)	(20.7)	(79.7)	(35.3)
Distributions received/receivable	(44.3)	(57.6)	(19.8)	(22.5)
Impairment of carrying amount	(48.4)	(2.0)	–	(2.0)
Return of capital	(11.9)	(19.4)	(7.6)	(19.3)
Share of movement in reserves	–	0.1	–	0.1
Closing balance	1,001.5	964.5	754.6	648.6

(e) Commitments and contingent liabilities of joint ventures

The Group's joint venture entities may enter into contracts for the acquisition, construction and development of properties in Australia. The commitments in relation to such contracts are \$484.1 million (30 June 2023: \$250.8 million). These commitments have not been recognised in the consolidated financial statements.

4 Revenue

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Investment management revenue	342.0	458.0	–	–
Property services revenue	106.6	107.8	–	–
Development revenue	43.5	219.6	–	–
Gross rental income	5.2	–	5.8	–
	497.3	785.4	5.8	–
<i>Other revenue</i>				
Recovery of property and fund-related expenses	86.6	70.5	–	–
Interest	13.0	12.1	0.9	2.6
Distributions/Dividends	0.9	1.7	0.9	1.7
Other investment-related revenue	–	–	17.4	17.5
Total other revenue	100.5	84.3	19.2	21.8
Total revenue	597.8	869.7	25.0	21.8

(a) Critical judgements

Critical judgements and estimates are made by the Group in respect of recognising performance fee revenue. Detailed calculations and an assessment of the risks associated with the recognition of the fee are completed to inform the assessment of the appropriate revenue to recognise. Key risks include the period remaining from balance sheet date to performance fee crystallisation date and the degree of probability that any potential fee may unwind during that period. Key drivers of performance fees are assessed based on historic data and prevailing economic conditions to inform judgements on the extent to which the fee can be reliably estimated.

Critical judgements are also made by the Group in respect of recognising development revenue. Detailed forecasts of total development costs are inputs that are used to estimate the satisfaction of the development performance obligation over time.

5 Expenses

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Profit before income tax includes the following specific expenses:				
Employee benefit expenses	162.3	165.6	–	–
Security-based benefits expense	17.1	12.6	–	–
Payroll tax	13.0	8.8	–	–
Total employee costs	192.4	187.0	–	–
Advertising, marketing and promotion	6.0	7.6	–	–
Occupancy costs	3.3	2.4	–	–
Communication and IT expenses	11.6	12.6	–	–
Accounting, professional, administration and other costs	21.6	17.5	4.1	3.6
Total administration and other expenses	42.5	40.1	4.1	3.6
Depreciation	11.5	8.2	–	–
Amortisation	0.5	0.5	–	–
Impairment	48.4	9.1	–	9.1
Provision expenses	5.0	–	–	–
Total depreciation, amortisation, impairment and provision expenses	65.4	17.8	–	9.1

Note

3(b)

6 Income tax expense

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
(a) Income tax expense				
Current tax expense	105.6	130.0	–	–
Deferred income tax benefit	(11.4)	(4.5)	–	–
Over/(under)-provided in prior years	0.3	0.2	–	–
	94.5	125.7	–	–
Deferred income tax benefit				
Decrease/(increase) in deferred tax assets for the tax consolidated group	(6.9)	(0.7)	–	–
Decrease in deferred tax liabilities for the tax consolidated group	(4.2)	(3.8)	–	–
	(11.1)	(4.5)	–	–
(b) Reconciliation of income tax expense to prima facie tax payable				
Profit before income tax expense	(127.6)	321.8	(375.0)	(115.9)
Prima facie tax expense at the Australian tax rate of 30%	(38.3)	96.5	(112.5)	(34.8)
<i>Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:</i>				
Charter Hall Property Trust profit	112.5	34.8	112.5	34.8
Other adjustments	20.3	(5.6)	–	–
Income tax expense	94.5	125.7	–	–
(c) Amounts recognised directly in equity				
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:				
Current tax: Deduction for rights vesting in excess of the cumulative fair value expense	(0.2)	(0.7)	–	–
Deferred tax: Estimated future deduction for rights vesting, in excess of the cumulative fair value expense	0.4	–	–	–
	0.2	(0.7)	–	–
(d) Tax consolidation legislation				

Charter Hall Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation with effect from 1 July 2003. The accounting policy in relation to this legislation is set out below in Note 6(g).

On adoption of the tax consolidation legislation, the entities in the tax consolidated group entered into a tax sharing agreement which, in the opinion of the Directors, limits the joint and several liability of the wholly owned entities in the case of a default by the head entity, Charter Hall Limited.

The entities have also entered into a tax funding agreement under which the wholly owned entities fully compensate Charter Hall Limited for any current tax payable assumed and are compensated by Charter Hall Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Charter Hall Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly owned entities' financial statements.

(e) Charter Hall Property Trust

Under current Australian income tax legislation, the Trust is not liable for income tax on its taxable income (including any assessable component of capital gains) provided that the unitholders are presently entitled to the income of the Trust.

(f) Tax losses and unrecognised temporary differences – Charter Hall Group

At 30 June 2024, the Group has approximately \$17.3 million (2023: \$17.6 million) of tax effected unrecognised capital tax losses. At 30 June 2024, temporary differences relating to investments in associates for which deferred tax assets have not been recognised of \$28.5m (2023: \$6.3m).

6 Income tax expense continued

(g) Income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provision, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

7 Distributions/Dividends paid and payable

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Ordinary stapled securities				
Final ordinary distribution of 2.30 cents and final ordinary dividend of 20.70 cents per stapled security for the six months ended 30 June 2024 payable on 30 August 2024	108.7	–	10.8	–
Interim ordinary distribution of 12.15 cents and interim ordinary dividend of 9.94 cents per stapled security for the six months ended 31 December 2023 paid on 29 February 2024	104.5	–	57.5	–
Final ordinary distribution of 11.90 cents and final ordinary dividend of 9.80 cents per stapled security for the six months ended 30 June 2023 paid on 31 August 2023	–	102.6	–	56.3
Interim ordinary distribution of 11.46 cents and interim ordinary dividend of 9.38 cents per stapled security for the six months ended 31 December 2022 paid on 28 February 2023	–	98.6	–	54.2
Total Distributions/Dividends paid and payable to stapled securityholders	213.2	201.2	68.3	110.5
Total Distributions/Dividends paid and payable	213.2	201.2	68.3	110.5

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

Franking credits available in the parent entity (Charter Hall Limited) for dividends payable in subsequent financial years based on a tax rate of 30% (2023: 30%) are \$383.9 million (2023: \$345.0 million). These amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

8 Earnings per stapled security

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	Cents	Cents	Cents	Cents
(a) Basic earnings per security attributable to:				
Equity holders of Charter Hall Limited	32.3	66.0	n/a	n/a
Equity holders of Charter Hall Property Trust (non-controlling interest)	(79.3)	(24.5)	(79.3)	(24.5)
Stapled securityholders of Charter Hall Group	(47.0)	41.5	n/a	n/a
(b) Diluted earnings per security attributable to:				
Equity holders of Charter Hall Limited	31.7	64.8	n/a	n/a
Equity holders of Charter Hall Property Trust (non-controlling interest)	(77.7)	(24.1)	(77.7)	(24.1)
Stapled securityholders of Charter Hall Group	(46.0)	40.7	n/a	n/a

Basic earnings per stapled security is determined by dividing profit attributable to the stapled securityholders by the weighted average number of ordinary stapled securities on issue during the year.

Diluted earnings per stapled security is determined by dividing profit attributable to the stapled securityholders by the weighted average number of ordinary stapled securities and dilutive potential ordinary stapled securities on issue during the year.

	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
(c) Reconciliations of earnings used in calculating earnings per stapled security				
Equity holders of Charter Hall Limited	152.9	311.9	n/a	n/a
Equity holders of Charter Hall Property Trust (non-controlling interest)	(375.0)	(115.9)	(375.0)	(115.9)
Profit attributable to the ordinary stapled securityholders of the Group used in calculating basic and diluted earnings per stapled security	(222.1)	196.1	(375.0)	(115.9)
	2024	2023	2024	2023
	Number	Number	Number	Number
(d) Weighted average number of stapled securities used as the denominator				
Weighted average number of ordinary stapled securities used as the denominator in calculating basic earnings per stapled security	472,997,199	472,997,199	472,997,199	472,997,199
Adjustments for calculation of diluted earnings per stapled security:				
Performance rights	8,014,201	7,412,684	8,014,201	7,412,684
Service rights	1,613,331	987,724	1,613,331	987,724
Weighted average number of ordinary stapled securities and potential ordinary stapled securities used as the denominator in calculating diluted earnings per stapled security	482,624,731	481,397,607	482,624,731	481,397,607

(e) Information concerning the classification of securities

Performance rights, service rights issued under the Charter Hall Performance Rights and Options Plan

The performance and service rights are unquoted securities. Conversion to stapled securities and vesting to executives is subject to performance and/or service conditions.

Stapled securities issued under the General Employee Securities Plan (GESP)

Stapled securities issued under the GESP are purchased on-market on behalf of eligible employees but held in trust until the earlier of the completion of three years' service or termination. No adjustment to diluted earnings per stapled security is required under the GESP.

9 Receivables and other assets

	Note	Charter Hall Group		Charter Hall Property Trust Group	
		2024 \$'m	2023 \$'m	2024 \$'m	2023 \$'m
Current					
Trade receivables		66.9	106.3	13.0	4.4
Distributions receivable		31.4	34.0	28.4	30.2
Other receivables and assets		7.1	19.2	4.4	4.5
		105.4	159.5	45.8	39.1
Non-current					
Loans to associates and joint ventures	22(e)	4.0	3.7	–	–
		4.0	3.7	–	–

(a) Bad and doubtful trade receivables

During the year, the Charter Hall Group and Charter Hall Property Trust Group incurred \$nil expense (2023: \$nil) in respect of provisions for expected credit losses.

(b) Fair values

Receivables are carried at amounts that approximate their fair value.

(c) Credit risk

There is a limited concentration of credit risk as the majority of current and non-current receivables are due from related parties of Charter Hall Group and Charter Hall Property Trust Group. Refer to Note 20 for more information on the risk management policy of the Charter Hall Group and Charter Hall Property Trust Group.

The ageing of trade receivables at the reporting date was as follows:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024 \$'m	2023 \$'m	2024 \$'m	2023 \$'m
Current	66.1	105.8	13.0	4.4
1 to 3 months	0.8	0.5	–	–
3 to 6 months	–	–	–	–
More than 6 months	–	–	–	–
	66.9	106.3	13.0	4.4

As at 30 June 2024, Charter Hall Group had trade receivables of \$nil (2023: \$nil) past due but not impaired. Charter Hall Property Trust Group had \$nil (2023: \$nil) receivables past due but not impaired.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off in the year in which they are identified. A provision for expected credit losses is processed based on historical default percentages and current observable data including forecasts of economic conditions. The amount of the provision is the difference between the carrying amount and estimated future cash flows. Cash flows relating to current receivables are not discounted.

All distributions receivable are current.

10 Assets classified as held for sale

The held for sale asset will be deconsolidated on settlement and thereafter the residual interest accounted for as an equity accounted investment. The purchaser is a related party.

	Charter Hall Group		Charter Hall Property Trust Group	
	2024 \$'m	2023 \$'m	2024 \$'m	2023 \$'m
<i>Current assets held for sale</i>				
Investment property	78.8	–	78.8	–
Total current assets held for sale	78.8	–	78.8	–
<i>Liabilities associated with assets classified as held for sale</i>				
Borrowings	35.5	–	35.5	–
Total liabilities associated with assets classified as held for sale	35.5	–	35.5	–

The liabilities associated with assets classified as held for sale includes an A\$55.0 million (2023: \$nil) debt facility issued in January 2024 with maturity in January 2027. At 30 June 2024, drawn borrowings of \$35.5 million (2023: \$nil) had been utilised under these facilities. The facility has been classified as held for sale at year end.

11 Intangible assets

	Charter Hall Group		Charter Hall Property Trust Group	
	2024 \$'m	2023 \$'m	2024 \$'m	2023 \$'m
Indefinite life intangibles – management rights				
Charter Hall Retail REIT	42.3	42.3	–	–
Charter Hall Social Infrastructure REIT	46.4	46.4	–	–
Other indefinite life intangibles	12.6	12.6	–	–
Total closing indefinite life intangibles	101.3	101.3	–	–
Finite life intangibles – management rights				
Opening balance	2.3	2.8	–	–
Amortisation charge	(0.5)	(0.5)	–	–
Closing balance	1.8	2.3	–	–
At balance date – finite life intangibles				
Cost	58.5	58.5	–	–
Accumulated amortisation	(56.7)	(56.2)	–	–
Total finite life intangibles	1.8	2.3	–	–
Goodwill				
Opening and closing balance	9.9	9.9	–	–
Total intangible assets	113.0	113.5	–	–

(a) Critical judgements

Critical judgements and estimates are made by the Group in assessing the recoverable amount of intangibles acquired, where the funds to which those intangibles relate have an indefinite life. Intangibles are considered to have an indefinite useful life if there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group.

