Charter Hall

Charter Hall Group

Notice of 2023 Annual General Meeting and Explanatory Memorandum

For a meeting to be held on Thursday, 16 November 2023 at 2:30pm (AEDT)

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This is an important document.
Please read it carefully.

If you are unable to attend the Meeting, please complete the Proxy Form and return it in accordance with the instructions in this Notice of Meeting and in the Proxy Form.

Separate attachment

Proxy Form

Cover: Midwest Logistics Hub, Truganina VIC
Left clockwise from above: Secret Harbour Square, WA; Busy Bees, Killarney QLD; 555 Collins Street, Melbourne VIC; Geoscience Australia, Narrabundah ACT

Chair's Letter

16 October 2023

Dear Securityholder

Charter Hall Limited and Charter Hall Property Trust (Charter Hall Group) - Annual General Meeting

It is with pleasure that I invite you to the 2023 Annual General Meeting of Charter Hall Group (the Meeting) for a briefing on the Group's operations for the 2023 financial year and to consider the matters set out in the enclosed Notice of Meeting and Explanatory Memorandum.

The Meeting will be held on Thursday, 16 November 2023 at 2:30pm (AEDT) at the offices of Charter Hall Group, Level 20, No.1 Martin Place, Sydney NSW 2000.

Please find attached the Notice of Meeting, Explanatory Memorandum, proxy form, and reply envelope.

If you are attending the Meeting, please bring the attached proxy form with you as the barcode will assist in the registration process. If you are unable to attend, please complete and return your proxy form no later than 2:30pm (AEDT) on Tuesday, 14 November 2023 in accordance with the instructions on the proxy form.

Securityholders have the opportunity to submit questions and/or to address questions to me, as Chair, and/or our external auditor, PricewaterhouseCoopers (PwC), prior to the Meeting. To do this, please log on to www.linkmarketservices.com.au, select "Voting", then click "Ask a Question". Representatives from PwC will be present at the Meeting to respond to the questions received as well as any additional questions. Please note that written questions for PwC must be sent to, and received by, Link Market Services Limited no later than 5:00pm on Thursday, 9 November 2023.

If you require further information or have questions, please contact the Charter Hall Group Registry on +61 1300 664 498.

I look forward to your participation at the Meeting.

Yours sincerely

David Clarke
Chairman of Charter Hall Group

Location of the Meeting

No.1 Martin Place, Sydney NSW

Venue

The Meeting of the Securityholders of Charter Hall Group will be held at:

Charter Hall
Level 20, No.1 Martin Place
Sydney NSW 2000

Commencing

2:30pm AEDT,
Thursday, 16 November 2023
(registration begins at 2:00pm)

Charter Hall Head Office

The office is conveniently situated in the middle of the Sydney CBD and within close proximity to the city's ferry, light rail, bus and taxi facilities.

By Car

Self-parking is available through Secure Parking, with entrance below the Fullerton Hotel from 171 Pitt Street, Sydney.

Alternatively, self-parking is offered through Wilson Parking at 123 Pitt Street, Angel Place, Sydney.

By Train

Martin Place and Wynyard Railway Stations are within walking distance from the office. The stations offer services on all intercity and suburban trains and are a five-minute train ride to Central Station – the main station for all train services in Sydney.

By Light Rail

The CBD and South East Light Rail travels both directions along George Street to either Central or Circular Quay with regular services running every 4-8 minutes. The closest stop is between Martin Place and the entrance to Wynyard.

By Bus

Buses operate predominately along routes on Elizabeth Street, Castlereagh Street, Park Street, Druitt Street, Clarence Street and York Street.

Meeting Agenda

Thursday, 16 November 2023

2:00pm
Registration begins

2:30pm
Meeting commences

- Welcome to Securityholders by the Chair
- Managing Director and Group CEO's presentation
- Items of Business

Immediately after the meeting
Light refreshments

The Meeting is an important event and we encourage Securityholders to actively participate. Important information about the conduct of the Meeting is set out on the right.

Left: No.1 Martin Place, Sydney NSW

Meeting Protocol

Discussion and asking questions

Discussion will take place on all of the items of business as set out on page 8-9.

The Explanatory Memorandum provides further information relating to the items of business.

Securityholders will have the opportunity to ask questions at the Meeting, including an opportunity to ask questions of the Auditor.

To ensure that as many Securityholders as possible have the opportunity speak, Securityholders are requested to observe the following guidelines:

- Please keep questions as brief as possible and relevant to the matters being discussed; and
- If a Securityholder has more than one question, please ask all questions together.

Securityholders who are unable to attend the Meeting or who prefer to register questions in advance are invited to do so. Please log on to www.linkmarketservices.com.au, select "Voting", then click "Ask a Question".

