13 February 2019

Charter Hall Education Trust
2019 Half Year Results

6 months to 31 December 2018

Northcote, VIC

Agenda
2019 Half Year Results

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1. Key Highlights

Camberwell, VIC

Key Highlights

DRIVERS

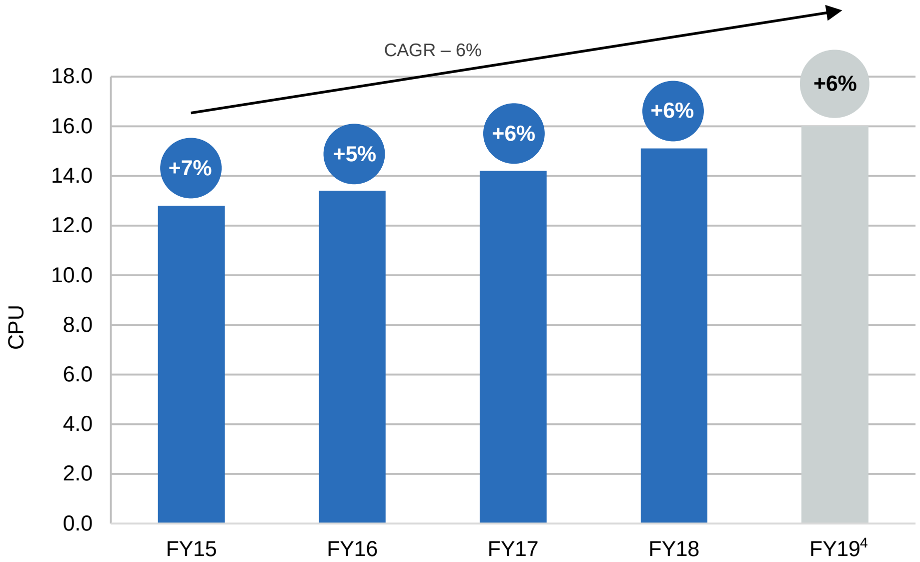
- Supply growth falling. Increased affordability indicators point to improved industry dynamics
- 1H earnings growth impacted by asset sales and development site income, like-for-like rental growth still strong at 2.6%
- Portfolio occupancy, WALE and demand for CQE product remain strong
- Portfolio well positioned to deliver future growth

PORTFOLIO MANAGEMENT	ASSET MANAGEMENT	FINANCIAL PERFORMANCE
$15.0m / 7.5% **3** Developments Completed / Yield on Cost	**9.5 yrs / 99.7%** WALE / Occupancy	**$21.2m Dist. Income** Increase of 1.0% on pcp
8 Assets Purchased 7 Development Sites - End Value $45.7m 1 Existing Centre - Value $6.4m	**$22.6m / 10 bps** Increase in Valuations / Portfolio Yield Compression	**8.3c (EPU[3]) / 8.0c (DPU)** Unchanged / increase of 6.0% on pcp
4[1] Assets Sold for $4.1m 5.9% Premium to Carrying Value[2]	**7.8% / 2.6%** Average Increase on 9 Market Reviews / like-for-like Rental Growth	**$2.87 NTA per unit** increase of 3.2% since 30 June 2018
$167.4m / 7.2% Development Pipeline / Forecast Yield on Cost	**11 of 11** 5 Year Options Renewed	**29.9% / 4.6 yrs** Gearing / Average Debt Maturity