11 Intangible assets continued

(b) Intangibles – indefinite life assets

Intangibles with no fixed life are not amortised as they have an indefinite life. Intangibles with an indefinite life are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired, and are carried at cost less accumulated impairment losses. Intangibles are allocated to cash-generating units for the purpose of impairment testing.

All indefinite life intangible assets recognised on the consolidated balance sheet are subject to an annual impairment assessment. The impairment assessments support the carrying values and the methodology applied is an assessment of value in use based on discounted cash flows.

Key assumptions used for the indefinite life intangible impairment calculations are as follows:

- cash flow projections were used; applying probability weightings based on historical market guidance accuracy;
- base case cash flow projections covering a 5 year period based on financial budgets approved by the board. Cash flows beyond the 5 year period are extrapolated using estimated growth rates appropriate for the business;
- pre-tax discount rate of 14.3% (2023: 12.5%);
- growth after five years of 2.0% (2023: 2.0%) per annum; and
- terminal value multiple of 10 times earnings (2023: 10 times).

(c) Management Rights – finite life assets

Management rights with a fixed life are amortised using the straight line method over their useful life ranging from one to ten years.

12 Deferred tax assets and liabilities

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Deferred tax assets comprises temporary differences attributable to:				
Employee benefits	24.9	22.0	–	–
Investments accounted for using the equity method	1.3	1.7	–	–
Other	10.8	6.9	–	–
	37.0	30.6	–	–
Deferred tax liabilities comprises temporary differences attributable to:				
Intangible assets	29.4	29.5	–	–
Investments accounted for using the equity method	18.0	17.3	–	–
Share purchase option	0.6	5.0	–	–
Other	1.9	2.6	–	–
	49.9	54.4	–	–
Net deferred tax liabilities	(12.9)	(23.8)	–	–

13 Trade and other liabilities

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Current				
Trade and other liabilities	58.6	62.2	11.6	6.5
Long service leave provision	4.6	3.7	–	–
Dividend/Distribution payable	108.7	102.6	10.8	56.3
Employee benefits liability	42.3	40.7	–	–
	214.2	209.2	22.4	62.8
Non-current				
Loan payable to Charter Hall Limited	22(e) –	–	396.6	143.8
Long service leave provision	3.2	3.0	–	–
Lease incentive liability	1.8	1.7	–	–
	5.0	4.7	396.6	143.8

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group. 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 or expected to be settled 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.

14 Borrowings

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Non-current liabilities				
US Private Placement Notes	246.8	246.2	246.8	246.2
Medium-term notes	211.3	207.2	211.3	207.2
Less: unamortised transaction costs	(2.6)	(2.7)	(2.6)	(2.7)
	455.5	450.7	455.5	450.7

(a) Borrowings

Charter Hall Group

The Group's debt platform includes the following:

- A\$200.0 million (2023: \$200.0 million) bank debt facility plus an additional \$50.0 million (2023: \$50.0 million) unsecured facility to support the issuance of bank guarantees with maturity in May 2027. At 30 June 2024, drawn borrowings of \$nil (2023: \$nil) and issuance of bank guarantees of \$38.95 million (2023: \$37.4 million) had been utilised under these facilities, which under the terms of the agreements reduce the available facilities. No liability is recognised for bank guarantees.
- A\$100.0 million (2023: \$nil) debt facility issued in July 2023 with maturity in July 2028. At 30 June 2024, drawn borrowings of \$nil (2023: \$nil) had been utilised under these facilities. No liability is recognised.
- US\$175 million (A\$231.5 million at issue date) unsecured notes issued through a US Private Placement which was fully funded in August 2018 and matures in August 2028.
 - The Group has entered into A\$/US\$ cross-currency interest rate swap agreements that hedge the Group's exposure to foreign currency. The swap agreements entitle the Group to repay the notes at A\$231.5 million in August 2028. At 30 June 2024, the carrying amount of the notes at the prevailing spot rate was A\$246.8 million (2023: A\$246.2 million) including a fair value adjustment of A\$15.2 million (2023: A\$14.7 million). The movement in the carrying amount since issuance is offset by the fair value of the swap A\$17.2 million (2023: A\$17.5 million).
 - The swap agreements also entitle the Group to receive interest, at semi-annual intervals, at a fixed rate on a notional principal amount of US\$175.0 million and oblige it to pay, at quarterly intervals, at a floating rate on a notional principal amount of A\$231.5 million. The swap agreements mature in August 2028.
- A\$250 million unsecured medium-term notes (MTN) issued in April 2021 and maturing in April 2031.
 - The Group has entered into interest rate swap agreements that hedge the Group's exposure to changes in the fair value of the MTN. At 30 June 2024, the carrying amount of the notes was A\$211.3 million (2023: A\$207.2 million), including a fair value adjustment of A\$38.7 million (2023: A\$42.8 million). The movement in the carrying amount since issuance is offset by the fair value of the swap liability A\$38.2 million (2023: A\$41.1 million liability).

(b) Gearing

Gearing is a measure used to monitor levels of debt capital used by the business to fund its operations. This ratio is calculated as interest-bearing debt drawn (excluding hedged foreign exchange and interest rate movements subsequent to the related debt drawing date) net of cash, divided by total assets net of cash and derivative assets.

The gearing ratio of the Charter Hall Group at 30 June 2024 was 3.0% (30 June 2023: 2.2%). Debt covenants are monitored regularly to ensure compliance and reported to the debt provider on a six-monthly basis. The Group Treasurer is responsible for negotiating new debt facilities and monitoring compliance with covenants.

14 Borrowings continued

(c) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	Opening balance	Movement in fair values	Movement in borrowing costs	Movement in cash	Closing balance
	\$'m	\$'m	\$'m	\$'m	\$'m
Charter Hall Group					
2024					
Borrowings	453.4	4.7	–	–	458.1
Derivative financial instruments hedging debt	18.8	0.1	–	–	18.9
Borrowing costs	(2.7)	–	0.1	–	(2.6)
Cash	(401.4)	–	–	18.7	(382.7)
	68.1	4.8	0.1	18.7	91.7
2023					
Borrowings	456.9	(3.5)	–	–	453.4
Loans - related parties	–	–	–	–	–
Derivative financial instruments hedging debt	13.9	4.9	–	–	18.8
Borrowing costs	(3.0)	–	0.3	–	(2.7)
Cash	(594.7)	–	–	193.3	(401.4)
	(126.9)	1.4	0.3	193.3	68.1
Charter Hall Property Trust Group					
2024					
Borrowings	453.4	4.7	–	–	458.1
Derivative financial instruments hedging debt	18.8	0.1	–	–	18.9
Borrowing costs	(2.7)	–	0.1	–	(2.6)
Funding received from Charter Hall Limited	143.8	–	–	252.8	396.6
Cash	(56.1)	–	–	33.7	(22.4)
	557.2	4.8	0.1	286.5	848.6
2023					
Borrowings	456.9	(3.5)	–	–	453.4
Derivative financial instruments hedging debt	13.9	4.9	–	–	18.8
Borrowing costs	(3.0)	–	0.3	–	(2.7)
Funding received from Charter Hall Limited	–	–	–	143.8	143.8
Cash	(53.4)	–	–	(2.7)	(56.1)
	414.4	1.4	0.3	141.1	557.2

15 Derivative financial instruments

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Current assets				
Cross-currency interest rate swaps - cash flow hedge and fair value hedge	2.7	2.8	2.7	2.8
Interest rate swaps - fair value hedge	–	0.2	–	0.2
Interest rate swaps - fair value through profit and loss	–	1.8	–	1.8
Share purchase option - fair value through profit and loss ¹	1.4	–	–	–
	4.1	4.8	2.7	4.8
Non-current assets				
Cross-currency interest rate swaps - cash flow hedge and fair value hedge	17.2	17.5	17.2	17.5
Share purchase option - fair value through profit and loss ¹	–	16.7	–	–
	17.2	34.2	17.2	17.5
Non-current liabilities				
Interest rate swaps - fair value hedge	38.2	41.1	38.2	41.1
	38.2	41.1	38.2	41.1

¹ Share purchase option to call remaining 50% of shares in Paradise Investment Management not presently owned by the Group.

Key valuation assumptions used in the determination of the fair value of derivative financial instruments and the Group's valuation policy are disclosed note 21(c) and 21(d).

16 Contributed equity

(a) Movements in ordinary stapled security capital

	Number of securities	Weighted average issue price	Charter Hall Limited	Charter Hall Property Trust	Total
			\$'m	\$'m	\$'m
Details					
Opening balance at 1 July 2022	472,997,199		314.8	1,538.0	1,852.8
Buyback and issuance of securities for exercised performance and service rights ¹	–	\$9.13	(0.7)	(1.8)	(2.5)
Tax recognised directly in equity	–		0.7	–	0.7
Closing balance at 30 June 2023	472,997,199		314.8	1,536.2	1,851.0
Closing balance per accounts at 30 June 2023	472,997,199		314.8	1,536.2	1,851.0
Buyback and issuance of securities for exercised performance and service rights ²	–	\$10.99	–	0.1	0.1
Tax recognised directly in equity	–		0.2	–	0.2
Closing balance at 30 June 2024	472,997,199		315.0	1,536.3	1,851.3
Closing balance per accounts at 30 June 2024	472,997,199		315.0	1,536.3	1,851.3

¹ 645,142 stapled securities bought on-market at an average value of \$12.97, offset by the exercise of 327,074 performance rights with a fair value of \$7.10 and 318,068 service rights with an average value of \$11.21.
² 1,152,418 stapled securities bought on-market at an average value of \$10.85, offset by the exercise of 273,086 performance rights with a fair value of \$7.01 and 879,332 service rights with an average value of \$12.23.

(b) Ordinary stapled securities

Ordinary stapled securities are classified as equity. Incremental costs directly attributable to the issue of new stapled securities or options are shown in equity as a deduction, net of tax, from the proceeds.

Ordinary stapled securities entitle the holder to participate in distributions/dividends and the proceeds on winding up of the Company/Trust in proportion to the number of and amounts paid on the stapled securities held.

On a show of hands, every holder of ordinary stapled securities present at a meeting in person or by proxy is entitled to one vote and upon a poll, each holder is entitled to one vote per security that they hold.

(c) Distribution Reinvestment Plan

The Group has established a Distribution Reinvestment Plan (DRP) under which holders of ordinary stapled securities may elect to have all or part of their distribution satisfied by the issue of new ordinary stapled securities rather than by being paid in cash. The DRP was suspended for the distribution paid on 25 August 2016 and subsequent distributions.

17 Reserves

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Business combination reserve	(52.0)	(52.0)	–	–
Security-based benefits reserve	53.7	52.1	–	–
Cash flow hedge reserve	3.2	4.0	2.8	4.0
Foreign currency basis reserve	(0.4)	–	(0.4)	–
Other reserves	0.8	0.8	–	(0.3)
	5.3	4.9	2.4	3.7
Charter Hall Limited	2.9	1.2	–	–
Charter Hall Property Trust	2.4	3.7	2.4	3.7
	5.3	4.9	2.4	3.7

(a) Business combination reserve

This reserve relates to the reverse acquisition at the initial public offering (IPO) in 2005. This is the amount that relates to the investment in CHH that is not eliminated by paid-in capital. No goodwill is recognised as this transaction is the result of a reverse acquisition.

(b) Security-based benefits reserve

The security based benefits reserve is used to recognise the fair value of rights and options issued under the Performance Rights and Options Plan (PROP).