An opportunity for discussion will be provided on each item of business prior to Securityholders being asked to vote.

Webcast

For those that may not be able to attend the Meeting, a live webcast (audio and presentation only) will be made available.

To view the webcast:

1. Enter https://web.lumiagm.com/390708902
   Meeting ID 390-708-902
2. Enter your name and email address
3. Select "Continue"

An on-demand webcast will be made available after completion of the event and can viewed here https://www.charterhall.com.au/investments/funds/Charter-Hall-Group/results-presentations

Photography

Cameras and recording devices are not permitted at the Meeting.

Notice of Meeting

Notice is hereby given that the annual general meeting of Charter Hall Limited (**CHL**) Shareholders and general meeting of Charter Hall Property Trust (**CHPT**) Unitholders (together **Securityholders**) will be held at:

Level 20, No.1 Martin Place
Sydney NSW 2000
At 2:30pm (AEDT) on Thursday, 16 November 2023.

Important Information:

1. The resolutions should be read in conjunction with the Explanatory Memorandum which follows.
2. Certain terms and abbreviations used below are defined in the "Glossary" on page 18 of this Notice of Meeting.
3. As explained in the 'voting exclusions' paragraphs below, certain Securityholders are excluded from voting in relation to particular resolutions and Charter Hall Group must disregard votes cast by those Securityholders. Please do not vote if your vote must be disregarded or if you are not entitled to vote as outlined in the paragraphs below.
4. The Meeting will be held in accordance with the Corporations Act, the Listing Rules, CHL's Constitution and CHPT's Constitution. Copies of both CHL's Constitution and CHPT's Constitution can be found on the Charter Hall Group's website (at www.charterhall.com.au/Corporate-Governance)

The business of the Meeting is as follows:

Business:

Item 1 – Annual Report

To receive and consider the Annual Report, consisting of the Financial Report and Directors' Report, and Auditor's Report for the year ended 30 June 2023.

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

Item 2 – Election and Re-election of Directors

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

a. "That, Mr Stephen Conry AM, appointed as an additional Director of CHL by the Board, is elected as a Director of CHL."

b. "That, Mr David Ross, is re-elected as a Director of CHL."

Item 3 – Adoption of Remuneration Report

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

"That the Remuneration Report included in the Annual Report for the year ended 30 June 2023 be adopted."

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

Voting exclusions

Charter Hall Group will disregard any votes cast on this resolution by a member of the Key Management Personnel or their Closely Related Parties, unless the vote is cast as a proxy for a person who is entitled to vote on this resolution:

- in accordance with their directions as set out in the proxy form; or
- by the Chair of the Meeting pursuant to an express authorisation on the proxy form.

Item 4 – Issue of service rights to Mr David Harrison - Performance Rights and Options Plan (Mandatorily deferred portion of Short-Term Incentive (STI) for FY23)

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

"That approval is given for all purposes under the Corporations Act and the Listing Rules (in particular, Listing Rule 10.14) for the issue of 75,688 service rights to Mr David Harrison as described in the Explanatory Memorandum."

Voting exclusions

Charter Hall Group will disregard any votes cast on this resolution:

- in favour of the resolution by or on behalf of Mr Harrison or an Associate of Mr Harrison, regardless of the capacity in which the vote is cast;
- as a proxy by a member of the key management personnel at the date of the Meeting or their Closely Related Parties,

unless the vote is cast by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 253E of the Corporations Act, Charter Hall Funds Management Limited (**CHFML**) and its Associates are not entitled to vote their interests (if any) on these resolutions at a meeting of CHPT Unitholders if they have an interest in these resolutions or matters other than as a CHPT Unitholder.

Item 5 – Issue of performance rights to Mr David Harrison – Performance Rights and Options Plan (Long Term Incentive (LTI) for FY24)

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

"That approval is given for all purposes under the Corporations Act and the Listing Rules (in particular, Listing Rule 10.14) for the issue of 273,986 performance rights to Mr David Harrison as described in the Explanatory Memorandum."

Voting exclusions

Charter Hall Group will disregard any votes cast on this resolution:

- in favour of the resolution by or on behalf of Mr Harrison or an Associate of Mr Harrison, regardless of the capacity in which the vote is cast;
- as a proxy by a member of the key management personnel at the date of the Meeting or their Closely Related Parties,

unless the vote is cast by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the Chair to vote on the resolution as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

In accordance with section 253E of the Corporations Act, CHFML and its Associates are not entitled to vote their interests (if any) on these resolutions at a meeting of CHPT Unitholders if they have an interest in these resolutions or matters other than as a CHPT Unitholder.

Entitlement to attend and vote

The Directors have determined that the holding of each Securityholder for the purposes of ascertaining the voting entitlements for the Meeting will be as it appears in the Register at 7:00pm (AEDT) on Tuesday, 14 November 2023.

