



Social



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Increase the strength of communities

Government, the private sector and civil society are working to address gaps in workforce participation, particularly for under-represented groups.

United Nations Sustainable Development Goal 8 – Decent Work and Economic Growth is focused on promoting inclusive and sustainable economic growth, full and productive employment and decent work for all. Charter Hall, through our people, operations and investments is focused on contributing to:

- sustainable per capita economic growth
- technological innovation
- the creation of equal employment opportunities in our operations, assets and developments.
- full and productive employment and decent work for all.

Charter Hall continues to foster a diverse, inclusive and agile workforce, which enables us to attract and retain the best talent and encourages the innovative thinking we need to maintain our success, and in turn, the success of our employees, customers and investors.

Our focus on the wellbeing of our employees, was recognised through our employee engagement score, which in FY19 climbed 4% to 87%, placing us in the high-performing category. We also received favourable scores from our culture survey, exceeding the industry norm, both nationally and globally, on all aspects considered.

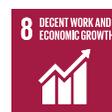
We generate value for our economy through our business success and our Pledge 1% contribution through our people’s time, space in our places and partnerships that bring inclusion through meaningful employment. Our Pledge 1% extended into our developments, where we facilitated training and employment pathways for people from disadvantaged backgrounds. We also brought community programs and activities into our buildings for our tenants, creating spaces that excite and inspire, and developed apps to help employees and tenants better connect with their surroundings and immediate community.

We continued to support ongoing partnerships and scholarships with the University of Technology Sydney and the University of Western

Sydney to grow the talent pool for our industry, in addition to the Cedric Fuchs Scholarship, which encourages the generation of new ideas within our business.

We undertook a health audit, which revealed strong performance on physical wellbeing, and lead us to a new priority area of mental and social wellbeing. Our focus on wellbeing in FY19 resulted in a partnership with the Black Dog Institute.

In addition, we boosted our footprint in WELL-rated buildings and offices, through our participation in the WELL Portfolio pilot. Globally, WELL is the leading tool for advancing health and wellbeing within buildings. Our involvement in the WELL Portfolio pilot provides a streamlined pathway for certification across multiple new and existing buildings and spaces within a single portfolio.



Alignment with SDG8: Decent Work and Economic Growth

FY19 HIGHLIGHTS



Over
\$1.8m

or 37,997 square metres in space utilised by **community** organisations and for **health and wellbeing** activities



Invested
\$775,000

in **community** programs and services



87%

employee engagement



67%

of our employees engaged in 378 employee volunteer days



Community

Issues	Achievements for FY19	FY20 Target	FY25 Target
<p>Building better communities</p> <p>We identified that many of the social issues in our communities (such as homelessness, domestic violence and social exclusion) could be proactively addressed through inclusion and meaningful employment. Through our Pledge 1% and our partnerships we seek to build the capacity for and participation in meaningful employment.</p>	<p>Pledge 1% achievements:</p> <ul style="list-style-type: none"> – People: 378 employee volunteer days. – Places: Over \$1.8 million or 37,997sqm in space utilised by community organisations and for health and wellbeing activities. – Partnerships: <ul style="list-style-type: none"> – Invested \$775,000 in community programs and services. – \$196,000 raised for Rural Aid by our retail centres and customers to support drought affected communities. 	<ul style="list-style-type: none"> – Continue Pledge 1% of Our People, Our Places, Our Partnerships. 	<ul style="list-style-type: none"> – Continue Pledge 1% of Our People, Our Places, Our Partnerships.
<p>Generating more employment opportunities</p> <p>The property industry is one of Australia’s biggest employers and a key driver of national prosperity and economic wellbeing. We are ensuring our people grow with us by providing skills development and on-the-job training and experience.</p>	<p>Office development employment strategy continued, with 81% employment outcomes for trainees. Partnered with social enterprises such as The Pure Collective, Kick Start Café and Two Good for training and employment programs.</p>	<ul style="list-style-type: none"> – Employment strategy for all developments. – National partnerships that build inclusion through employment within our local communities. 	<ul style="list-style-type: none"> – Employment projects in all new developments. – Create a national network of innovation enterprises.