18 Remuneration of auditors

During the year, the following fees were paid for services provided by the auditors of the Charter Hall Group and Charter Hall Property Trust Group, their related practices and non-related audit firms:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$	\$	\$	\$
(a) Audit services				
PricewaterhouseCoopers – Australian Firm				
Audit and review of financial and regulatory reports	541,355	511,364	23,453	18,812
Total remuneration for audit services	541,355	511,364	23,453	18,812
(b) Taxation services				
PricewaterhouseCoopers – Australian Firm				
Taxation compliance services	61,732	67,970	–	–
Total remuneration for taxation compliance services	61,732	67,970	–	–
(c) Other services				
PricewaterhouseCoopers – Australian Firm				
Sustainability assurance services	252,000	160,000	–	–
Other assurance services	–	13,178	–	13,178
Total remuneration for other services	252,000	173,178	–	13,178

19 Reconciliation of profit after tax to net cash inflow from operating activities

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Profit/(loss) after tax for the year	(222.1)	196.1	(375.0)	(115.9)
<i>Non-cash items:</i>				
Amortisation of intangibles	0.5	0.5	–	–
Impairment of associates	48.4	9.1	–	9.1
Depreciation and amortisation	12.6	9.4	0.6	0.6
Non-cash security-based benefits expense	17.1	12.6	–	–
Net (gain)/loss on sale of investments, property and derivatives	16.2	(0.5)	17.8	(0.6)
Fair value adjustments	(9.7)	(2.3)	(9.7)	(2.3)
Other net losses	8.8	0.9	–	–
Unrealised net (gains)/losses on derivative financial instruments	18.0	3.3	(2.7)	(0.1)
Foreign exchange movements	0.6	–	0.6	–
<i>Change in assets and liabilities, net of effects from purchase of controlled entity:</i>				
(Increase)/decrease in trade debtors and other receivables	47.5	(44.4)	(6.4)	14.0
Increase/(decrease) in trade creditors and accruals	(9.9)	(35.4)	21.6	(4.5)
Development assets net proceeds	71.4	0.9	–	–
Share of net losses from equity accounted investments in associates and joint ventures	467.8	229.3	428.2	209.0
Increase/(decrease) in income taxes payable	(28.3)	(36.1)	–	–
Increase in net deferred income tax	(10.9)	(4.5)	–	–
Net cash inflow from operating activities	428.0	338.9	75.0	109.3

Distributions and interest income received on investments has been classified as cash flow from operating activities.

20 Capital and financial risk management

(a) Capital risk management

The key capital risk management objective of the Group and CHPT is to optimise returns through the mix of available capital sources whilst complying with statutory and constitutional capital requirements and complying with the covenant requirements of the finance facilities. The capital management approach is regularly reviewed by management and the Board as part of the overall strategy. The capital mix can be altered by issuing new units, electing to have the DRP underwritten, adjusting the amount of distributions paid, activating a stapled security buyback program or selling assets.

(b) Financial risk management

Both the Group and CHPT activities expose it to a variety of financial risks: market risk (price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management framework focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. From time to time, the Group uses derivative financial instruments such as interest rate swaps and option contracts to hedge certain risk exposures.

Risk management is carried out by the Group Treasurer, the Chief Financial Officer and the Managing Director and Group CEO in consultation with senior management, the Audit, Risk and Compliance Committee and the Board of Directors. The Group Treasurer identifies, evaluates and hedges financial risks in close cooperation with the Chief Financial Officer. The Board provides guidance for overall risk management, as well as covering specific areas, such as mitigating price, interest rate and credit risks, the use of derivative financial instruments and investing excess liquidity.

(i) Market risk

Unlisted unit price risk

The Group is exposed to unlisted unit price risk. This arises from investments in unlisted property funds managed by the Group. These funds invest in direct property. Charter Hall manages all the funds that the Group invests in and its executives have a sound understanding of the underlying property values and trends that give rise to price risk. The carrying value of investments in associates at fair value through profit or loss is measured with reference to the funds' unit prices which are determined in accordance with the funds' respective constitutions. The key determinant of the unit price is the underlying property values which are approved by the respective fund board or investment committee and the Executive Property Valuation Committee.

20 Capital and financial risk management continued

The following table illustrates the potential impact a change in unlisted unit prices by $\pm 10\%$ would have on the Group and CHPT's profit. The movement in the price variable has been determined based on management's best estimate, having regard to a number of factors, including historical levels of price movement, historical correlation of the Group's investments with the relevant benchmark and market volatility. However, actual movements in the price may be greater or less than anticipated due to a number of factors. As a result, historic price variations are not a definitive indicator of future price variations.

	Carrying amount \$'m	10% Impact on Profit ¹ \$'m
Charter Hall Group		
2024		
<i>Assets – Charter Hall Group</i>		
Investments accounted for at fair value through profit or loss	53.0	5.3
Investments in financial assets at fair value through profit or loss	20.1	2.0
Assets held for sale	78.8	7.9
2023		
<i>Assets – Charter Hall Group</i>		
Investments accounted for at fair value through profit or loss	66.6	6.7
Investments in financial assets at fair value through profit or loss	29.7	3.0
Charter Hall Property Trust Group		
2024		
<i>Assets – Charter Hall Property Trust Group</i>		
Investments accounted for at fair value through profit or loss	53.0	5.3
Investments in financial assets at fair value through profit or loss	20.1	2.0
Assets held for sale	78.8	7.9
2023		
<i>Assets – Charter Hall Property Trust Group</i>		
Investments accounted for at fair value through profit or loss	66.6	6.7
Investments in financial assets at fair value through profit or loss	29.7	3.0

¹ The impact of a -10% change is the reverse of the impact shown for a +10% change.

Cash flow and fair value interest rate risk

The Group has long-term interest-bearing assets from unsecured loans receivable from development partners of \$4.0 million. This exposure is not considered to be material to the Group.

The Group's and CHPT's external interest rate risk arises from the debt facilities disclosed in Note 14. Borrowings drawn at variable rates expose both the Group and CHPT to cash flow interest rate risk. Borrowings drawn at fixed rates expose both the Group and CHPT to fair value interest rate risk. The Group and CHPT monitor interest rate risk regularly and in accordance with the Charter Hall Treasury Risk Management Policy and perform associated stress testing. Core borrowings are defined as being the level of borrowings that are expected to be held for a period of more than two years.

(ii) Interest rate risk exposure

The Group's and CHPT's external interest rate risk arises from the cash, debt facilities and associated derivatives disclosed in Note 14 bearing a variable interest rate.

20 Capital and financial risk management continued

Interest rate sensitivity analysis

The following tables illustrate the potential impact a change in interest rates of $\pm 1\%$ would have on the Group and CHPT's profit, with all other variables remaining constant.

	Effective interest rate	Fair value \$'m	Carrying amount \$'m	+/-1% Impact on Profit \$'m
Charter Hall Group				
2024				
<i>Financial assets</i>				
Cash and cash equivalents	4.4%	382.7	382.7	3.8/(3.8)
Investments accounted for at fair value through profit or loss	11.3%	36.2	36.2	0.4/(0.4)
<i>Financial liabilities</i>				
Borrowings	6.1%	452.7	458.1	(4.6)/4.7
Total increase/(decrease)				(0.4)/0.5
2023				
<i>Financial assets</i>				
Cash and cash equivalents	2.9%	401.4	401.4	4.0/(4.0)
Derivative financial instruments	3.7%	1.8	1.8	0.0/(0.0)
Investments accounted for at fair value through profit or loss	11.2%	57.0	57.0	0.6/(0.6)
<i>Financial liabilities</i>				
Borrowings	4.6%	440.6	453.4	(4.6)/4.7
Total increase/(decrease)				0.0/0.1
Charter Hall Property Trust Group				
2024				
<i>Financial assets</i>				
Cash and cash equivalents	4.4%	22.4	22.4	0.2/(0.2)
Investments accounted for at fair value through profit or loss	11.3%	36.2	36.2	0.4/(0.4)
<i>Financial liabilities</i>				
Loan payable to Charter Hall Ltd	5.4%	396.6	396.6	(4.0)/4.0
Borrowings	6.1%	452.7	458.1	(4.6)/4.7
Total increase/(decrease)				(8.0)/8.1
2023				
<i>Financial assets</i>				
Cash and cash equivalents	2.9%	56.1	56.1	0.6/(0.6)
Derivative financial instruments	3.7%	1.8	1.8	0.0/(0.0)
Investments accounted for at fair value through profit or loss	11.2%	57.0	57.0	0.6/(0.6)
<i>Financial liabilities</i>				
Loan payable to Charter Hall Ltd	5.4%	143.8	143.8	1.4/(1.4)
Borrowings	4.6%	440.6	453.4	(4.6)/4.7
Total increase/(decrease)				(2.0)/2.1

The fair value of interest-bearing liabilities is inclusive of costs which would be incurred on settlement of a liability, and is based upon market prices, where a market exists, or by discounting the expected future cash flows by the current interest rates for liabilities with similar risk profiles.

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

(iii) Foreign exchange risk

The Group and CHPT's principal exposure to foreign exchange risk arises from its investments in foreign subsidiaries and exposure to bond issuances denominated in US dollars. The major asset held by foreign subsidiaries is cash in foreign denominated bank accounts. Cross-currency swaps are used to convert US dollar borrowings into Australian dollar exposure.

20 Capital and financial risk management continued

(iv) Hedge accounting of derivatives

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. See Note 15 for derivatives held by the Group.

The Group's accounting policy for its fair value and cash flow hedges is set out in Note 31(m).

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group hedges 100% of its foreign-denominated debt and fixed-rate medium-term note. The Group enters into cross-currency interest rate swaps and interest rate swaps that have critical terms that match the hedged item, such as payment dates, maturities and notional amount. The Group uses the hypothetical derivative method to assess effectiveness. Hedge ineffectiveness may occur due to credit/debit value adjustments and differences in critical terms between the hedging instrument and the hedged item.

Hedging instruments used by the Group

Cross-currency interest rate swaps currently in place cover 100% (2023: 100%) of the foreign-denominated debt outstanding. The variable AUD interest rate payable under the swaps is 2.0% (2023: 2.0%) above the 90-day bank bill swap rate which at the end of the reporting period was 4.3% (2023: 4.4%) and the receivable USD fixed rate aligns with the foreign-denominated debt at 4.6% (2023: 4.6%).

Interest rate swaps currently in place for the medium-term notes cover 100% (2023: 100%) of the debt outstanding. The receivable fixed rate of the swaps is 3.1% (2023: 3.1%) and the payable is the 90-day bank bill swap rate plus 1.5% (2023: 1.5%).

See Note 14(a) for further details of swaps held by the Group.

Effects of hedge accounting on the financial position and performance

The effects of the cross-currency interest rate swaps and interest rate swaps on the Group's financial position and performance are as follows:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
Cross-currency interest rate swaps				
Carrying amount	19.9	20.3	19.9	20.3
Notional amount	231.5	231.5	231.5	231.5
Maturity date	August-2028	August-2028	August-2028	August-2028
Hedge ratio ¹	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 July	(0.4)	(5.0)	(0.4)	(5.0)
Change in value of hedged item used to determine hedge effectiveness	(0.5)	4.2	(0.5)	4.2
Interest rate swaps				
Carrying amount	(38.2)	(40.9)	(38.2)	(40.9)
Notional amount	250.0	250.0	250.0	250.0
Maturity date	April-2031	April-2031	April-2031	April-2031
Hedge ratio ¹	1:1	1:1	1:1	1:1
Change in fair value of outstanding hedging instruments since 1 July	2.7	(1.7)	2.7	(1.7)
Change in value of hedged item used to determine hedge effectiveness	(4.0)	(0.7)	(4.0)	(0.7)

1 The underlying rate on the swaps is the same as the rate exposure on the debt, therefore the hedge ratio is 1:1.

20 Capital and financial risk management continued

(c) Credit risk

The Group and CHPT have policies in place to ensure that sales of services are made to customers with appropriate credit histories to minimise risk of default. A default is when the counterparty fails to fulfil its obligations under the terms of the financial asset causing financial loss to the Group and CHPT.

The Group derives 96.8% of its revenue from management fees, development revenue, transaction and other fees from related parties.

CHPT derives 69.6% of its revenue from distributions and other fees from investments in related party property funds.

Where appropriate, tenants in the underlying property funds for the Group and CHPT are assessed for creditworthiness, taking into account their financial position, past experience and other factors. Refer to Note 9(c) for more information on credit risk.

Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group and CHPT have policies that limit the amount of credit exposure to any one financial institution.

The Group and CHPT applies the AASB 9 simplified approach to measuring expected credit losses, which involves a lifetime expected loss allowance for trade receivables and financial assets at fair value through other comprehensive income or through profit or loss. The Group considers its financial asset balances to be low risk and thus the methodology has not resulted in the recognition of an impairment of any financial assets.

The loss allowances for trade and other financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions, based on the Group's history, existing market conditions and forward looking estimates at the end of each reporting period.

(d) Liquidity risk

Prudent liquidity risk management involves maintaining sufficient cash and undrawn debt funding to meet all funding commitments.

Maturities of financial liabilities

The following table provides the contractual maturity of the Group's and CHPT's financial liabilities. The amounts presented represent the future contractual undiscounted principal and interest cash flows and therefore do not equate to the value shown in the balance sheet. Repayments which are subject to notice are treated as if notice were given immediately.