At the Meeting, each Securityholder (in their capacity as a CHL Shareholder):

- on a show of hands, has 1 vote; and
- on a poll, has 1 vote for each CHL Share they hold.

At the Meeting, each Securityholder (in their capacity as a CHPT Unitholder):

- on a show of hands, has 1 vote; and
- on a poll, has 1 vote for each dollar of the value of the total interest they have in CHPT.

Voting by Proxy

A Securityholder is entitled to appoint a proxy to attend and vote on behalf of the Securityholder at the Meeting. A proxy need not be a Securityholder of Charter Hall Group.

Securityholders wishing to appoint a Director (including the Chair of the Meeting) or other member of the Key Management Personnel of Charter Hall Group or their Closely Related Parties as their proxy should read carefully the instructions on the proxy form and follow these instructions to ensure their votes are not disregarded.

A Securityholder entitled to cast two or more votes at the Meeting may appoint two proxies and specify the proportion or number of votes each proxy is appointed to exercise. If the Securityholder appoints two proxies and does not specify the proportion or number of votes each proxy may exercise, then each proxy may exercise half of the votes.

A proxy form is attached to this Notice of Meeting. To be valid, proxy forms, and the authority under which any form appointing a proxy is signed or a certified copy of that authority (if any), must be received no later than 2:30pm (AEDT) on Tuesday, 14 November 2023 in accordance with the instructions listed on the attached proxy form.

Alternatively, Securityholders may vote online at www.linkmarketservices.com.au, by entering the Securityholder's holding details as shown on the proxy form, then selecting "Voting", and then following the prompts to lodge the Securityholder's vote. To use the online lodgment facility, Securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

If a Securityholder returns their proxy form but does not nominate a representative, the Chair of the Meeting will be that Securityholder's proxy and will vote on that Securityholder's behalf as directed on the proxy form. If the Securityholder's nominated representative does not attend the Meeting, then that Securityholder's proxy will revert to the Chair of the Meeting who may vote as he thinks fit (subject to the note below regarding Items 3, 4 and 5) in relation to any motion or resolution, other than those (if any) in respect of which the Securityholder has provided an indication of the manner of voting on that Securityholder's proxy form.

Undirected Proxies

If a Securityholder does not wish to direct their proxy as to how to vote in respect of a resolution, that proxy may vote as they see fit on each resolution, subject to the requirements of the Corporations Act and Listing Rules (discussed below).

Where permitted, the Chair of the Meeting in respect of each item of business intends to vote undirected proxies in favour of each of the items of business in the Notice of Meeting.

Remuneration related resolutions (Items 3, 4 and 5)

If the Chair of the Meeting is appointed, or taken to be appointed, as a proxy, and the relevant Securityholder does not mark any of the voting boxes opposite Items 3, 4, and 5 the relevant Securityholder will be directing the Chair of the Meeting to vote in favour of the resolution on that Item.

Other Directors (including the Managing Director and Group CEO), members of the Key Management Personnel and their Closely Related Parties will not be able to vote undirected proxies on Items 3, 4 and 5.

Voting by Attorney

A Securityholder may appoint an attorney to vote on their behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by Link Market Services Limited using the contact details listed above in the section headed "Voting by Proxy" no later than 2:30pm (AEDT) on Tuesday, 14 November 2023. Please note that certified copies of authorities or powers of attorney cannot be received by facsimile and may only be received by mail or by hand delivery.

Corporate representatives

A body corporate which is a Securityholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the Meeting.

The appointment must comply with the requirements of sections 250D and 253B of the Corporations Act. The representative should email evidence of their appointment, including any authority under which it is signed, unless it has previously been given to Link Market Services.

By order of the Board.

Mark Bryant
Company Secretary

16 October 2023

Right: 333 George Street, Sydney NSW

Explanatory Memorandum

Item 1 – Annual Report

No Resolution is required for this item of business.

Copies of Charter Hall Group's 2023 Annual Report are available at www.charterhall.com.au. A copy of the Annual Report has been sent to those Securityholders who requested one. Securityholders who wish to receive a hard copy should contact Link Market Services Limited (see the Corporate Directory for contact details).

During this item of business an opportunity will be given to Securityholders to ask questions about, or make comments on, the management of Charter Hall Group at the Meeting.

Similarly, a reasonable opportunity will be given to Securityholders, as a whole, to ask the Charter Hall Group auditor, PwC, questions relevant to the conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by Charter Hall Group in relation to the preparation of its financial statements and the independence of the auditor in relation to the audit for the year ended 30 June 2023.

Securityholders may also submit questions in advance by logging on to www.linkmarketservices.com.au, selecting "Voting" then clicking "Ask a Question".