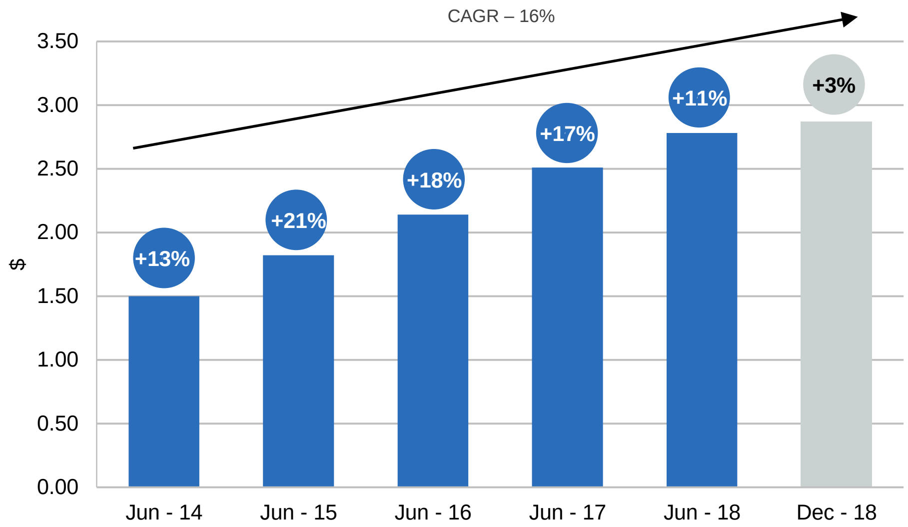
1 Excludes one development site which was disposed of during the half year
2 Carrying value at contract date
3 Distributable income dividend by the weighted average number of units on issue

CQE's Performance

**DISTRIBUTION GROWTH CPU:
FY15 – FY19**



**NTA GROWTH $ PER UNIT:
JUNE 2014 – DECEMBER 2018**



- Earnings growth stabilised in 1H, the result of previous year's asset sales and lower income on development sites
- Recycling activity provides better quality assets with materially stronger and longer income profiles, at a minor short term cost
- Industry dynamics support continued future growth

- NTA growth slowed in 1H due to moderating increases in asset values
- Asset value growth is expected to be more reliant on income growth moving forward
- Active asset management (development, leasing, portfolio curation) is an important driver of portfolio value

4 Forecast FY19 Distribution

Industry Overview

Increased Supply in 2018 is being absorbed

Demand

- New funding changes appear to be a net positive for the industry through increased overall affordability. Fees have risen but the out of pocket cost of childcare fell by 11%[5] in last quarter
- 0-4 year old long day care participation rate at 35%[5] is anticipated to continue increasing[6]. Participation was subdued in the first half of CY18, however early indicators from re-enrolments in 2019 suggest an average +2-3% increase in LDC occupancy levels
- Preschool education for 3-4 year olds is likely to be a pivotal issue of the next Australian Federal Election. Increased State funding to 3 year old education is being implemented

Childcare Operator Environment

- Quality operators able to improve occupancy through long term reinvestment in staff, procedures and premises
- Margins continue to be healthy although operators are having to work harder to achieve them. Increased affordability has seen some parents add extra days even if that's not matched with additional employment
- Election promises to increase funding to qualify staff could assist operators seeking additional staff

Supply

- Supply of new centres exceeded child demand growth in 2018 by ~75 centres[7] (calculated Australia wide). Supply growth rapidly decreased in the last few months of CY2018 and expected to contract further over next 12 months
- 77 Long Day Care centres ceased operations during 2018[8]
- New supply in the past 5 years to Dec 2018 appears to have been mostly absorbed by increasing 0-4 year old population and increasing participation rates[6]

Early Learning Property Market

- Investor appetite remains strong for A-grade assets with strong lease covenants. Low yielding transactions, typically achieved at auctions, expected to be less frequent
- Average yield of 5.9% achieved on market transactions in the eastern seaboard and New Zealand for CY18 with in excess of $410m of property transacted

5 ABS
6 Sources: CQE, ABS, Department of Education and Training
7 CQE Data, based on an average 88 place new centre size
8 Source: ACECQA, CQE

Delivering on Strategy

CQE's strategic approach to Social Infrastructure and the Early Learning Market

Provide Investors with a stable and secure income targeting consistent capital and income growth

- 2.6% like-for-like income growth, 7.8% increase on market reviews
- NTA growth of 3.2%
- 99.7% Occupancy[9], 9.5yr Portfolio WALE, >90% of leases triple net
- 100% of 5-year options falling due renewed

Grow the Portfolio through strategic activity

- 3 developments completed with average development margin of 26.8% and 7.5% yield on cost
- 27 developments underway in long term, high demand locations
- New opportunity to leverage the Charter Hall platform / expertise, to increase the investable universe

Partner with operators with strong lease covenants who innovate and maintain CQE's assets