Employees

Issues	Achievements for FY19	FY20 Target	FY25 Target
<p>Creating a place where people belong</p> <p>Fostering a diverse, inclusive and agile workforce has always been a priority for Charter Hall. It helps us attract and retain the best talent and encourages innovative thinking within our workplace.</p>	<ul style="list-style-type: none"> - Launched Charter Hall Proud and employee awareness program in partnership with Pride in Diversity and reviewed our policies and gaps to better support LGBTI employees. - Participated in the Australian Workplace Equality Index (AWEI). - Female non-executive director participation on Charter Hall Board was 33.3%, in senior executive positions 33.3% and across the workplace 54.6%. - Conducted an independent in-depth review of gender across the employee lifecycle to inform ongoing activities targeting key talent and individual roles. - Undertook a People and Culture program across the Group focused on psychological safety and speaking up. - Partnered on programs to grow our talent pool of young people including: <ul style="list-style-type: none"> - The Property Council's Girls in Property program and Grow the Talent Pool initiative - Hatch to access talent early in their lifecycle - University of Western Sydney and the University of Technology Sydney scholarships - Foundation for Young Australians Innovation Nation and Young Social Pioneers programs. 	<ul style="list-style-type: none"> - Continue to measure our inclusion through the AWEI survey. - Build our diversity through a focus on ability and First Nations. - Targets for female participation on Charter Hall Board $\geq 33.3\%$, in senior executive positions $\geq 33.3\%$ and across the workplace 50%. 	<ul style="list-style-type: none"> - Continue to measure diversity and inclusion through our Culture and AWEI Surveys. - Targets for female participation on Charter Hall Board $\geq 40\%$, in senior executive positions $\geq 40\%$ and across the workplace 50%.



Social

Employees

Issues	Achievements for FY19	FY20 Target	FY25 Target
<p>Creating great employee experiences</p> <p>A growing body of research, including from Temkin Group and Gartner, shows that an engaged workforce may be the key to better customer experience.</p>	<ul style="list-style-type: none"> - 87% employee engagement. - 83% of employees believe they have opportunity for personal development and growth, which is two points above the high performing organisations level. 	<ul style="list-style-type: none"> - Maintain engagement and learning and development scores at the high performing organisation levels. - Shape the way we acquire and develop talent to align with the future of work. 	<ul style="list-style-type: none"> - Continue to sustain high performing engagement and learning and development scores.

Charter Hall Proud

On ‘Wear It Purple’ day in FY19, a team of inspired employees launched an initiative to raise the visibility, profile and support of LGBTIQ within the business. The initiative – Charter Hall Proud – deepens our commitment to diversity and inclusion within the workplace.

Charter Hall Proud aims to give employees the confidence and support they need to bring their whole and best selves to work. It is steered by a committee and has an executive sponsor in our Chief Financial Officer. The committee uses the Australian Workplace Equality Index (AWEI) as a national benchmark on LGBTIQ workplace inclusion and to identify areas for further improvement (Charter Hall also measures itself against the Workplace Gender Equality Agency (WGEA) Index).

Recommended changes include referencing same-sex couples in policies for parental leave and providing resources and support for employees struggling with their identity.





Social

Customers

Issues	Achievements for FY19	FY20 Target	FY25 Target
<p>Creating engaging customer experiences</p> <p>In line with research like that of McKinsey, reflecting how an organization delivers for customers is as important as what it delivers, we are investing in innovative ways to connect with our customers and to add value to their experience in our spaces.</p>	<ul style="list-style-type: none"> – Tenant customer surveys undertaken across office, retail and industrial sectors. Results showed continued high levels of customer satisfaction. – Developed and piloted Charli app for our office portfolio to help connect people with place and wellbeing activities. – Built engaging experiences into office lobbies and community spaces across portfolio. 	<ul style="list-style-type: none"> – Customer place experience measures implemented across the portfolio. – Stakeholder engagement plans prepared for 100% of developments. 	<ul style="list-style-type: none"> – Ongoing place experience ratings across our portfolio. – 100% of developments and assets have stakeholder engagement plans.