Relevant written questions for PwC must be received no later than 5:00pm (AEDT) on Thursday, 9 November 2023, in accordance with the instructions on the website.

Item 2 – Election and Re-Election of Directors of CHL

On 16 January 2023, the Board appointed Mr Stephen Conry AM as an additional director to the Board of CHL. Under Listing Rule 14.4 and CHL's Constitution, any director appointed in this manner may only hold office until the next annual general meeting of the Company.

Listing Rule 14.4 provides that a director must not hold office (without re-election) past the third annual general meeting following the director's appointment or three years, whichever is longer. It also provides that an entity must hold an election of directors each year. These provisions are substantively replicated in Rule 42 of CHL's Constitution.

Listing Rule 14.4 also provides that managing directors are not subject to this requirement (i.e. to stand for re-election every three years).

Mr Stephen Conry AM and Mr David Ross are eligible to be elected or re-elected as Directors of CHL and each offer themself for election or re-election, respectively.

Information about the background and experience of each Director standing for election or re-election is set out below:

Mr Stephen Conry AM
Independent Non-Executive Director

Stephen joined the Board of the Charter Hall Group on 16 January 2023. Stephen is a member of the Charter Hall Board Remuneration and Human Resources Committee and Investment Committee.

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.

Recommendation

The Directors of CHL (other than Mr Stephen Conry AM) unanimously endorse the election of Mr Stephen Conry AM as a Director of CHL.

Mr David Ross
Independent Non-Executive Director

David joined the Board of the Charter Hall Group on 20 December 2016. David chairs the Charter Hall Board Remuneration and Human Resources Committee and is a member of the Investment Committee and the Audit, Risk and Compliance Committee.

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, an Associate Diploma in Valuation from Curtin University in Western Australia and is a Fellow of the Australian Institute of Company Directors.

Recommendation

The Directors of CHL (other than Mr David Ross) unanimously endorse the re-election of Mr David Ross as a Director of CHL.

Item 3: Adoption of Remuneration Report

As required by the Corporations Act, the Board is presenting the Remuneration Report to Securityholders for consideration and adoption.

The resolution is advisory only and does not bind the Directors.

The Remuneration Report contains information relating to:

- Charter Hall Group's remuneration policies as they relate to Key Management Personnel;
- The link between remuneration and Charter Hall Group's performance; and
- Individual outcomes for Charter Hall Group's Key Management Personnel and Non-Executive Directors.

A copy of the Remuneration Report, which is part of the 2023 Annual Report, is available by contacting Link Market Services Limited (see the Corporate Directory for contact details) or by visiting Charter Hall Group's website.

- A reasonable opportunity will be provided for discussion on the Remuneration Report at the Meeting.
- A voting exclusion statement applies to this resolution as set out in the Notice of Meeting.

Recommendation

The Directors unanimously recommend that Securityholders vote in favour of Item 3.

Item 4: Issue of service rights to Mr David Harrison - (Mandatorily deferred portion of Short Term Incentive (STI) awarded for FY23)

In accordance with Listing Rule 10.14, Charter Hall Group is seeking Securityholder approval for the issue of 75,688 service rights to the Managing Director and Group CEO.

The allocation of service rights is the deferred portion of Mr Harrison's FY23 STI award (equivalent to one third of his awarded STI for FY23).

Details of service rights

a. Basis for the quantum of the proposed issue of service rights to Mr Harrison

STI Overview

In respect of FY23, any STI award was subject to the Charter Hall Group achieving a financial gateway of 95% or more of the target annual OEPS.

STI awards for FY23 reflected the Charter Hall Group achieving an OEPS which exceeded the Group target in addition to achieving other financial and non-financial KPIs.

Once the OEPS financial gateway was reached, individual performance against other KPIs became the basis for determining what STI awards were to be made to individuals, if any. The Board assessed the performance of Mr Harrison against his individual performance measures established for FY23. The Board also retains the discretion to increase or decrease the STI amount available based on its assessment of overall performance.

The Managing Director and Group CEO's scorecard was divided into three performance measures: Financial & Risk, Strategy & Customer, and Leadership, Culture & Collaboration. These scorecard KPI categories represent important elements of Charter Hall's core strategic objectives. Each of these categories has measures of 'Growth' and 'Resilience'.

Below is a summary of the Managing Director's performance measures and KPIs for FY23 as assessed by the Board:

- Financial & Risk measures (weighted at 50%) included Charter Hall Group OEPS, Fund and partnership property portfolio performance and risk management;
- Strategy & Customer measures (weighted at 30%) included gross equity allotment in funds and partnerships, progress against key ESG initiatives and positive investor and tenant customer relationships; and
- Leadership, Culture & Collaboration measures (weighted at 20%) included performance against leadership capability for growth and scale, diversity, and employee engagement and well-being metrics.