- Large tenant register – 31 tenants across Profit and Not-for-Profit sectors
- Operator demand for CQE product remains solid through smart site selection, innovative design and delivery track record
- Adherence to CQE's strategy including the "best site, best lease, best operator" criteria

[9] One vacant property at 31 December 2018 now committed with new lease commencing 2H19

2. Financial Results & Capital Management

Hawthorn, VIC

Financial Results

- Distributable income increase of $0.2m or 1.0%
- EPU stable at 8.3 cpu impacted by lower income from asset divestments in 2H FY18 and development sites
- DPU growth of 6.0% based on HY19 distribution of 8.0 cpu
- Total assets of $1.08b (increase of 5.2%) and gearing of 29.9%
- Growth in NTA per Unit of $0.09 or 3.2%

Cheltenham, VIC

KEY FINANCIAL METRICS

Income For the Half Year Ended 31 December	2018	2017	% Change
Statutory Profit ($m)	42.2	55.4	(23.8)
Distributable Income ($m)	21.2	21.0	1.0
Earnings Per Unit – EPU (cpu)[10]	8.3	8.3	-
Distribution Per Unit – DPU (cpu)	8.0	7.55	6.0

Balance Sheet As At	Dec 18	June 18	% Change
Total Assets ($m)	1,082.6	1,029.4	5.2
Investment Properties ($m)	1,036.3	985.5	5.1
Borrowings ($m)	324.2	300.0	8.1
NTA per Unit ($)	2.87	2.78	3.2
Gearing (%)	29.9	29.1	0.8

[10] Distributable income divided by weighted average number of units

Income Statement

- Distributable income of $21.2m, an increase of 1.0% on pcp
- Lease income has increased by $1.6m or 5.4% on the pcp
  - Property acquisitions ($1.8m), completed developments ($1.4m) and organic rental growth ($0.7m) of 2.6% has been partially offset by disposals ($1.4m) and lower site rent on development sites ($0.9m)
- Finance cost increase by $1.1m due to higher level of borrowings during period (average debt balance $54.7m higher during period)
- Yield compression and rental growth combine to contribute $22.6m in property revaluations
- HY19 distribution of 8.0 cents per unit, an increase of 6.0% on pcp


Killarney Heights, NSW

Income Statement for the Half Year Ended	31 Dec 2018 ($m)	31 Dec 2017 ($m)
Lease Income	31.3	29.7
Property Outgoings	4.8	4.9
Other Income	1.2	1.1
Total Operating Income	**37.3**	**35.7**
Finance Costs	5.7	4.6
Property Outgoings	6.6	6.7
Responsible Entity's Remuneration	2.9	2.6
Other Expenses	0.9	0.8
Total Operating Expenses	**16.1**	**14.7**
Distributable Income	**21.2**	**21.0**
Net Revaluation Increment Of Properties	22.6	33.9
MTM Adjustments Of Hedging Positions	(2.6)	0.6
Gain / (Loss) On Sale Of Investment Properties	(0.2)	0.1
SL Lease Adjustments / Other	1.2	(0.2)
Statutory Profit	**42.2**	**55.4**
Earnings – EPU[11] (cpu)	**8.3**	**8.3**
Distribution - DPU (cpu)	**8.0**	**7.55**

[11] Distributable income divided by the weighted average number of units on issue

Balance Sheet

- Strong balance sheet:
  - property revaluations of $22.6m driven by yield compression and rent escalations
  - development site acquisitions / construction costs of $24.6m incurred on development pipeline and acquisition of 1 operating property for $6.4m
  - securities include investment in listed Arena REIT of $25.0m and unlisted Charter Hall CIB of $17.3m
- NTA per unit increased 3.2% to $2.87 per Unit on pcp
- Gearing increased marginally to 29.9%