20 Capital and financial risk management continued

	Carrying amount \$'m	Less than one year \$'m	Between one and five years \$'m	Over five years \$'m	Total cash flows \$'m
Charter Hall Group					
2024					
Trade and other payables	219.2	212.4	1.8	5.0	219.2
Borrowings	458.1	5.7	475.1	–	480.8
Development liabilities	35.5	7.8	16.0	11.7	35.5
Derivative financial instruments					
Net contractual amounts payable/(receivable)	38.2	7.2	26.2	13.5	46.9
Total financial liabilities	751.0	233.1	519.1	30.2	782.4
2023					
Trade and other payables	213.9	209.2	1.7	3.0	213.9
Borrowings	453.4	–	–	481.5	481.5
Derivative financial instruments	–	–	–	–	–
Net contractual amounts payable/(receivable)	41.1	7.1	24.4	19.4	50.9
Total financial liabilities	708.4	216.3	26.1	503.9	746.3
Charter Hall Property Trust Group					
2024					
Trade and other payables	419.0	22.4	–	396.6	419.0
Borrowings	458.1	5.7	475.1	–	480.8
Derivative financial instruments					
Net contractual amounts payable/(receivable)	38.2	7.2	26.2	13.5	46.9
Total financial liabilities	915.3	35.3	501.3	410.1	946.7
2023					
Trade and other payables	206.6	62.8	–	143.8	206.6
Borrowings	453.4	–	–	481.5	481.5
Derivative financial instruments	–	–	–	–	–
Net contractual amounts payable/(receivable)	41.1	7.1	24.4	19.4	50.9
Total financial liabilities	701.1	69.9	24.4	644.7	739.0

Offsetting financial assets and liabilities

The Group is a party to a master agreement as published by International Swaps and Derivative Associates, Inc. (ISDA) which allows the Group'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 at 30 June 2024, there was a net liability position of \$18.9 million (2023: \$18.8 million) with no amounts subject to offset.

As the Group does not have a legally enforceable right to offset, none of the financial assets or financial liabilities are offset on the balance sheet of the Group.

21 Fair value measurement

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

A fair value measurement of a non-financial asset takes into account the Group's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value of financial instruments traded in active markets is determined using quoted market prices at the balance date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

(a) Recognised fair value measurement

The Charter Hall Group and the Charter Hall Property Trust Group measure and recognise the following assets and liabilities at fair value on a recurring basis:

- Investments in associates at fair value through profit or loss (Note 2)
- Investments in joint ventures at fair value through profit or loss (Note 3)
- Financial assets at fair value through profit or loss

21 Fair value measurement continued

- Derivatives (Note 15)

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Charter Hall Group's and Charter Hall Property Trust Group's assets and liabilities measured and recognised at fair value:

	Level 1 \$'m	Level 2 \$'m	Level 3 \$'m	Total \$'m
Charter Hall Group				
2024				
Financial assets at fair value through profit or loss	–	20.1	–	20.1
Investments in joint ventures at fair value through profit or loss	–	–	36.2	36.2
Investments in associates at fair value through profit or loss	–	–	53.0	53.0
Derivative financial instruments	–	19.9	1.4	21.3
Assets classified as held for sale	–	–	78.8	78.8
Total assets	–	40.0	169.4	209.4
Derivative financial instruments	–	(38.2)	–	(38.2)
Total liabilities	–	(38.2)	–	(38.2)
2023				
Financial assets at fair value through profit or loss	–	29.7	–	29.7
Investments in joint ventures at fair value through profit or loss	–	–	57.0	57.0
Investments in associates at fair value through profit or loss	–	–	66.6	66.6
Derivative financial instruments	–	22.3	16.7	39.0
Total assets	–	52.0	140.3	192.3
Derivative financial instruments	–	(41.1)	–	(41.1)
Total liabilities	–	(41.1)	–	(41.1)
Charter Hall Property Trust Group				
2024				
Financial assets at fair value through profit or loss	–	20.1	–	20.1
Investments in joint ventures at fair value through profit or loss	–	–	36.2	36.2
Investments in associates at fair value through profit or loss	–	–	53.0	53.0
Derivative financial instruments	–	19.9	–	19.9
Assets classified as held for sale	–	–	78.8	78.8
Total assets	–	40.0	168.0	208.0
Derivative financial instruments	–	(38.2)	–	(38.2)
Total liabilities	–	(38.2)	–	(38.2)
2023				
Financial assets at fair value through profit or loss	–	29.7	–	29.7
Investments in joint ventures at fair value through profit or loss	–	–	57.0	57.0
Investments in associates at fair value through profit or loss	–	–	66.6	66.6
Derivative financial instruments	–	22.3	–	22.3
Total assets	–	52.0	123.6	175.6
Derivative financial instruments	–	(41.1)	–	(41.1)
Total liabilities	–	(41.1)	–	(41.1)

There have been no transfers between Level 1, Level 2 and Level 3 during the period.

(b) Disclosed fair values

The carrying amounts of current trade receivables and payables approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Charter Hall Group and Charter Hall Property Trust Group for similar financial instruments. The fair value of the US unsecured notes is A\$253.5m (30 June 2023: \$246.2m) and the fair value of the unsecured MTN is A\$211.3m (30 June 2023: \$207.2m).

21 Fair value measurement continued

(c) Valuation techniques used to derive Level 2 fair values

Derivatives

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 cross-currency interest rate swaps is determined using forward foreign exchange market rates and forward interest rates and the present value of the estimated future cash flows at the balance date.

The fair value of interest rate swaps is determined using forward interest rates and the present value of the estimated future cash flows at the balance date.

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 Group's credit risk using debt financing available to the Group as a benchmark.

Financial assets at fair value through profit or loss

Movements in fair value during the period have been recognised in the consolidated statement of comprehensive income. These assets have been acquired with the intention of being long-term investments. Where the assets in this category are expected to be sold within 12 months, they are classified as current assets; otherwise they are classified as non-current.

The fair value of investments in joint ventures held at fair value through profit or loss, which are investments in unlisted securities, are determined by giving consideration to the unit prices and net assets of the underlying funds. The unit prices and net asset values are largely driven by the fair values of investment properties and derivatives held by the funds. Recent arm's length transactions, if any, are also taken into consideration.

The fair value of investments in joint ventures at fair value through profit or loss is impacted by the price per security of the investment. An increase to the price per security results in an increase to the fair value of the investment.

(d) Valuation techniques used to derive Level 3 fair values

Investments in associates

Certain unlisted property securities have been designated on initial recognition to be treated at fair value through profit or loss. Movements in fair value during the period have been recognised in the consolidated statement of comprehensive income. These assets have been acquired with the intention of being long-term investments. Where the assets in this category are expected to be sold within 12 months, they are classified as current assets; otherwise they are classified as non-current.

The fair value of investments in associates held at fair value through profit or loss, which are investments in unlisted securities, are determined by giving consideration to the unit prices and net assets of the underlying funds. The unit prices and net asset values are largely driven by the fair values of investment properties and derivatives held by the funds. Recent arm's length transactions, if any, are also taken into consideration.

The fair value of investments in associates at fair value through profit or loss is impacted by the price per security of the investment. An increase to the price per security results in an increase to the fair value of the investment.

Investments in joint ventures

The level 3 investment in joint ventures at fair value through profit or loss relates to a contractually linked instrument (CLI). The CLI is designated on initial recognition to be treated at fair value through profit or loss.

The fair value of the CLI is primarily determined by reference to the credit risk of the tranche that the group holds directly. The underlying pool of instruments pay floating interest as does the tranche that the group holds directly.

Derivatives

The level 3 derivative relates to a share purchase option to call the remaining 50% of Paradice Investment Management (PIM) shares not yet acquired by the Group. The PIM share purchase option is designated on initial recognition to be treated at fair value through profit or loss. Movements in fair value during the period have been recognised in the consolidated statement of comprehensive income.

The fair value of the PIM share purchase option is determined using the Black-Scholes methodology.

The Group cannot sell the PIM share purchase option and should the option not be exercised or the Group otherwise elect to forfeit this right, 100% of the carrying value will be written off as a loss on derecognition in the statement of comprehensive income.

Look-through Investment property

The use of independent external valuers is on a rotational basis 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. Refer to Responsible Entities as disclosed in Note 22. Independent external valuations were conducted on 76% of investment property as at 30 June 2024 on a look-through basis and 88% of investment property carrying values from March 2024 to June 2024.

21 Fair value measurement continued

Movements in the inputs are likely to have an impact on the fair value of investment properties. An increase/(decrease) in gross 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.

Where an independent valuation is not obtained, the fair value is determined using discounted cash flow and income capitalisation methods.

22 Related parties

(a) Parent entity

The parent entity of the Charter Hall Group is Charter Hall Limited. The parent entity of the Charter Hall Property Trust Group is the Charter Hall Property Trust.

(b) Controlled entities

Interests in controlled entities are set out in Note 23.

(c) Key management personnel

Below are the aggregate amounts paid or payable to key management personnel (including Non-Executive Directors):

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Salary and fees	3,421	3,214	–	–
Non-Executive Director remuneration	1,863	1,518	–	–
Short-term incentives	4,018	4,761	–	–
Superannuation	85	76	–	–
PROP accounting fair value expense	6,005	5,821	–	–
Non-monetary benefits	2	2	–	–
Termination benefits	29	–	–	–
	15,423	15,392	–	–

Detailed remuneration disclosures are provided in the Remuneration Report on pages 54 to 79.

(d) Transactions with related parties

The following income was earned from related parties during the year:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Associates</i>				
Accounting cost recoveries	17,153	15,706	–	–
Marketing cost recoveries	4,589	5,253	–	–
Transaction and performance fees	54,750	146,045	–	–
Management and development fees	278,011	254,741	–	–
Property management fees and cost recoveries	110,918	99,049	–	–
Development revenue	16,488	204,599	–	–
Distributions received	89,707	98,211	84,140	92,901
<i>Joint ventures</i>				
Accounting cost recoveries	2,051	2,356	–	–
Marketing cost recoveries	344	471	–	–
Transaction and performance fees	1,145	5,514	–	–
Management and development fees	31,878	47,774	–	–
Property management fees and cost recoveries	12,545	20,975	–	–
Development revenue	11,689	9,071	–	–
Distributions received	44,340	57,600	19,786	22,500
<i>Other</i>				
Accounting cost recoveries	2,437	1,396	–	–
Marketing cost recoveries	441	146	–	–
Transaction and performance fees	1,101	14,158	–	–
Management and development fees	8,739	19,155	–	–
Property management fees and cost recoveries	9,062	3,576	–	–
Investment-related revenue	–	–	17,352	17,461
Development revenue	13,136	3,263	–	–
	710,524	1,009,059	121,278	132,862

22 Related parties continued

During the year, the Group sold holdings in related party entities to other related parties totalling \$1.0 million (2023: \$99.7 million) and purchased holdings in related party entities from related party entities totalling \$39.0 million (2023: \$nil).

The following balances arising through the normal course of business were due from related parties at balance date:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Associates</i>				
Investment management revenue receivables	57,090	78,243	–	–
Other receivables	4,438	10,074	–	–
Distributions receivable	23,167	26,627	21,864	25,113
<i>Joint ventures</i>				
Investment management revenue receivables	6,319	11,076	–	–
Other receivables	482	1,272	–	–
Distributions receivable	8,248	7,429	6,546	5,157
<i>Other</i>				
Investment management revenue receivables	2,180	2,010	–	–
Other receivables	2,802	374	–	–
	104,726	137,105	28,410	30,270

(e) Loans to/(from) related parties

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Loans to joint ventures</i>				
Opening balances	3,659	3,408	–	–
Loan repayments received	–	(32)	–	–
Interest received/receivable	304	283	–	–
Closing balance	3,963	3,659	–	–
Closing balance	–	–	–	–
<i>Loans from other related parties</i>				
Opening balances	5,500	11,000	–	–
Loan repayments made	(5,500)	(5,500)	–	–
Interest charged	552	1,594	–	–
Interest paid/payable	(552)	(1,594)	–	–
Closing balance	–	5,500	–	–
<i>Loans to/(from) Charter Hall Limited</i>				
Opening balances	–	–	(143,825)	–
Loans advanced	–	–	245,132	249,242
Loan repayments received	–	–	(478,089)	(388,268)
Interest payable	–	–	(19,791)	(4,799)
Closing balance	–	–	(396,573)	(143,825)

No provisions for expected credit losses have been raised in relation to any outstanding balances.

(f) Fees paid to the Responsible Entity or its associates

Fees paid to the Responsible Entity of the Charter Hall Property Trust, and its associates, by the Charter Hall Property Trust Group amounted to \$2,852,000 (2023: \$2,951,000). At 30 June 2024, related fees payable amounted to \$676,000 (2023: \$624,000).

23 Controlled entities

(a) Critical judgements

The Group controls an entity when the Group 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 over the entity. Critical judgements are made in assessing whether an investee entity is controlled or subject to significant influence or joint control. These judgements include an assessment of the nature, extent and financial effects of the Group's interest in investee entities, including the nature and effects of its contractual relationship with the entity or with other investors.

(b) Principal controlled entities

The Group's principal subsidiaries where the majority of activities are undertaken as at 30 June 2024 are set out below. The country of incorporation or registration is also their principal place of business, unless otherwise stated.