These performance measures were selected as they establish a clear link between Charter Hall Group performance and purpose, our core strategic objectives of growth and resilience and long-term interests of our customers and securityholders.

A detailed FY23 scorecard for the Managing Director is provided in section 6.4 of the Remuneration Report (page 63 and 64) within the 2023 Annual Report.

FY23 STI achievement

The number of service rights that Mr Harrison will be allocated has been determined on a face value basis by dividing the value of the deferred portion of his STI award for FY23 of $828,750 by the Volume Weighted Average Price (VWAP) of Charter Hall Stapled Securities for the month of June 2023 i.e., $10.949 and rounding to the nearest whole service right.

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 Service Rights following vesting will be paid to Mr Harrison. This will only be payable on the rights that vest.

b. Nature of the service rights

The vesting condition applicable to the service rights is that Mr Harrison is employed by the Charter Hall Group on 31 August 2024 for 50% of the service rights to vest, and on 31 August 2025 for the remaining 50% of the service rights to vest, subject to the cessation of employment provisions described as follows.

The service rights are granted at no cost to Mr Harrison.

c. Date the service rights will be issued

If the resolution in Item 4 is approved by Securityholders, the service rights will be issued in two tranches to Mr Harrison as soon as practicable after the Meeting, but in any case, no later than 31 August 2024 for 50% of the service rights (the **First Issue Date**), and no later than 31 August 2025 for the remaining 50% of the service rights (the **Second Issue Date**).

Each service right will be eligible to be exercised into a fully paid Stapled Security from 31 August 2024 and 31 August 2025 respectively, if the relevant vesting condition is met.

If the resolution in Item 4 is not approved by Securityholders, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr Harrison.

d. Vesting conditions of service rights

If Mr Harrison resigns or is terminated for cause:

- on or before 31 August 2024, all of his service rights would be forfeited; or
- on or before 31 August 2025, the second tranche (being the remaining 50%) of his service rights would be forfeited,

unless the Board determines otherwise.

If Mr Harrison's employment is terminated for any other reason:

- on or before 31 August 2024, the service rights will continue to be held by Mr Harrison and, subject to the PROP rules and terms of the offer, will vest on the relevant vesting dates for each tranche as though Mr Harrison had not ceased employment; or
- after 31 August 2024 but on or before 31 August 2025, the second tranche (being the remaining 50%) of the service rights will continue to be held by Mr Harrison and, subject to the PROP rules and terms of the offer, will vest on the vesting date as though Mr Harrison had not ceased employment,

unless the Board determines otherwise.

e. Additional terms

Change of control provisions - The Board, in its absolute discretion, may determine the manner in which the service rights will be dealt with.

Hedging and margin lending prohibitions – In accordance with the Corporations Act 2001, Mr Harrison is prohibited from hedging or otherwise protecting the value of unvested stapled securities.

f. Other Matters

There are no loans to be granted by CHL or CHFML to Mr Harrison in relation to the acquisition of the service rights.

ASX Listing Rule 10.14 provides that a listed entity must not issue securities to a Director under an employee incentive scheme unless it obtains the approval of its securityholders. At the 2022 Annual General Meeting, Securityholders approved the issue of 96,824 service rights (which represents the FY22 deferred STI) and 258,198 performance rights (which represents the FY23 LTI) to Mr Harrison.

Mr Harrison currently holds 327,026 Stapled Securities directly, 841,773 Stapled Securities indirectly, 742,529 performance rights issued under the PROP, and 48,412 service rights issued under the PROP. Mr Harrison holds a further 284,911 service rights as a result of a voluntary deferral of his STI from prior periods and a further 905,776 performance rights issued under the Retention and Out-performance Plan.

No amount was paid or payable on the issue of service rights and performance rights to Mr Harrison which were approved at the 2022 Annual General Meeting.

Apart from Mr Harrison, no Directors or associates of Directors are participants in the PROP or have been invited or are entitled to participate in the PROP.

Details of the service rights issued under the Performance Rights and Options Plan (PROP) will be published in the annual report for Charter Hall Group relating to the period in which the service rights have been issued, noting that approval for the issue of the service rights was obtained pursuant to Listing Rule 10.14.

Any additional persons who become entitled to participate in the employee incentive scheme after the resolution is approved and who are not named in this Notice of Meeting but whose participation would require approval to be obtained under Listing Rule 10.14, will not participate until such approval is obtained.

A voting exclusion statement applies to this resolution as set out in the Notice of Meeting.

Further detail about the subject matter of this resolution is set out in the Remuneration Report.

Recommendation

The Directors (other than Mr Harrison) unanimously recommend that Securityholders vote in favour of Item 4.