Highett, VIC

Balance Sheet as at	Dec 2018 ($m)	June 2018 ($m)
Cash	0.1	2.3
Investment Properties – To Be Sold	1.5	4.9
Investment Properties – Improved Properties	958.1	916.4
Investment Properties – Development Sites[12]	76.7	64.2
Securities	42.3	39.6
Other Assets	3.9	2.0
Total Assets	**1,082.6**	**1,029.4**
Trade And Other Payables	5.0	6.6
Distribution Payable	10.6	9.8
Borrowings[13]	320.6	298.2
Derivative Instruments	6.7	4.1
Total Liabilities	342.9	**318.7**
Net Assets	**739.7**	**710.7**
No Of Units	257.5	255.8
NTA Per Unit ($)	**2.87**	**2.78**
Gearing[14] (%)	**29.9**	**29.1**

[12] Includes $0.7m (30 June 18: $1.3m) of transaction costs in relation to properties not settled

[13] Borrowings as at 31 December 2018 include loans of $319.0m less unamortised transaction costs of $3.6m and bank overdraft of $5.2m

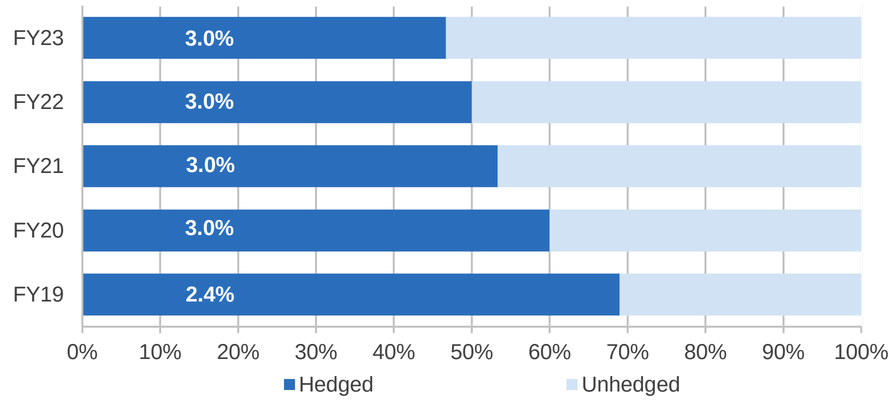
[14] Gearing is calculated by borrowings and bank overdraft / total assets

Capital Management – Debt & Hedging

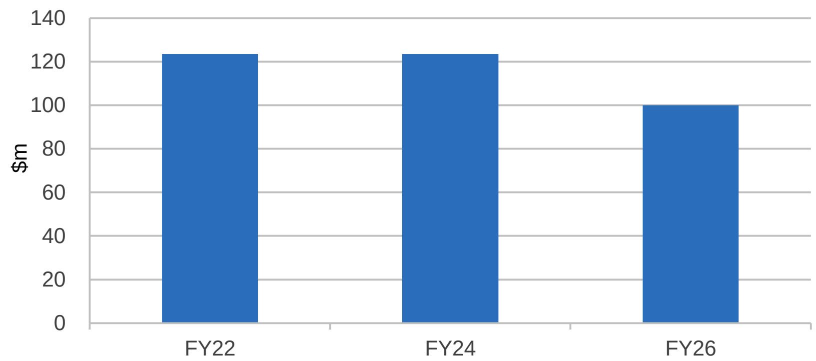
- Debt refinance of facilities completed in August 2018 including $100m 7 year facility with AustralianSuper reducing bank facility limits
- Diversified funding sources with no maturity until September 2021 and a weighted average debt maturity of 4.6 years
- Undrawn facility of $28m which will be utilised to fund the development pipeline
- Gearing of 29.9%, below the targeted range of 30% – 40%
- Average hedging of 52% through to June 2023

As at	31 Dec 2018	30 June 2018
Debt Facilities Limit ($m)	347.0	347.0
Debt Drawn Amount ($m)	319.0	300.0
Overdraft Facilities ($m)	10.0	10.0
Debt Maturity (years)	4.6	2.4
ICR (x)	4.2	4.3
Cost of Debt (% p.a.)	4.0	4.1
All-in Cost of Debt[15] (% p.a.)	4.4	4.4
Average Interest Rate Hedged (%)	52	41
Average Hedged Rate (% p.a.)	2.9	3.0
Average Hedging Maturity (years)	2.3	2.3

HEDGING PROFILE: BASED ON DEBT OF $319.0M



DEBT MATURITY PROFILE (BY FACILITY LIMIT)