Name of entity	Country of incorporation	Principal activity	Class of securities	2024 %	2023 %
Controlled entities of Charter Hall Limited					
Charter Hall Holdings Pty Limited	Australia	Funds management	Ordinary	100	100
Charter Hall Opportunity Fund No. 5	Australia	Development investment	Ordinary	93	93
Charter Hall Social Infrastructure Limited	Australia	Responsible entity	Ordinary	100	100
Charter Hall Direct Property Management Limited	Australia	Funds management	Ordinary	100	100
Charter Hall FLK Funds Management Limited	Australia	Responsible entity	Ordinary	100	100
Charter Hall Investment Management Limited	Australia	Responsible entity	Ordinary	100	100
Charter Hall Retail Management Limited	Australia	Responsible entity	Ordinary	100	100
Charter Hall WALE Limited	Australia	Responsible entity	Ordinary	100	100
Charter Hall Wholesale Management Limited	Australia	Responsible entity	Ordinary	100	100
Charter Hall Development Services Pty Ltd	Australia	Property development	Ordinary	100	100
Charter Hall Opportunity Fund No. 6	Australia	Property development	Ordinary	100	100
Controlled entities of Charter Hall Property Trust					
Charter Hall Co-Investment Trust	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 2	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 3	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 4	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 6	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 7	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 9	Australia	Property investment	Ordinary	100	100
CHPT Exchange Trust	Australia	Property investment	Ordinary	100	100
CHC Finance Pty Ltd	Australia	Financing entity	Ordinary	100	100
Charter Hall Co-Investment Trust 10	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 11	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 12	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 13	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 15	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 16	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 17	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 18	Australia	Property investment	Ordinary	100	100
Charter Hall Co-Investment Trust 19	Australia	Property investment	Ordinary	100	100

24 Interests in unconsolidated structured entities

The Charter Hall Group considers its investments in associates and joint ventures to be unconsolidated structured entities, on the basis that the Group's voting rights are not the sole factor in determining whether control over an entity exists. Where the Group determines that control over an entity does not exist, the entity is recognised as an associate or joint venture of the Group for reporting purposes.

The activities and objectives of the unconsolidated structured entities of the Group include property investment for annuity income and medium to long-term capital growth and/or development profit.

The aggregate of all the Group's interests and maximum exposure to loss in unconsolidated structured entities, being the Group's interests in associates and joint ventures, are included in the table below:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
<i>Current assets</i>				
Trade receivables	71.6	109.2	–	–
Distributions receivable	31.4	34.0	28.4	30.2
Total current assets	103.0	143.2	28.4	30.2
<i>Non-current assets</i>				
Loans to related parties	4.0	3.7	–	–
Investments at fair value through profit or loss	73.2	96.3	73.2	96.3
Investments accounted for using the equity method	2,772.6	3,066.7	2,421.3	2,621.4
Intangible Assets	103.1	103.5	–	–
Total non-current assets	2,952.9	3,270.2	2,494.5	2,717.7
Total carrying amount of interests in unconsolidated structured entities	3,055.9	3,413.4	2,522.9	2,747.9
Total funds under management in unconsolidated structured entities	73,357.8	75,660.4	57,883.8	59,961.7

There are no additional arrangements that would expose the Charter Hall Group or Charter Hall Property Trust Group to losses beyond the carrying amounts.

During the year, the Charter Hall Group earned fees from structured entities in its capacity as investment manager. Refer to Note 22 for further information.

No financial support has been provided to the funds beyond the loans disclosed in the above table.

25 Commitments

(a) Capital commitments

Charter Hall Group

The Group had no disclosable contracted capital commitments as at 30 June 2024 (2023: \$nil).

Charter Hall Property Trust Group

The Trust Group had no disclosable contracted capital commitments as at 30 June 2024 (2023: \$nil).

26 Contingent liabilities

The Group has nil contingent liabilities as at 30 June 2024 (2023: \$nil) other than the bank guarantees provided for under the bank facility held by Charter Hall Property Trust (refer to 14(a)).

27 Security-based benefits expense

(a) Charter Hall – Performance Rights and Options Plan (PROP)

Charter Hall Group and Charter Hall Property Trust Group	2020 Number	2021 Number	2022 Number	2023 Number	2024 Number	Total Number
Performance rights						
Rights issued 25/11/19	713,588	–	–	–	–	713,588
Rights issued 26/11/20	–	838,798	–	–	–	838,798
Rights issued 11/09/21	–	–	4,094,224	–	–	4,094,224
Rights issued 11/11/21	–	–	905,776	–	–	905,776
Rights issued 14/12/21	–	–	794,630	–	–	794,630
Rights issued 17/11/22	–	–	–	489,835	–	489,835
Rights issued 17/11/22	–	–	–	489,835	–	489,835
Rights issued 07/12/23	–	–	–	–	588,491	588,491
Rights issued 07/12/23	–	–	–	–	588,491	588,491
Performance rights issued	713,588	838,798	5,794,630	979,670	1,176,982	9,503,668
Number of rights forfeited/lapsed						
Prior years	(74,430)	(129,747)	(104,458)	(16,006)	–	(324,641)
Current year	–	(17,347)	(28,408)	(40,872)	(29,218)	(115,845)
Number of rights vested						
Prior years	(327,074)	–	–	–	–	(327,074)
Current year	(312,084)	–	–	–	–	(312,084)
Closing balance	–	691,704	5,661,764	922,792	1,147,764	8,424,024
Service rights						
Rights issued 01/07/19	178,903	–	–	–	–	178,903
Rights issued 28/11/19	320,000	–	–	–	–	320,000
Rights issued 01/07/20	–	672,282	–	–	–	672,282
Rights issued 01/07/20	–	319,856	–	–	–	319,856
Rights issued 27/07/21	–	–	319,650	–	–	319,650
Rights issued 27/07/21	–	–	156,280	–	–	156,280
Rights issued 29/07/22	–	–	–	284,654	–	284,654
Rights issued 29/07/22	–	–	–	449,667	–	449,667
Rights issued 05/12/22	–	–	–	25,818	–	25,818
Rights issued 16/08/23	–	–	–	–	385,837	385,837
Rights issued 29/01/24	–	–	–	–	157,728	157,728
Service rights issued	498,903	992,138	475,930	760,139	543,565	3,270,675
Number of rights forfeited/lapsed						
Prior years	(45,000)	(12,621)	(8,324)	(10,222)	–	(76,167)
Current year	–	–	(3,812)	(28,249)	(33,462)	(65,523)
Number of rights vested						
Prior years	(258,903)	(269,856)	(78,140)	(142,327)	–	(749,226)
Current year	(65,000)	(433,495)	(78,140)	(12,909)	(147,461)	(737,005)
Closing balance	130,000	276,166	307,514	566,432	362,642	1,642,754

Further detail regarding the vesting conditions are included in the remuneration report section of the Directors' report.

(b) PROP expense

Total expenses related to the PROP recognised during the year as part of employee benefit expense were as follows:

	Charter Hall Group		Charter Hall Property Trust Group	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Performance rights and option plan	17.1	12.6	–	–

27 Security-based benefits expense continued

(c) PROP Valuation Inputs

The Black-Scholes or Monte Carlo method, as applicable, is utilised for valuation and accounting purposes. The model inputs to assess the fair value of the PROP rights granted during FY2024 are as follows:

	CHC Performance rights	CHC Performance rights	CHC Service rights – Mandatory Deferred STI	CHC Service rights – Voluntary Deferred STI
	Tranche 1	Tranche 2		
Grant date	07/12/2023	07/12/2023	16/08/2023	16/08/2023
Stapled security price at grant date ¹	\$10.68	\$10.68	\$10.29	\$10.29
Fair value of right	\$10.68	\$6.71	\$10.29	\$10.29
Expected volatility ²	39.7%	39.7%	33.5%	33.3%
Risk-free interest rate	3.9%	3.9%	3.9%	3.9%

	CQR Service rights – Mandatory Deferred STI	CQE Service rights – Mandatory Deferred STI	CLW Service rights – Mandatory Deferred STI	CHC Service rights – Sign-on Rights
Grant date	16/08/2023	16/08/2023	16/08/2023	29/01/2024
Stapled security price at grant date ¹	\$3.38	\$2.63	\$3.54	\$11.59
Fair value of right	\$3.38	\$2.63	\$3.54	\$11.59
Expected volatility ²	21.7%	28.5%	21.5%	33.2%
Risk-free interest rate	4.0%	4.0%	3.9%	3.8%

¹ The grant date reflects the date the rights were allocated. Participants are eligible and performance period commences from 1 July of the relevant financial year for performance rights.

² Expected volatility takes into account historical market price volatility.

Further detail regarding the vesting conditions are included in the remuneration report section of the Directors' report.

(d) Charter Hall General Employee Security Plan (GESP)

During the year, eligible employees received up to \$1,000 (2023: \$1,000) in stapled securities which vested immediately on issue but are held in trust until the earlier of the completion of three years' service or termination. An expense of \$499,460 (2023: \$601,656) was recognised in relation to this plan during the year. For the GESB, the cost of the stapled securities bought on-market to settle the award liability is included in employee benefits expense.

(e) Accounting policy

Security-based benefits

Security-based compensation benefits are provided to employees via the Charter Hall Performance Rights and Options Plan (PROP) and the General Employee Security Plan (GESB). For market-based performance rights, the fair value at grant date is independently valued using a Monte Carlo simulation pricing model that takes into account the exercise price, the term of the rights, impact of dilution, stapled security price at grant date, expected price volatility of the underlying stapled security, expected dividend yield and the risk-free interest rate for the term of the rights and market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of rights that are expected to vest. For non-market based performance rights, the fair value at grant date is independently valued using the Black-Scholes methodology. At each reporting date, the entity revises its estimate of the number of rights that are expected to vest. The employee benefits expense recognised each year takes into account the most recent estimate.

Upon the vesting of stapled securities, the balance of the stapled security-based benefits reserve relating to those stapled securities is transferred to equity, net of any directly attributable transaction costs.

28 Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity of the Charter Hall Group, being Charter Hall Limited, and the parent entity of the Charter Hall Property Trust Group, being the Charter Hall Property Trust, have been prepared on the same basis as the Group's financial statements:

	Charter Hall Limited		Charter Hall Property Trust	
	2024	2023	2024	2023
	\$'m	\$'m	\$'m	\$'m
Balance sheet				
Current assets	471.6	327.9	41.0	74.8
Total assets	761.5	623.0	3,757.6	3,381.0
Current liabilities	141.7	94.6	21.8	62.8
Total liabilities	320.5	482.4	2,211.3	1,684.9
Shareholders' equity				
Issued capital	315.0	314.8	1,536.4	1,536.2
Other reserves	(53.6)	(53.6)	2.4	3.3
Accumulated profit/(losses)	179.6	(120.6)	7.5	156.6
Net equity	441.0	140.6	1,546.3	1,696.1
Profit for the year	540.6	96.4	148.7	229.4
Total comprehensive income for the year	540.6	96.4	148.7	229.4

Charter Hall Property Trust has total net assets of \$1.5 billion and liquidity through the inter-staple loan with Charter Hall Limited.

(b) Contingent liabilities of the parent entity

Charter Hall Limited and Charter Hall Property Trust had no contingent liabilities as at 30 June 2024 (2023: \$nil) other than the bank guarantees provided for under the bank facility held by Charter Hall Property Trust (refer to Note 14(a)).

(c) Contractual commitments

As at 30 June 2024, Charter Hall Limited had no contractual commitments (2023: \$nil).

As at 30 June 2024, Charter Hall Property Trust had no contractual commitments (2023: \$nil).

29 Deed of cross guarantee

Charter Hall Group

Charter Hall Limited (CHL) and its wholly owned subsidiaries, Charter Hall Holdings Pty Ltd (CHH) and Folkestone Limited (FLK), are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, CHH and FLK have been relieved from the requirement to prepare financial statements and a Directors' report under ASIC Instrument 2016/785 issued by the Australian Securities and Investments Commission. FLK was added by assumption deed to the deed of cross guarantee from 3 May 2019.

(a) Consolidated statement of comprehensive income and summary of movements in consolidated accumulated losses

The above companies represent a 'closed group' for the purposes of the Instrument and, as there are no other parties to the deed of cross guarantee that are controlled by Charter Hall Limited, they also represent the 'extended closed group'.

Set out as follows is a consolidated statement of comprehensive income and a summary of movements in consolidated accumulated losses for the year of the closed group consisting of CHL, CHH and FLK.

	2024	2023
	\$'m	\$'m
Statement of comprehensive income		
Revenue	616.1	614.2
Other net fair value adjustments	(15.3)	(3.3)
Employee benefits expense	(190.8)	(184.8)
Depreciation and amortisation	(11.5)	(8.2)
Finance costs	(15.1)	(5.0)
Share of net profit of associates accounted for using the equity method	4.8	14.6
Other expenses	(93.1)	(38.3)
Profit before income tax	295.1	389.2
Income tax expense	(80.5)	(111.2)
Profit for the year	214.6	278.0
Accumulated profit at the beginning of the financial year	603.1	415.8
Profit for the year	214.6	278.0
Dividends paid/payable	(144.9)	(90.7)
Accumulated profit at the end of the financial year	672.8	603.1

29 Deed of cross guarantee continued

(b) Balance sheet

Set out below is a consolidated balance sheet of the closed group consisting of CHL, CHH and FLK.