Item 5 - Issue of performance rights to Mr David Harrison – (Long Term Incentive (LTI) for FY24)

ASX Listing Rule 10.14 provides that a listed entity must not issue securities to a Director under an employee incentive scheme unless it obtains the approval of its securityholders.

Consequently, Charter Hall Group is seeking approval from securityholders for the issue of 273,986 performance rights in respect of Mr Harrison's long-term incentive award for the financial year ending 30 June 2024.

Details of performance rights

The number of performance rights being granted to Mr Harrison has been determined by dividing $3,000,000 (being Mr Harrison's LTI opportunity for the financial year ending 30 June 2024) by the VWAP of Charter Hall Stapled Securities for the month of June 2023 i.e., $10.949 and rounding to the nearest whole performance right.

The performance rights will have a four-year performance period, commencing on 1 July 2023 and ending on 30 June 2027.

Charter Hall uses performance rights because they create security price alignment between executives and Securityholders, and do not provide the executives with the full benefits of security ownership (such as distribution and voting rights) unless and until the performance rights vest).

If the applicable vesting conditions are met, Mr Harrison will generally be entitled to receive one fully paid Stapled Security in the Charter Hall Group for each vested performance right.

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 Mr Harrison. This will only be payable on the rights that vest once Performance Rights are exercised.

a. Price of the performance rights

No amount is payable for the performance rights. In addition, no amount is payable to exercise a performance right once it vests.

b. Date the performance rights will be issued

If the resolution in Item 5 is approved by Securityholders, the performance rights will be issued to Mr Harrison as soon as practicable after the Meeting, but in any case, no later than 12 months after the date of the Meeting. If the resolution in Item 5 is not approved by Securityholders, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr Harrison.

c. Vesting conditions of performance rights

The vesting of performance rights is subject to both service and performance conditions.

The FY24 grant of performance rights may vest on 31 August 2027. These rights cannot be exercised until after the release of the full FY27 results.

The performance rights will be divided into two tranches, with 50% of the performance rights subject to an operating earnings per security growth measure and the remaining 50% subject to a relative total shareholder return (**TSR**) measure.

Operating Earnings Per Security measure

The OEPS growth hurdle measures the aggregate OEPS of Charter Hall Group achieved over the relevant performance period. The Board has set the commencement OEPS for the FY24 grant as the FY23 OEPS of 93.3 cps (after tax).

For the FY24 grant, 50% of performance rights in this tranche will vest on 31 August 2027 if the aggregate OEPS over the four-year performance period is equal to 422.2 cps (after tax), representing 5% per annum compound growth on the FY23 OEPS of 93.3 cps (after tax) over the performance period and 100% of performance rights in this tranche will vest if the aggregate OEPS over the performance period is equal to 443.2 cps (after tax), representing 7% per annum compound growth over the performance period, with progressive pro-rata vesting (i.e. on a straight line basis) between 422.2 cps (after tax) and 443.2 cps (after tax).

Relative TSR performance condition

Relative TSR performance is determined based on Charter Hall Group's total securityholder return (assuming distributions are reinvested) ranking against the constituents of the comparator group (see below) over the performance period. Performance rights vest on 31 August 2027 if the TSR of Charter Hall Group for the performance period ranks at or above the 50th percentile of the comparator group, with 50% of performance rights in this tranche vesting at the 50th percentile and 100% of performance rights in this tranche vesting at the 75th percentile or above, with progressive pro-rata vesting between the 50th and 75th percentile (i.e., on a straight-line basis).

The Board has determined the Comparator Group for the FY24 LTI to be:

- Abacus Property Group (ABP)
- Arena REIT No. 1 (ARF)
- BWP Trust (BWP)
- Charter Hall Group (CHC)
- Centuria Industrial REIT (CIP)
- Charter Hall Long Wale REIT (CLW)
- Cromwell Property Group (CMW)
- Centuria Capital Group (CNI)
- Charter Hall Social Infrastructure REIT (CQE)
- Charter Hall Retail REIT (CQR)
- Dexus Property Group (DXS)
- Goodman Group (GMG)
- Growthpoint Properties Australia (GOZ)
- GPT Group (GPT)
- Homeco Daily Needs REIT (HDN)
- Home Consortium Ltd (HMC)
- Ingenia Communities Group (INA)
- Mirvac Group (MGR)
- National Storage REIT (NSR)
- Region RE Ltd (RGN)
- Scentre Group (SCG)
- Stockland (SGP)
- Vicinity Centres (VCX)
- Waypoint REIT (WPR)

The Board is able to determine the treatment of the entities in the comparator group at the Board's discretion.

If Mr Harrison resigns or is terminated for cause on or before 31 August 2027, the performance rights would be forfeited, unless the Board determines otherwise.