15 Includes amortisation of deferred borrowing costs

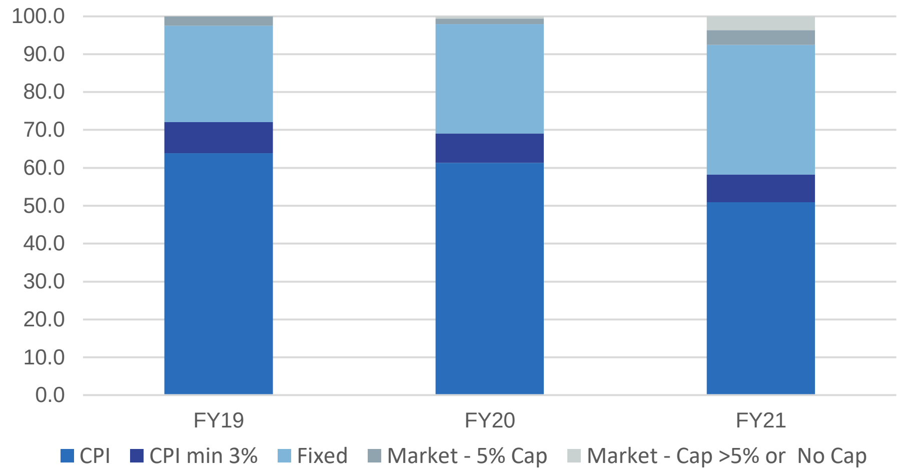
3. Operational Performance

Wyndham Vale, VIC

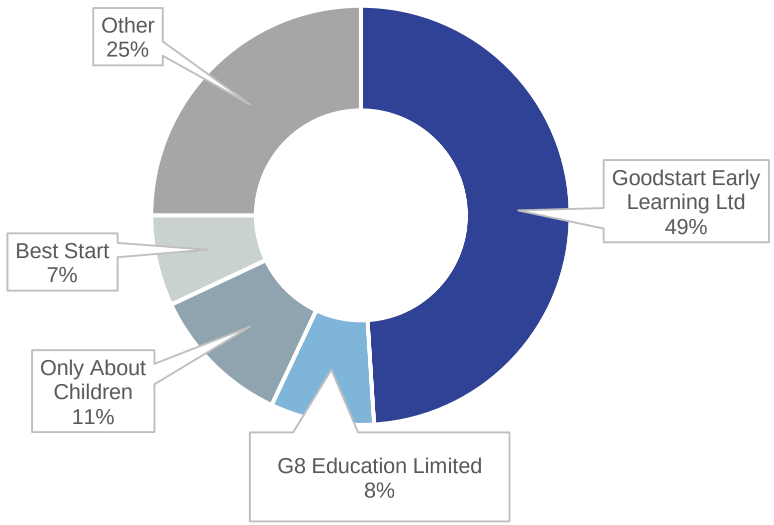
Property Portfolio – Asset Management

- WALE of 9.5 years
- 99.7%[16] occupancy
- 11 five year options renewed
- 9 market reviews achieved 7.8% increase overall
- Y-o-Y rental growth to 31 December 2018 of 2.6%
- Industry standards for net rent as a % of revenue typically ranges between 12 – 14%, CQE is below this range at 11.4% for FY18

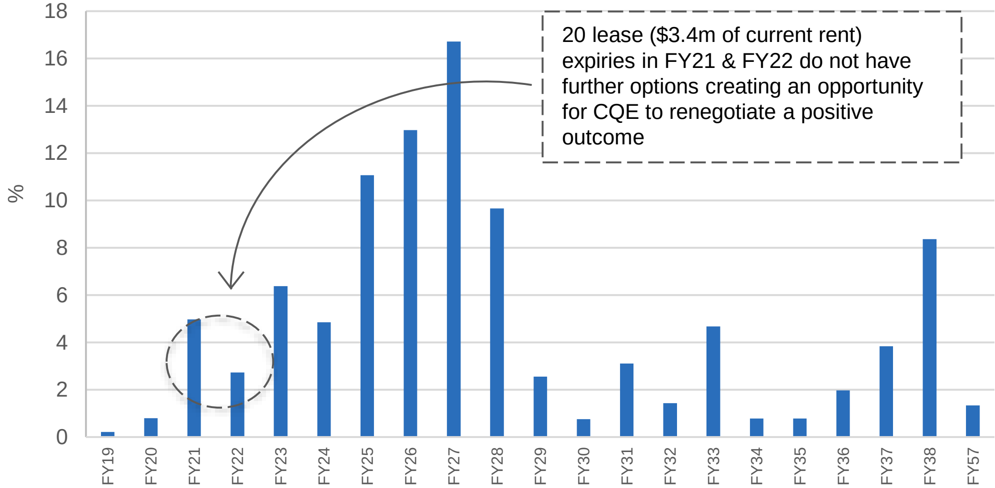
ANNUAL RENT REVIEW PROFILE BY % OF RENT: FY19 – FY21[17]