	2024 \$'m	2023 \$'m
Assets		
<i>Current assets</i>		
Cash and cash equivalents	349.4	281.3
Receivables and other assets	91.7	128.5
Net loans receivable from related entities	68.0	35.6
Total current assets	509.1	445.4
<i>Non-current assets</i>		
Loans due from Charter Hall Property Trust	396.6	143.8
Investment in associates at fair value through profit or loss	15.1	15.1
Investment in associates	167.2	225.9
Investments in controlled entities	204.1	203.5
Property, plant and equipment	10.4	14.1
Intangible assets	71.0	71.0
Right-of-use assets	12.6	16.1
Deferred tax assets	14.6	5.8
Derivative financial instruments	1.4	16.7
Total non-current assets	893.0	712.0
Total assets	1,402.1	1,157.4
Liabilities		
<i>Current liabilities</i>		
Trade and other liabilities	223.8	165.3
Lease liabilities	7.6	7.1
Total current liabilities	231.4	172.4
<i>Non-current liabilities</i>		
Trade and other liabilities	5.0	4.7
Net loans due to related entities	140.0	20.8
Lease liabilities	11.4	16.4
Total non-current liabilities	156.4	41.9
Total liabilities	387.8	214.3
Net assets	1,014.3	943.1
Equity		
Contributed equity	315.0	314.8
Reserves	26.5	25.2
Accumulated profit	672.8	603.1
Total equity	1,014.3	943.1

30 Events occurring after the reporting date

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect:

- (a) The Group's operations in future financial years; or
(b) The results of those operations in future financial years; or
(c) The Group's state of affairs in future financial years.

31 Summary of material accounting policies

The material policies which have been adopted in the preparation of these consolidated financial statements for the year ended 30 June 2024 are set out below. These policies have been consistently applied to the years presented, unless otherwise stated.

Changes in accounting policies

(a) New and amended standards adopted

No new accounting standards or amendments have come into effect for the year ended 30 June 2024 that materially affect the Group's operations or reporting requirements.

Certain amendments to accounting standards have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the Group. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Material accounting policies

(b) Controlled entities

The Charter Hall Group (Group or CHC) is a 'stapled' entity comprising Charter Hall Limited (Company or CHL) and its controlled entities, and Charter Hall Property Trust (Trust) and its controlled entities (CHPT Group). The shares in the Company are stapled to the units in the Trust. The stapled securities cannot be traded or dealt with separately. The stapled securities of the Group are listed on the Australian Securities Exchange (ASX). CHL has been identified as the parent entity in relation to the stapling.

The two Charter Hall entities comprising the stapled Group remain separate legal entities in accordance with the *Corporations Act 2001*, and are each required to comply with the reporting and disclosure requirements of Accounting Standards and the *Corporations Act 2001*.

As permitted by *ASIC Corporations (Stapled Group Reports) Instrument 2015/838*, this financial report is a combined financial report that presents the consolidated financial statements and accompanying notes of both the Charter Hall Group and the Charter Hall Property Trust Group.

The financial report of the Charter Hall Group comprises CHL and its controlled entities, including Charter Hall Funds Management Limited (Responsible Entity) as responsible entity for CHPT and CHPT and its controlled entities. The results and equity not directly owned by CHL, of CHPT, have been treated and disclosed as a non-controlling interest. Whilst the results and equity of CHPT are disclosed as a non-controlling interest, the stapled securityholders of CHL are the same as the stapled securityholders of CHPT. The financial report of the Charter Hall Property Trust Group comprises the Trust and its controlled entities.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*, and continue to be prepared on the going concern basis of accounting. The Charter Hall Group and Charter Hall Property Trust Group are for-profit

entities for the purpose of preparing the consolidated financial statements.

On 6 June 2005, CHL acquired Charter Hall Holdings Pty Ltd (CHH). Under the terms of AASB 3 *Business Combinations*, CHH was deemed to be the accounting acquirer in this business combination. This transaction was therefore accounted for as a reverse acquisition under AASB 3. Accordingly, the consolidated financial statements of the Group have been prepared as a continuation of the consolidated financial statements of CHH. CHH, as the deemed acquirer, acquisition accounted for CHL as at 6 June 2005.

Group references in accounting policies

The accounting policies apply to both the Group and Charter Hall Property Trust Group unless otherwise stated in the relevant policy.

Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) 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 for the following:

- assets held for sale – measured at the lower of carrying amount and fair value less costs to sell;
- investment properties – measured at fair value;
- investments in associates at fair value through profit or loss – measured at fair value;
- investments in financial assets held at fair value – measured at fair value; and
- derivative financial instruments.

(c) Principles of consolidation

(i) Controlled entities

The consolidated financial statements of the Charter Hall Group and the Charter Hall Property Trust Group incorporate the assets and liabilities of all controlled entities as at 30 June 2024 and their results for the year then ended.

The Group controls an entity when the Group 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. Controlled entities are fully consolidated from the date on which control is transferred to the Group. 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 Group.

Non-controlling interests in the results and equity of controlled entities are shown separately in the consolidated statement of comprehensive income, consolidated balance sheet and consolidated statement of changes in equity respectively.

31 Summary of material accounting policies continued

(ii) Investments in associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for in the consolidated balance sheet at either fair value through profit or loss or by using the equity method. On initial recognition, the Group elects to account for investments in associates at either fair value through profit or loss or by using the equity method based on assessment of the expected strategy for the investment.

Under the equity accounted method, the Group's share of the associates' post-acquisition net profit after income tax expense is recognised in the consolidated statement of comprehensive income. The cumulative post-acquisition movements in results and reserves are adjusted against the carrying amount of the investment. Distributions and dividends received from associates are recognised in the consolidated financial report as a reduction of the carrying amount of the investment.

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

(iii) Joint arrangements

Under AASB 11 *Joint Arrangements*, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group 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.

Joint ventures

Interests in joint ventures are accounted for using the equity method, with investments initially recognised at cost and adjusted thereafter to recognise the Group's share of post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its equity accounted investees are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been aligned where necessary to ensure consistency with the policies adopted by the Group.

(iv) Changes in ownership interests

When the Group ceases to equity account for an investment because of a loss of joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a joint venture entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group.

If the ownership interest in a joint venture entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

(d) Foreign currency translation

(i) Functional and presentation currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars, which is CHL's and CHPT's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Foreign currency translation

On consolidation, exchange differences arising from the translation of borrowings, and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income.

(e) Revenue recognition

The amount of revenue recognised in each period is based on the delivery of performance obligations and when control has been transferred to customers in accordance with the principles set out in AASB 15. Where the Group enters into contracts with multiple

31 Summary of material accounting policies continued

service components, judgement is applied to determine whether the components are:

- *distinct* – accounted for as separate performance obligations;
- *not distinct* – combined with other promised services until a distinct bundle is identified; or
- *part of a series* of distinct services that are substantially the same and have the same pattern of transfer to the customer.

For each performance obligation identified, it is determined whether revenue is recognised at a point in time or over time. Revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided over the life of a contract as the services are performed;
- the customer controls the asset that the Group is creating or enhancing; or
- the Group's performance does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date.

At contract inception, the Group estimates the consideration to which it expects to be entitled and has rights to receive under the contract. Variable consideration, where the Group's performance could result in further revenue, is only included to the extent that it is highly probable that a significant reversal of revenue recognised will not occur.

In assessing the amount of consideration to recognise, key judgements and assumptions are made on a forward-looking basis where required.

Revenue excludes share of net profits of equity accounted associates and joint ventures accounted for under the equity method.

To the extent revenue has not been received at reporting date, a receivable is recognised in the consolidated balance sheet.

Revenue from the Group's funds management business is categorised into the two main lines of operations, being investment management and property services.

Revenue from the Group's development investments forms part of the development investment segment earnings.

Investment management revenue

Fund management fees are received for performance obligations fulfilled over time with revenue recognised accordingly. Fund management fees are determined in accordance with relevant agreements for each fund, based on the fund's periodic (usually monthly or quarterly) Gross Asset Value (GAV).

Generally, invoicing of funds for management fees occurs on a quarterly basis and are receivable within 21 days.

Performance fees are for performance obligations fulfilled over time and for which consideration is variable. The fees for each applicable fund are determined in accordance with the relevant agreement which stipulates out-performance of a benchmark over a given period.

Performance fee revenue is recognised to the extent that it is highly probable that the amount of variable consideration recognised will not be significantly reversed when the uncertainty is resolved. Detailed calculations and an assessment of the risks associated with the recognition of the fee are completed to inform the assessment of the appropriate revenue to recognise.

Invoicing of funds for performance fees occurs in accordance with the contractual performance fee payment date.

A contract asset is recognised in the consolidated balance sheet at each reporting date in line with revenue recognised where the right to receive consideration remains conditional on future performance.

Transaction fee revenue is recognised at a point in time upon fulfillment of the performance obligation. This is usually the point at which control of the underlying asset being transacted has transferred to the buyer.

Transaction fees are invoiced when the performance obligation has been fulfilled and are receivable within 21 days.

Property services revenue

Property services primarily include property management, development management, leasing, facilities and project management. Revenue is recognised either over time or at a point in time depending on the terms of the specific agreement for each type of service. Invoicing of funds for property services fees occurs on a monthly or quarterly basis and are receivable within 21 days.

Recovery of property and fund-related expenses revenue

Accounting, marketing, directors fee recoveries and property management services provided to managed funds are charged as an expense recovery. Revenue is recognised over time as the performance obligations are fulfilled. Invoicing of funds for expense recoveries occurs on a monthly or quarterly basis depending on the recovery type and are receivable within 21 days.

Development revenue

Where Charter Hall has control of the underlying asset, revenue from the sale of development assets is recognised when control has been transferred to the customer. Where development assets have been recognised in relation to the enhancement of an asset controlled by the customer, revenue from the realisation of the development costs are recognised over time in accordance with the performance obligations of the contract.

Revenue is calculated by reference to the total consideration expected to be received in exchange for fulfilling the performance obligations under the contract. Any variable consideration is constrained to the amount that is highly probable to not significantly reverse. Revenue is recognised based on the most appropriate method that depicts the transfer of goods and services to the customer, generally the 'cost to cost' method.

A development asset is recognised in the consolidated balance sheet at each reporting date in line with revenue recognised where the right to receive consideration remains conditional on future performance.

31 Summary of material accounting policies continued

Proceeds from the sale of development assets are invoiced and receivable in accordance with the relevant terms of the contract.

(f) Distributions/Dividends

Represents the distribution of income from investments accounted for at fair value by the Group and Charter Hall Property Trust Group.

(g) Employee benefits

(i) Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

Liabilities for other employee entitlements which are not expected to be paid or settled within 12 months of reporting date are accrued in respect of all employees at present values of future amounts expected to be paid. Expected future payments are discounted using a corporate bond rate with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations

Contributions to employee defined contribution superannuation funds are recognised as an expense as they become payable.

(iv) Bonus plans

Charter Hall recognises a liability and an expense for amounts payable to employees. Charter Hall recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates:

- (a) when the Group can no longer withdraw the offer of those benefits; and
- (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(h) Development assets

Costs incurred in fulfilling a development contract with a customer are recognised as a development asset.

Where Charter Hall has control of the asset, development costs are recorded as inventory at the lower of cost and net realisable value.

Where Charter Hall has incurred costs in relation to the enhancement of an asset controlled by the customer, a development contract asset is recognised in the consolidated balance sheet where the right to receive consideration remains

conditional on future performance. Development assets are recorded at the lower of cost or the total consideration expected to be received less the total costs expected to be recognised as an expense. Where consideration is received in excess of revenue recognised, a development liability will be recognised.

Development assets are classified as non-current where the group is not contractually entitled to payment within 12 months from balance date.

(i) Investment properties

Investment properties comprise investment interests in land and buildings (including integral plant and equipment) held for the purpose of producing rental income, including properties that are under construction for future use as investment properties.

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the investment properties are stated at fair value. Fair value of investment property is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition. Gains and losses arising from changes in the fair values of investment properties are included in the consolidated statement of comprehensive income in the year in which they arise.

At each balance date, the fair values of the investment properties are assessed by the respective Responsible Entity with reference to independent valuation reports or through appropriate valuation techniques adopted by the Responsible Entity. Further information relating to valuation techniques can be found in Note 21(d).

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the consolidated statement of comprehensive income within net fair value gain/(loss) on investment property.

The carrying amount of investment properties recorded in the consolidated balance sheet takes into consideration components relating to lease incentives, leasing costs and fixed increases in operating lease rentals in future years.