If Mr Harrison's employment is terminated for any other reason on or before 31 August 2027, unless the Board determines otherwise the performance rights will continue to be held by Mr Harrison and, subject to the Plan Rules and terms of the offer, will vest on the vesting date as though he had not ceased employment.

General Conditions

Any performance rights that fail to vest on the vesting date are forfeited.

Absent any unusual circumstances where Board discretion ought to be exercised and subject to the cessation of employment provisions described above, in order to meet the service condition PROP participants must be employed by the Charter Hall Group on the relevant vesting date of any performance right.

Rationale for the two Performance Measures

The rationale for the two performance measures is set out in section 6.5 of the Remuneration Report (pages 68 and 69) within the 2023 Annual Report.

In summary, the Relative TSR measure is the most widely used LTI performance measure for listed entities in Australia. It ensures that value is only delivered to participant's if the investment return received by securityholders is sufficiently high relative to the investment returns provided by the comparator group over the same period. The comparator group which is comprised of the REITs included in the S&P/ASX 200 A-REIT Accumulation Index as at 1 July 2023 is regarded as sufficiently large and the most relevant comparator group as it represents the major REITs listed and categorised as REITs on the ASX.

The OEPS growth measure was selected because OEPS is a key driver of securityholder returns and therefore aligns performance with returns to securityholders and is also within the executive's ability to influence. The aggregate OEPS performance growth measure is used because Charter Hall's annual 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. The OEPS growth rates used to set the aggregate OEPS performance hurdles of 5% per annum compound for the minimum aggregate OEPS hurdle and 7% per annum compound for the stretch aggregate OEPS hurdle 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 (for further detail see section 6.5 of the Remuneration Report (pages 68 and 69) within the 2023 Annual Report).

d. Basis for the quantum of the proposed issue of performance rights to Mr Harrison

The Remuneration Framework applicable to Mr Harrison is described in the Remuneration Report section of the Annual Report. In summary, it comprises base pay and superannuation (fixed remuneration), an STI and an LTI.

Mr Harrison's FY24 total target remuneration remains unchanged at $6,986,250. The FY24 total target remuneration comprises fixed remuneration of $1,500,000, target STI opportunity of $2,486,250 (with a maximum STI opportunity of up to $3,729,375) and maximum LTI opportunity of $3,000,000. Mr Harrison's fixed remuneration includes base pay and superannuation.

e. Securities held

The number of Stapled Securities, service rights and performance rights currently held by Mr Harrison are set out on the ASX Market Announcements Page.

Mr Harrison currently holds 327,026 Stapled Securities directly, 841,773 Stapled Securities indirectly, 742,529 performance rights issued under the PROP, and 48,412 service rights issued under the PROP. Mr Harrison holds a further 284,911 service rights as a result of a voluntary deferral of his STI from prior periods and a further 905,776 performance rights issued under the Retention and Out-performance Plan.

f. Other matters

Change of control provisions - The Board, in its absolute discretion, may determine the manner in which the performance rights will be dealt with.

Hedging and margin lending prohibitions – In accordance with the Corporations Act 2001, Mr Harrison is prohibited from hedging or otherwise protecting the value of unvested stapled securities.

There are no loans to be granted by CHL or CHFML to Mr Harrison in relation to the acquisition of the performance rights under the proposed grant in Item 5.

At the 2022 Annual General Meeting, Securityholders approved the issue of 96,824 service rights (which represents the FY22 deferred STI) and 258,198 performance rights (which represents the FY23 LTI) to Mr Harrison, with a nil exercise price.

No amount was paid or payable on the issue of service rights and performance rights to Mr Harrison which were approved at the 2022 Annual General Meeting.

Apart from Mr Harrison, no Directors or associates of Directors are participants in the PROP or have been invited or are entitled to participate in the PROP.

Details of the performance rights issued under the PROP will be published in the annual report for Charter Hall Group relating to the period in which the performance rights have been issued, noting that approval for the issue of the performance rights was obtained pursuant to Listing Rule 10.14.

Any additional persons who become entitled to participate in the employee incentive scheme after the resolution is approved and who are not named in this Notice of Meeting but whose participation would require approval to be obtained under Listing Rule 10.14, will not participate until such approval is obtained.

A voting exclusion statement applies to this resolution as set out in the Notice of Meeting.

Further detail about the subject matter of this resolution is contained in the Remuneration Report.

Recommendation

The Directors (other than Mr Harrison) unanimously recommend that Securityholders vote in favour of Item 5.