TENANT PROFILE BY % OF ANNUAL RENT: DECEMBER 2018



LEASE EXPIRY PROFILE BY % OF ANNUAL RENT[18]: FY19 – FY57



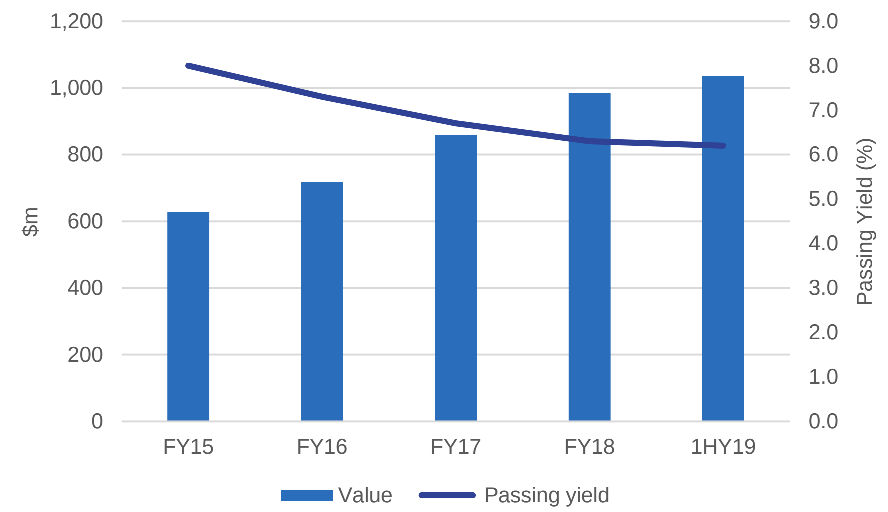
16 Vacant property subject to new lease commencing in 2H FY19
17 Includes developments expected to be completed & excludes lease expiries with no further options
18 As at 31 December 2018

Property Portfolio - Valuations

- Average yield of 5.9% achieved on market transactions in the eastern seaboard and New Zealand for CY18 with in excess of $410m of property transacted
- 339 properties valued in HY19 57 independent and 282 directors' valuations, resulting in a 2.6% increase on June 2018 carrying values
- Overall yield compression of 10 basis points achieved across the portfolio decreasing the portfolio yield from 6.3% at June 2018 to 6.2% at December 2018

Valuations	No. Valued	Value ($M)	Movement (%)	Yield (%)
NSW/ACT	76	202.6	1.0	5.9
VIC	60	200.5	3.0	5.5
QLD	116	255.5	2.9	6.5
WA	15	32.3	4.4	6.6
SA	18	35.0	1.4	6.7
TAS/NT	4	8.9	1.8	6.2
New Zealand	48	75.7	5.6	6.0
Leasehold	2	0.98	(1.0)	15.3
TOTAL	**339**	**811.2**	**2.6**	**6.2**