(j) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial year in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

31 Summary of material accounting policies continued

- Furniture, fittings and equipment 3 to 10 years
- Fixtures 5 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the consolidated statement of comprehensive income.

(k) Assets and liabilities held for sale

Non-current assets or disposal groups are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as financial assets and investment property that are carried at fair value.

Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

(l) Impairment of non-monetary assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment in prior years are reviewed for possible reversal of the impairment at each reporting date.

(m) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, any non-controlling interest in the acquiree is

recognised either at fair value or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the acquirer's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(n) Financial Instruments

(i) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for expected credit losses. Trade receivables are due for settlement no more than 21 days from the date of recognition. Expected credit losses in relation to trade receivables are reviewed on an ongoing basis.

(ii) Other financial assets

Classification

The Group classifies its other financial assets as being measured either:

- at fair value through other comprehensive income or through profit or loss; or
- at amortised cost.

All derivatives are classified based on their maturity date and are not split based on notional cashflows.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and

31 Summary of material accounting policies continued

is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Impairment
Trade receivables

For trade receivables, the Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which requires the use of the lifetime expected credit loss provision for all trade receivables from initial recognition of the receivables.

Any impairment loss is recognised through the consolidated statement of comprehensive income.

Debt instruments

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derivatives and hedge accounting

The Group uses derivatives to hedge its exposure to interest rates and foreign currency on borrowings. Derivative financial instruments are measured and recognised at fair value on a recurring basis.

The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either fair value hedges or cash flow hedges.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The Group's derivatives in place as at 30 June 2024 qualified as fair value and cash flow hedges under AASB 9. The Group's risk management strategies and hedge documentation are aligned with the requirements of AASB 9 and these relationships are therefore treated as continuing hedges.

Fair value hedges that qualify for hedge accounting

The gain or loss relating to interest payments on interest rate swaps hedging fixed-rate borrowings is recognised in profit or loss within finance costs. Changes in the fair value of derivative hedging instruments and the hedged fixed-rate borrowings attributable to interest rate risk are recognised within 'Net gains/(losses) from derivative financial instruments'. The gain or loss relating to the ineffective portion is also recognised in profit or loss within 'Net gains/(losses) from derivative financial instruments'.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives is recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'Net gains/(losses) from derivative financial instruments'.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for instance when the forecast transaction that is hedged takes place). The gain or loss relating to the effective portion of cross-currency interest rate swaps hedging fixed-rate borrowings is recognised in profit or loss within 'Finance costs'.

Derivatives that do not qualify for hedge accounting

For derivative instruments that do not qualify for hedge accounting, changes in the fair value of the derivative instrument are recognised immediately in profit or loss.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of comprehensive income over the period of the borrowing using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down unless there is an effective fair value hedge of the borrowings, in which case a fair value adjustment will be applied based on the mark to market movement in the benchmark component of the borrowings and this movement is recognised in profit or loss. If the facility has not been drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowing costs

Borrowing costs associated with the acquisition or construction of a qualifying asset, including interest expense, are capitalised as part of the cost of that asset during the period that is required to complete and prepare the asset for its intended use. Borrowing costs not associated with qualifying assets are expensed.

(p) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

31 Summary of material accounting policies continued

(q) Comparative information

Where necessary, comparative information has been adjusted to conform with changes in presentation in the current year.

(r) Rounding of amounts

Under the option provided by ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the

Australian Securities and Investments Commission relating to the rounding off of amounts in the financial statements, amounts in the Company and the Trust's consolidated financial statements have been rounded to the nearest hundred thousand in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

Consolidated entity disclosure statement

For the year ended 30 June 2024

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) or foreign residents
Charter Hall Group						
ALE Finance Company No.3 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Australian Leisure & Entertainment Property Management Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Bieson Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
Brisbane Square Holdings Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Brisbane Square Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Acacia Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Banyan Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Beech Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Birch Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Bottlebrush Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Buttercup Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Cacao Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Cactus Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Camellia Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Carnation Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Cedar Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Coconut Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Cork Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Crestmead Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Daffodil Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Dandelion Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Defence Holding Trust	Trust	n/a	100%	Australia	Australia	Australia
CH Defence Trust	Trust	n/a	100%	Australia	Australia	Australia
CH Fern Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Fig Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Genge Landowner Trust	Trust	n/a	100%	Australia	Australia	Australia
CH Geranium Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Gum Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Hibiscus Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Honeysuckle Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Hydrangea Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Jacaranda Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Jarrah Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Jasmine Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH King William Trust	Trust	n/a	100%	Australia	Australia	Australia
CH Lavender Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Lemon Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Lilac Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Lily Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Maple Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Marigold Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Neem Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Oak Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Olive Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Palm Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Pine Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
CH Primrose Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Rose Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Teak Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Wattle Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CH Wembley Trust	Trust	n/a	100%	Australia	Australia	Australia
CH Willow Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall (NZ) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall (Singapore) Funds Management Pte. Ltd.	Body Corporate	n/a	100%	Singapore	Foreign	Singapore
Charter Hall Asset Services Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall CHAB Holding Trust	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 2	Trust	n/a	100%	Australia	Australia	Australia

Consolidated entity disclosure statement

For the year ended 30 June 2024

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) or foreign residents
Charter Hall Co-Investment Trust 3	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 4	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 6	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 7	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 8	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 9	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 10	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 11	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 12	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 13	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 14	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 15	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 16	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 17	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 18	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 19	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Co-Investment Trust 20	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Debt Investment Partnership No. 1 Trust	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Development Services Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Direct Property Management Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Direct Property Management Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Escrow Agent Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall FLK Funds Management Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Funds Management Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
Charter Hall Holdings Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Holdings Real Estate Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Investment Management Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall MFH Gordon Trust	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall MFH Trust 1	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Nominees Pty Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
Charter Hall Office Collins Street Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Office Management Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Opportunity Fund 4	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Opportunity Fund 5	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Opportunity Fund 6	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Property Securities Management Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Property Trust	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Real Estate Management Services (ACT) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Real Estate Management Services (NSW) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Real Estate Management Services (QLD & NT) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Real Estate Management Services (SA) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Real Estate Management Services (TAS) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Real Estate Management Services (VIC) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Real Estate Management Services (WA) Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Retail Management Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Social Infrastructure Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Charter Hall Spring Trust	Trust	n/a	100%	Australia	Australia	Australia
Charter Hall Wale Ltd	Body Corporate	Trustee	100%	Australia	Australia	Australia
Charter Hall Wholesale Management Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CHC CDC Holding Trust	Trust	n/a	100%	Australia	Australia	Australia
CHC Finance Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CHH Investment Trust	Trust	n/a	100%	Australia	Australia	Australia

Consolidated entity disclosure statement

For the year ended 30 June 2024

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) or foreign residents
CHI Property Fund II (Formally: Irongate Property Fund II)	Trust	n/a	100%	Australia	Australia	Australia
CHI Property No.1 Pty Ltd (Formally: Irongate Property No. 1 Pty Ltd)	Body Corporate	n/a	100%	Australia	Australia	Australia
CHI Property No.2 Pty Ltd (Formally: Irongate Property No. 2 Pty Ltd)	Body Corporate	n/a	100%	Australia	Australia	Australia
CHLWR No. 1 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CHLWR No. 2 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CHOF5 51 ARC Place Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Arden Central Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Bringelly Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Canberra Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Chalmers Crescent Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Hassall Street Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Horsley Drive Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Little Bay P/L	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 North Terrace Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 NQ Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Pier Street Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CHOF5 Richmond Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF5 Yatala Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Bringelly Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Darwin Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 EX 1 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 EX 2 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 EX 3 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 EX SPV 1 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 EX SPV 2 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 EX SPV 3 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Excluded Holdings Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Genge Street Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Hume Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 JW Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Smithfield Square Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Symonston Trust	Trust	n/a	100%	Australia	Australia	Australia
CHOF6 Western Sydney Airport Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT Australian Convenience Retail Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT Dartmoor Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT EX 1 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT EX 2 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT EX 3 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT EX SPV 2 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT EX SPV 3 Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT Exchange Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT GP Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT Toorak Road Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT Wholesale Partnership Holding Trust	Trust	n/a	100%	Australia	Australia	Australia
CHPT Wholesale Partnership Investment Trust	Trust	n/a	100%	Australia	Australia	Australia
Corporate Square Wollongong Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CPIF Hoppers Crossing Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CPIF Myer Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CPIF Oakleigh South Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Dorcasia Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Equity Real Estate Partners Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
FCN No.1 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone Gisborne Land Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone Gisborne Land Trust	Trust	n/a	100%	Australia	Australia	Australia
Folkestone Hornsby Development Fund	Trust	n/a	100%	Australia	Australia	Australia
Folkestone Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone No. 3 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone No. 5 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia

Consolidated entity disclosure statement

For the year ended 30 June 2024

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) or foreign residents
Folkestone No. 7 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone No. 8 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone Real Estate Services Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone Seniors Living Management Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone SI 1 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone SI 2 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Folkestone South Dural Development Fund	Trust	n/a	100%	Australia	Australia	Australia
Hadfield Walter Street Partnership	Partnership	n/a	100%	Australia	Australia	Australia
Larapinta Nominees Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Millers Road Altona Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
N1MP (T NO.2) PTY LTD	Body Corporate	n/a	100%	Australia	Australia	Australia
N1MP (T NO.3) PTY LTD	Body Corporate	n/a	100%	Australia	Australia	Australia
Southern Cross West Investment TC Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
CHOF5 Westmead Trust	Trust	n/a	100%	Australia	Australia	Australia
Visokoi Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia
Votrait No. 1622 Pty Ltd	Body Corporate	n/a	100%	Australia	Australia	Australia

Directors' Declaration to Securityholders

In the opinion of the Directors of Charter Hall Limited (Company), and the Directors of the Responsible Entity of Charter Hall Property Trust (Trust), Charter Hall Funds Management Limited (collectively referred to as the Directors):

- (a) the financial statements and notes of Charter Hall Limited and its controlled entities including Charter Hall Property Trust and its controlled entities (Charter Hall Group) and Charter Hall Property Trust and its controlled entities (Charter Hall Property Trust Group) set out on pages 83 to 137 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of Charter Hall Group's and Charter Hall Property Trust Group's financial positions as at 30 June 2024 and of their performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that both Charter Hall Limited and the Charter Hall Property Trust will be able to pay their debts as and when they become due and payable; and
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note 29 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 29; and
- (d) the consolidated entity disclosure statement on pages 138 to 141 is true and correct.

Note 31(b) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director and Group CEO and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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



David Clarke
Chair
Sydney
21 August 2024

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Independent auditor’s report

To the stapled securityholders of Charter Hall Group and the unitholders of Charter Hall Property Trust

Report on the audit of the financial reports

Our opinion

In our opinion:

The accompanying financial reports of Charter Hall Limited and its controlled entities, and Charter Hall Property Trust and its controlled entities (together referred to as “Charter Hall Group”) and Charter Hall Property Trust and its controlled entities (together referred to as “Charter Hall Property Trust Group”) are in accordance with the *Corporations Act 2001*, including:

- 1. giving a true and fair view of the Charter Hall Group's and the Charter Hall Property Trust Group's financial positions as at 30 June 2024 and of their financial performance for the year then ended
- 2. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Charter Hall Group and Charter Hall Property Trust Group financial reports comprise:

- the consolidated balance sheets as at 30 June 2024
- the consolidated statements of comprehensive income for the year then ended
- the consolidated statement of changes in equity – Charter Hall Group for the year then ended
- the consolidated statement of changes in equity – Charter Hall Property Trust Group for the year then ended
- the consolidated cash flow statements for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2024
- the Directors’ declaration to securityholders.

The Charter Hall Group comprises Charter Hall Limited and the entities it controlled at year end or from time to time during the financial year and includes Charter Hall Property Trust and the entities it controlled at year end or from time to time during the financial year. The Charter Hall Property Trust Group comprises Charter Hall Property Trust and the entities it controlled at year end or from time to time during the financial year.

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 reports* section of our report.

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Liability limited by a scheme approved under Professional Standards Legislation.



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

Independence

We are independent of Charter Hall Group and Charter Hall Property Trust Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial reports are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial reports.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial reports as a whole, taking into account the geographic and management structure of Charter Hall Group and Charter Hall Property Trust Group, their accounting processes and controls and the industry in which they operate.