Glossary and Interpretation

Glossary

Annual Report	the annual report of Charter Hall Group that includes the financial report, the Directors' report and the independent audit report for the period ended 30 June 2023
ASX	ASX Limited
Associate	the definition provided in the note to Rule 14.11 of the Listing Rules
Auditor or PwC	PricewaterhouseCoopers
Board	Board of Directors of CHL and/or CHFML, as appropriate
Charter Hall Group or Group	CHL and CHPT and, where appropriate, their controlled entities
CHFML or the Responsible Entity	Charter Hall Funds Management Limited (ACN 082 991 786; AFSL 262861) in its capacity as responsible entity of CHPT
CHL or the Company	Charter Hall Limited (ACN 113 531 150)
CHL Share	a share in CHL
CHL Shareholder	a registered holder of a CHL Share
CHPT	Charter Hall Property Trust (ARSN 113 339 147)
CHPT Unit	a unit in CHPT
CHPT Unitholder	a registered holder of a CHPT Unit
Closely Related Party	has the meaning given in the Corporations Act
Corporations Act	the Corporations Act 2001 (Cth)
Cps	Cents per security
Directors	the directors of CHL and/or CHFML, as appropriate
Explanatory Memorandum	the explanatory memorandum that accompanies this Notice of Meeting
Listing Rules	Listing Rules of ASX
LTI	long term incentive
Managing Director and Group CEO	David Harrison
Meeting	the 2023 annual general meeting of CHL Shareholders and general meeting of CHPT
Notice of Meeting	this notice of Meeting and any notice of any adjournment of the Meeting
OEPS	Operating Earnings per Security
PROP	the Performance Rights and Options Plan of Charter Hall Group
Register	the register of Securityholders as maintained by Link Market Services Limited
Remuneration Report	the Remuneration Report included in the Annual Report
Securityholders	registered holders of Stapled Securities

Glossary (continued)

Stapled Security	means a CHL Share stapled to a CHPT Unit
STI	short term incentive
TSR	total shareholder return
VWAP	volume weighted average price

Interpretation

The following rules apply unless the context requires otherwise:

a. The singular includes the plural, and the converse also applies.

b. If a word or phrase is defined, its other grammatical forms have a corresponding meaning.

c. A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.

Corporate Directory

Registered office

Level 20, No.1 Martin Place
Sydney NSW 2000

Tel +61 2 8651 9000

ASX code: CHC

Directors

David Clarke (Chair)
Jacqueline Chow
Stephen Conry AM
David Harrison
Karen Moses
Greg Paramor AO
David Ross

Company Secretary
Mark Bryant

Auditor

PricewaterhouseCoopers

One International Towers Sydney
Watermans Quay, Barangaroo
Sydney NSW 2000

Investor relations

All other enquiries related to Charter Hall Group can be directed to the Charter Hall Investor Relations team:

Charter Hall Group

GPO Box 2704
Sydney NSW 2001
Tel: 1300 365 585 (within Australia)
+61 2 8651 9000 (outside Australia)
E-mail: reits@charterhall.com.au
Web: charterhall.com.au

Charter Hall

Charter Hall Limited
ABN 57 113 531 150

Charter Hall Funds Management Limited
ABN 31 082 991 786 AFSL No. 262861

As responsible entity for Charter Hall Property Trust
ARSN 113 339 147

LODGE YOUR VOTE

ONLINE
https://investorcentre.linkgroup.com

BY MAIL
Charter Hall Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: 1300 664 498 Overseas: +61 1300 664 498

X99999999999

PROXY FORM

I/We being a member(s) of Charter Hall Group and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

☐ **the Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

Name

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:30pm (AEDT) on Thursday, 16 November 2023 at Charter Hall Group, Level 20, No.1 Martin Place, Sydney NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

You can participate by attending in person or via the webcast at **CHC AGM Webcast URL https://web.lumiagm.com/390708902; Meeting ID 390-708-902**

Important for Resolutions 3, 4 & 5: If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Resolutions 3, 4 & 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

	For	Against	Abstain*
2a Election of Director – Mr Stephen Conry			
2b Re-Election of Director – Mr David Ross			
3 Adoption of Remuneration Report			
4 Issue of service rights to Mr David Harrison - Performance Rights and Options Plan (Mandatorily Deferred portion of Short Term Incentive (STI) for FY23)			
5 Issue of performance rights to Mr David Harrison – Performance Rights and Options Pan (Long Term Incentive (LTI) for FY24)			

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)	Joint Securityholder 2 (Individual)	Joint Securityholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:30pm (AEDT) on Tuesday, 14 November 2023,** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE

https://investorcentre.linkgroup.com

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

BY MOBILE DEVICE

QR Code

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link **https://investorcentre.linkgroup.com** into your mobile device. Log in using the Holder Identifier and postcode for your securityholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

BY MAIL

Charter Hall Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

BY FAX

+61 2 9287 0309

BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

or

Level 12
680 George Street
Sydney NSW 2000

*during business hours Monday to Friday (9:00am - 5:00pm)