CQE PORTFOLIO VALUE & PASSING YIELD: FY13 – 1HY19



Williams Landing, VIC

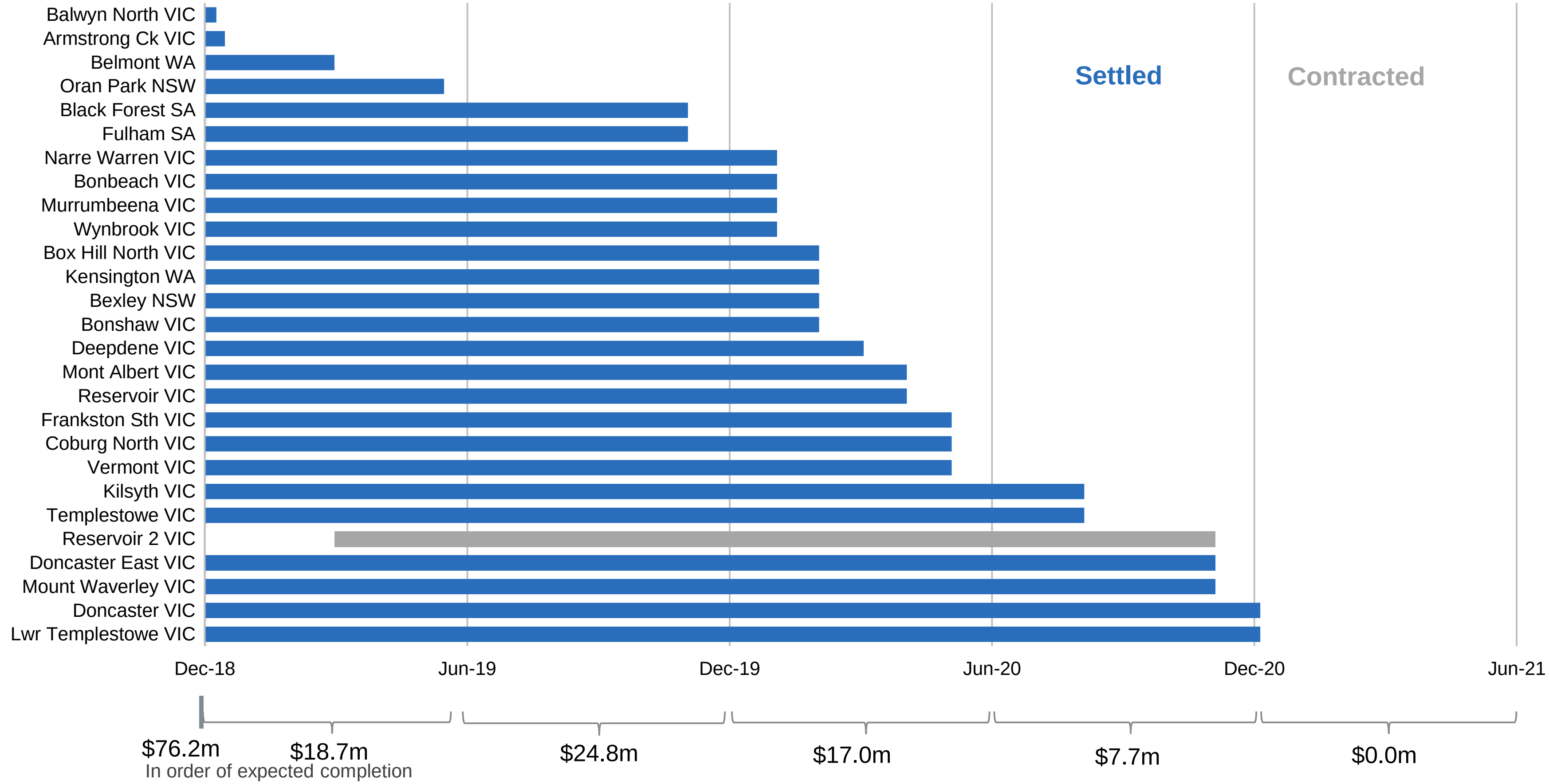
HY19 Portfolio Activity

ACQUISITIONS AND DISPOSALS	NO. OF PROPERTIES	VALUATION ($m)	NOTE
Acquisitions	1	6.4	Sale and leaseback transaction with quality operator Nino on CQE lease terms in Mickleham, Vic (yield 6.6%)
Disposals	4	4.1	Non-core assets in Qld and NZ, sold at a premium of 5.9% to book value at time of contract