Wellbeing

<p>Creating better workplaces</p> <p>The Black Dog Institute notes that work environments where wellbeing is prioritised produce happier and more productive employees. Through our WELL rated buildings and partnerships, we provide access to healthy, productive built environments.</p>	<ul style="list-style-type: none"> – Four WELL Core and Shell registrations, including Charter Hall Brisbane tenancy. – WELL Portfolio rating underway for Charter Hall Office Trust portfolio. – NABERS Indoor Environmental Quality (IEQ) ratings undertaken across office assets. IEQ monitors trialled in Charter Hall tenancies. – Mental health partnership with Black Dog Institute established to build employee resilience. 	<ul style="list-style-type: none"> – WELL building accreditation sought for all large Charter Hall tenancies and in new office developments. – Develop NABERS IEQ targets for Charter Hall office buildings. – Explore use of new technologies across the portfolio. – Enhance employee wellbeing, with a focus on social and mental health. – Implement Wellbeing strategy for our people. 	<ul style="list-style-type: none"> – WELL building accreditation sought for all large Charter Hall tenancies and in new office developments. – Enhanced employee and customer satisfaction experience in our assets. – Wellbeing programs and activities available to all employees.
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Social

Wellbeing

Issues	Achievements for FY19	FY20 Target	FY25 Target
<p>Caring for our health and safety</p> <p>Looking after the health and safety of our people, contractors, customers and tenants, as well as the wider public that use our spaces, is an imperative. Charter Hall is taking active measures to continually improve the health and safety of our work environment.</p>	<ul style="list-style-type: none"> – Commenced Workplace Health and Safety review. 	<ul style="list-style-type: none"> – Workplace Health and Safety framework updated. 	<ul style="list-style-type: none"> – Workplace Health and Safety framework embedded in the business.

Health and safety

Charter Hall’s employees primarily work in an office environment and we take active measures to continually improve the health and safety of our workplaces. Health and safety is addressed in the Charter Hall Group’s risk management framework, which is the responsibility of management, the Audit Risk and Compliance Committee and Charter Hall Board. From a governance perspective, our Group Health and Safety Manager reports to the Head of Enterprise Risk and Compliance, who reports to the Chief Financial Officer.

Health and safety is reflected in our governance policies and our employee code of conduct and was part of compliance training undertaken by all employees during FY19. During FY19, we also commenced a review of our management systems and processes, which will result in a roadmap identifying any areas for improvement.

More pronounced health and safety risks tend to relate to the construction and operation of our assets, rather than our office environments. We take steps to clarify and address these broader responsibilities through governance and performance management, in partnership with our principal contractors.



Technologies for building communities

At Charter Hall, we craft workplaces that are responsive to the needs of our tenants. Technology is an increasing feature of our approach. We use two apps – Charli and Comfy – to build community and promote wellbeing.

Our Charli app was the first of its kind to market in Australia. It allows our customers to activate spaces and host engaging events. Created in collaboration with CBRE and with input from our tenants, it was launched in November 2018 in our offices at 1 Martin Place, Sydney and 570 Bourke Street, Melbourne.

Since its launch, Charli has been used to host a range of TED-style talk events, with a focus on wellbeing. Speakers have included Australian surf world champion Layne Beachley and NRL CEO Todd Greenberg. It has also been used for tenant engagement in trivia and wine nights and a knock-out table tennis tournament between tenants, coinciding with the 2019 Australian Open.

The app has also been used successfully as an organising platform for wellbeing activities, such as yoga – the most popular event for registrations to date, and as a sustainability communications platform. In FY20 Charli will kick off monthly sustainability initiatives and programs, which commenced with plastic-free July.