Audit scope	Key audit matters
• Our audit focused on areas where Charter Hall Group and Charter Hall Property Trust Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. • We, as the group engagement team, identified separate components of Charter Hall Group and Charter Hall Property Trust Group. Component audit teams assisted the group engagement team in performing procedures over certain components. • At both the Charter Hall Group and Charter Hall Property Trust Group levels, audit procedures were performed over group transactions and financial report disclosures. • The work performed by component audit teams, together with the additional audit procedures performed at the Charter Hall Group and Charter Hall Property Trust Group levels, provided us with sufficient evidence for our opinion on the financial reports as a whole.	• Amongst other relevant topics, we communicated the following key audit matter to the Audit, Risk and Compliance Committee: – Carrying value of investments accounted for using the equity method (Charter Hall Group and Charter Hall Property Trust Group) • This is further described in the <i>Key audit matters</i> section of our report.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial reports for the current period. The key audit matter was addressed in the context of our audit of the financial reports as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

Key audit matter	How our audit addressed the key audit matter
Carrying value of investments accounted for using the equity method (Charter Hall Group and Charter Hall Property Trust Group) (Refer to Notes 2 & 3) Charter Hall Group and Charter Hall Property Trust Group invest in both funds management and property investment entities, including certain underlying funds managed by Charter Hall Group. These funds comprise listed and unlisted funds which invest across a range of office, industrial, retail, social infrastructure and diversified property portfolios. These investments are typically classified as associates or joint ventures, as the investor is considered to have significant influence or joint control. Investments in associates and joint ventures contribute a significant proportion of total expenses and total assets. In accordance with Australian Accounting Standards, interests in associates and joint ventures need to be assessed for indicators of impairment at the reporting date. If indicators of impairment exist, the recoverable amount for each investment needs to be estimated. These assessments involve significant judgements in estimating future cash flows and the rate at which they are discounted. Given the financial significance of these investments to the results and consolidated balance sheets of Charter Hall Group and Charter Hall Property Trust Group, together with the extent of judgement involved in light of the continued impact and uncertainty of the current economic environment in which Charter Hall Group and Charter Hall Property Trust Group operate, we consider	Our audit procedures included evaluating the design of relevant controls relating to Charter Hall Group's and Charter Hall Property Trust Group's equity accounted investments process. To assess the carrying amount of investments accounted for using the equity method, our audit included the following audit procedures, amongst others: - Updating our understanding of market conditions relating to the investments and discussing with management the particular circumstances affecting the investments. - On a sample basis, reperforming the equity method of accounting calculations by reference to underlying investee financial information. - For a sample of material acquisitions made during the year, agreeing certain transaction details to source documents. - Evaluating the assessments made by Charter Hall Group and Charter Hall Property Trust Group of whether there were any indicators of impairment against the requirements of Australian Accounting Standards. - For investments where indicators of impairment were identified, our procedures included: - evaluating the appropriateness of the impairment assessment methodology and significant assumptions applied in calculating the recoverable amounts of the relevant investments. - performing testing over the mathematical accuracy of certain underlying calculations.



Key audit matter	How our audit addressed the key audit matter
this to be a key audit matter.	Assessing the reasonableness of the relevant disclosures in the financial reports in light of the requirements of Australian Accounting Standards.

Other information

The directors of Charter Hall Limited and the directors of Charter Hall Funds Management Limited, the responsible entity of Charter Hall Property Trust, (collectively referred to as “the Directors”) are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial reports and our auditor's report thereon.

Our opinion on the financial reports does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial reports. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial reports, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial reports 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 that we 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 reports

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

In preparing the financial reports, the Directors are responsible for assessing the ability of Charter Hall Group and Charter Hall Property Trust Group to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate Charter Hall Group and Charter Hall Property Trust Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial reports

Our objectives are to obtain reasonable assurance about whether the financial reports as a whole are 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

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if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial reports.

A further description of our responsibilities for the audit of the financial reports is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of Charter Hall Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of Charter Hall Limited are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'R. W. McMahon'.

R W McMahon
Partner

Sydney
21 August 2024

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Securityholder analysis

Holding distribution

as at 29 July 2024

Range	Stapled securities held	% of issued stapled securities	No. of holders
100,001 and Over	441,128,817	93.26	53
50,001 to 100,000	2,088,236	0.44	28
10,001 to 50,000	8,610,177	1.82	457
5,001 to 10,000	6,325,622	1.34	887
1,001 to 5,000	11,759,024	2.49	4,967
1 to 1,000	3,085,323	0.65	8,249
Total	472,997,199	100.00	14,641
Unmarketable Parcels	0	0.00	0

Substantial securityholder notices

as at 29 July 2024

Ordinary securities	Date of change	Stapled securities held	% stapled securities held
State Street Corporation	10 June 2024	28,724,330	6.07
UniSuper Limited	31 May 2024	23,743,459	5.02
Blackrock Group	20 February 2024	23,798,859	5.03
Mitsubishi UFJ Financial Group, Inc.	3 November 2023	30,584,655	6.47
First Sentier Investors Holdings Pty Limited	3 November 2023	30,584,655	6.47
Commonwealth Bank of Australia	30 June 2022	28,311,207	5.99
KKR Entities	29 June 2022	28,140,643	5.95
Superannuation and In-vestments HoldCo Pty Ltd	29 June 2022	28,140,653	5.95

Top 20 securityholders

as at 29 July 2024

Rank	Name	A/C designation	Stapled securities held	%IC
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED		166,263,083	35.15
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED		118,586,023	25.07
3	CITICORP NOMINEES PTY LIMITED		63,660,440	13.46
4	NATIONAL NOMINEES LIMITED		12,524,066	2.65
5	BNP PARIBAS NOMS PTY LTD		12,180,519	2.58
6	CITICORP NOMINEES PTY LIMITED	COLONIAL FIRST STATE INV	13,723,944	2.90
7	BNP PARIBAS NOMINEES PTY LTD	AGENCY LENDING	32,151,842	6.80
8	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED	NO 1 ACCOUNT		
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	NT-COMNWLTH SUPER CORP	3,489,302	0.74
10	ANGUS DAVID ST JOHN PARADICE			
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA		469,959	0.10
12	BNP PARIBAS NOMS PTY LTD	GLOBAL MARKETS	72,155	0.02
13	BNP PARIBAS NOMS (NZ) LTD		1,090,308	0.23
14	BNP PARIBAS NOMINEES PTY LTD	HUB24 CUSTODIAL SERV LTD	2,266,738	0.48
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED		1,156,976	0.24
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2		98,729	0.02
17	MR KEVIN PAUL BECK			
18	NETWEALTH INVESTMENTS LIMITED	WRAP SERVICES	662,430	0.14
19	PORTMIST PTY LIMITED		841,773	0.18
20	BNP PARIBAS NOMINEES PTY LTD	BARCLAYS	93	0.00
Total			429,238,380	90.75
Balance of register			43,758,819	9.25
Grand total			472,997,199	100.00

Investor information

How do I invest in Charter Hall?

Charter Hall Group securities are listed on the Australian Securities Exchange (ASX: CHC).

Securityholders will need to use the services of a stockbroker or an online broking facility to invest in Charter Hall.

Where can I find more information about Charter Hall?

Charter Hall's website, charterhall.com.au contains extensive information on our Board and management team, corporate governance, sustainability, our property portfolio and all investor communications including distribution and tax information, reports and presentations. The website also provides information on the Group's other managed funds available for investment.

Can I receive my Annual Report electronically?

Charter Hall provides its annual report as a PDF, accessible on its website. You can elect to receive notification that this report is available online via your Investor Centre login.

How do I receive payment of my distribution?

Charter Hall pays its distribution via direct credit. This enables you to receive automatic payment of your distributions quickly and securely. You can nominate any Australian or New Zealand bank, building society, credit union or cash management account for direct payment by downloading a direct credit form using the Investor Login facility and sending it to MUFG Pension & Market Services (formerly Link Market Services Limited). On the day of payment, you will be sent a statement via post or email confirming that the payment has been made and setting out details of the payment. The Group no longer pays distributions by cheque.

Can I reinvest my distribution?

The Distribution Reinvestment Plan (DRP) allows you to have your distributions reinvested in additional securities in Charter Hall Group without the need to pay brokerage, rather than having your distributions paid to you.

The DRP is currently inactive. If you have previously elected to participate in the DRP, your election will be automatically reinstated if the DRP is reactivated. If you have not elected to participate in the DRP or you would like to vary your participation, you can change your election online using the Investor Login facility, or you need to complete a DRP Application or Variation Form available from the Registry.

Do I need to supply my Tax File Number?

You are not required by law to provide your tax file number (TFN) or exemption. However, if you do not provide your TFN or exemption, withholding tax at the highest marginal rate may be deducted from your distributions. If you have not provided your TFN or exemption and wish to do so, please contact the Registry, your broker, or use Investor Login to download the TFN form.

How do I complete my annual tax return for the distributions I receive from Charter Hall?

At the end of each financial year, the Group issue securityholders with an Annual Taxation Statement. This statement includes information required to complete your tax return. The distributions paid in February and August are required to be included in your tax return for the financial year the income was earned, that is, the distribution income paid in August 2024 should be included in your 2024 financial year tax return.

How do I make a complaint?

Any securityholder wishing to lodge a complaint should refer to our Complaints Guide for relevant contact details. charterhall.com.au/complaints

Contact details

Registry

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

MUFG Pension & Market Services
(formerly Link Market Services Limited)
Locked Bag A14
Sydney South NSW 1235

Phone +61 1300 303 063

Email charterhall.reits@linkmarketservices.com.au

Web linkmarketservices.com.au

Investor Relations

All other enquiries related to Charter Hall Group can be directed to Investor Relations:

Charter Hall Group
GPO Box 2704
Sydney NSW 2001

Phone +61 1300 365 585

Email reits@charterhall.com.au

Web charterhall.com.au

Corporate directory

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Phone +61 2 8651 9000

ASX code CHC

Directors

David Clarke (Chair), Jacqueline
Chow FAICD, Stephen Conry AM,
David Harrison, Karen Moses,
Greg Paramor AO and David Ross.

Company Secretary

Mark Bryant

Auditor

PricewaterhouseCoopers
One International Towers Sydney
Watermans Quay, Barangaroo
Sydney NSW 2000

Important information: This Annual Report has been prepared and issued by Charter Hall Limited (ABN 57 113 531 150) and Charter Hall Funds Management Limited (ABN 31 082 991 786; AFSL 262861) (CHFML) as Responsible Entity of the Charter Hall Property Trust (together, the Charter Hall Group or the Group). The information contained in this report has been compiled to comply with legal and regulatory requirements and to assist the recipient in assessing the performance of the Group independently and does not relate to, and is not relevant for, any other purpose. This report is not intended to be and does not constitute an offer or a recommendation to acquire any securities in the Charter Hall Group. This report does not take into account the personal objectives, financial situation or needs of any investor. Before investing in Charter Hall Group securities, you should consider your own objectives, financial situation and needs and seek independent financial, legal and/or taxation advice. Historical performance is not a reliable indicator of future performance. Due care and attention has been exercised in the preparation of forward-looking statements. However, any forward-looking statements contained in this report are not guarantees or predictions of future performance and, by their very nature, are subject to uncertainties and contingencies, many of which are outside the control of the Group. Actual results may vary materially from any forward-looking statements contained in this report. Readers are cautioned not to place undue reliance on any forward-looking statements. Except as required by applicable law, the Group does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. The receipt of this report by any person and any information contained herein or subsequently communicated to any person in connection with the Charter Hall Group is not to be taken as constituting the giving of investment, legal or tax advice by the Charter Hall Group nor any of its related bodies corporate, directors or employees to any such person. Neither the Charter Hall Group, its related bodies corporate, directors, employees nor any other person who may be taken to have been involved in the preparation of this report represents or warrants that the information contained in this report, provided either orally or in writing to a recipient in the course of its evaluation of the Charter Hall Group or the matters contained in this report, is accurate or complete. CHFML does not receive fees in respect of the general financial product advice it may provide; however, entities within the Charter Hall Group receive fees for operating the Charter Hall Property Trust in accordance with its constitution. Entities within the Group may also receive fees for managing the assets of, and providing resources to, the Charter Hall Property Trust. All information herein is current as at 30 June 2024 unless otherwise stated. All references to dollars (\$) or A\$ are to Australian Dollars unless otherwise stated. Information regarding US Investors/US Persons: Each person that holds Charter Hall Group securities that is in the United States (US) or is a US Person is required to be a Qualified Institutional Buyer/Qualified Purchaser (QIB/QP) at the time of the acquisition of any Charter Hall Group securities, and is required to make the representations in the confirmation letter or subscription agreement as of the time it acquired the applicable securities. The securities can only be resold or transferred in a regular brokered transaction on the ASX in accordance with Rule 903 or 904 of Regulation S, where neither it nor any person acting on its behalf knows, or has reason to know, that the sale has been prearranged with a US Person, or that the purchaser is in the United States or a US Person (e.g. no prearranged trades ("special crossing") with US Persons or other off-market transactions). To the maximum extent permitted by law, the Charter Hall Group reserves the right to: (i) request any person that they deem to be in the United States or a US Person, who was not at the time of acquisition of the securities a QIB/QP, to sell its securities; (ii) refuse to record any subsequent sale or transfer of securities to a person in the United States or a US Person; and (iii) take such other action as it deems necessary or appropriate to enable the Charter Hall Group to maintain the exception from registration under section 3(c) (7) of the Investment Company Act 1940 (US). If you are not the beneficial owner of securities in the Charter Hall Group, you must pass this information to the beneficial owner of the securities. © Charter Hall



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Turrbal and Yuggera land

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