In November 2018, the Charli app won a Game Changer of the Year award in REA Group’s annual AREA Awards, for Commercial Real Estate.

Comfy is another app we use to improve wellbeing within our assets. Comfy allows individuals to personalise the temperature of their work zone. In 2017 we oversaw the first Australian deployment of Comfy in our 1 Martin Place, Sydney office to test and learn, and then rolled it out to four buildings in 2018 and continued expansion to 26 assets by the end of 2019.

In aggregate, Comfy receives 500 requests per week for temperature adjustments, bringing the total to 40,000 personalised requests since it was deployed. The data provides insights for us to draw on in tailoring our spaces and helps improve the experience of our employees and our tenant customers alike.

“Technology helps us provide workplaces that respond to people, provide great customer experiences and deliver positive environmental outcomes.”

Craig Rodgers, Innovation Lead - Office

Overall we have had positive feedback from our employee and tenant customers on their experience with Comfy and seen cumulative energy savings of 14% across the four buildings, equating to 250 tonnes of CO₂e.

Comfy use is currently expanding to one other asset and we are looking at additional opportunities.

Through our Charli and Comfy apps, we’re making new connections possible and – in a very literal sense – putting wellbeing into our tenants’ hands. Both initiatives are part of our evolving journey with technology, which has both our tenants and us engaged by the results.



Mezzanine, 1 Martin Place, Sydney NSW



Local employment projects

Two recent office developments provided an opportunity to offer meaningful employment and a sense of social inclusion to local people from disadvantaged groups, while also helping to address skills shortages in the construction industry.

We are committed to increasing the strength of local communities. In our capacity as a commercial property owner and developer, that means getting to know the local community, and engaging various stakeholders to uncover how we can add value in our communities.

Our partnership in 2017 with Uniting Church – at Wesley Place, 130 Lonsdale Street, Melbourne, was the first initiative where we combined a new development with a focus on local job creation.

In FY18/FY19, this initiative expanded into our GPO Exchange, Adelaide, development. The success of the project is directly attributed to partnerships with our contractors Lendlease and Built, and registered training providers Wesley Employment Services, MEGT and Workskill Australia.

The projects aim to maximise our social impact by providing entry opportunities for unemployed people, including by offering pre-employment training in a Certificate of Construction, alongside site and contractor engagement.

Our contractors assist with the training requirements to ensure they meet safety and site criteria as well as the skills needed for safe construction on site. Participants in the projects to-date include women, indigenous Australians, refugees, long-term unemployed and the homeless.

Of the 23 people who completed pre-employment training for Wesley Place, 81% of participants in the program have continued working, with over half in construction, while one participant commenced a university degree. For the GPO Exchange project, seven people completed the training and six were later determined to be sustainably employed.

“These programs are about providing a direct and positive impact in the community and working with our contractors and subcontractors to produce a genuine outcome.”

George Roussos, Senior Development Manager

Both Lendlease and Built employed a trainee from the program. Heritage Stone Restoration (HSR), a subcontractor at Wesley Place and the GPO Exchange, engaged trainees from both the Melbourne and Adelaide projects.

One of these trainees was refugee Minh Huynh. After being born in a refugee camp in Cambodia, Minh and his family risked their lives multiple times in search of a better life. Some three decades later, Minh was again seeking a change for the better. With the support of Wesley Employment Services, he was placed on a Charter Hall local employment project for Wesley Place. Through the project, he received his Certificate I in Construction, gained valuable job experience, and secured an apprenticeship with HSR.

While the program is still in its infancy, the potential impact on participants such as Minh can be profound. For many experiencing disadvantage, a stable job is the start of a brighter future. As we continue to deliver world-class developments across the country, these projects are one way we can meaningfully contribute to the strength of local communities and to people's lives.



Wesley Place, 130 Lonsdale Street, Melbourne VIC