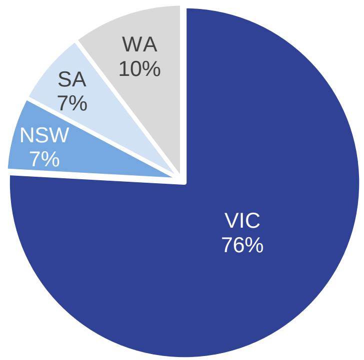
DEVELOPMENT PIPELINE	NO. OF PROPERTIES	VALUATION ($m) UPON COMPLETION	NOTE
June 2018 - Development Sites	23	132.5	
Settled 1HY19	7	45.7	
Less not proceeding and subsequently sold	(1)	(2.1)	Planning delays and increased costs prohibited development. Site sold at a profit.
Less completed developments	(3)	(15.0)	Average Development Margin 26.8% Average Rental Yield on Cost 7.5%
Net developments as at 31 December 2018	**26**	**161.1**	$10.4m total forecast rent on completion
New sites contracted	1	6.3	
Total Active Development Pool	**27**	**167.4**	Forecast Rental Yield on Cost 7.2%

CQE Development Pipeline

DEVELOPMENT PIPELINE INCLUDING COST TO COMPLETE AS AT 31 DECEMBER 2018



$76.2m expenditure to date and **$68.2m** forecast cost to completion



Development Pipeline by Location

Note: Balwyn North, Armstrong Creek and Belmont centres now complete post 31 December 2018

Demand Update

Population Growth

- By 2029 it is forecast there will be 180,000 more pre-school children (0-4 year olds) growing at a rate of circa 1.0% annually[19]
- Total Australian growth of 0-4 year olds for the 12 months to June 2018 was 0.7%. NSW recorded the highest growth of 1.0%[20]

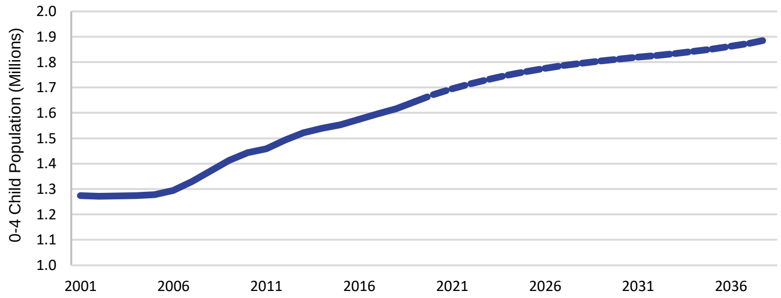
Participation Rate

- Participation was subdued in the first half of 2018, most likely caused buy decreased affordability under the previous funding regime
- Anecdotal indicators from re-enrolments in 2019 suggest a +2-3% increase in LDC occupancy levels
- Participation rate of 0-4 year olds in long day care is calculated at 35%[20]

LDC Usage

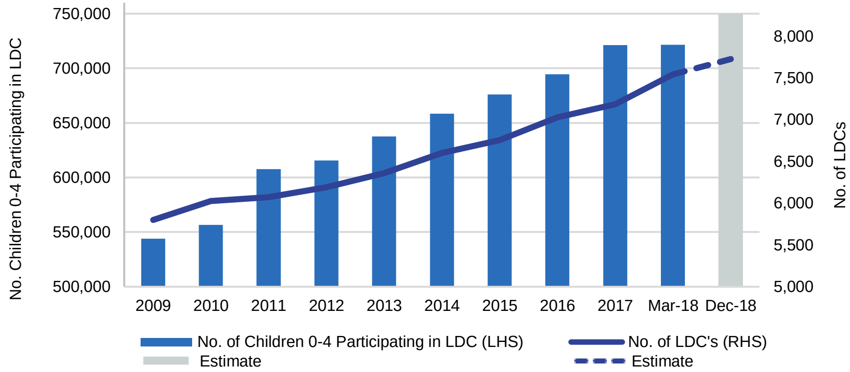
- Victoria continued its trend of increased usage by 5.3%[21]
- Overall an increase of 3.2% (22,100) in the total number of children using LDC services from Q1-17 to Q1-18[21]

ACTUAL AND FORECAST POPULATION 0-4 YEAR OLDS: 2001 - 2038



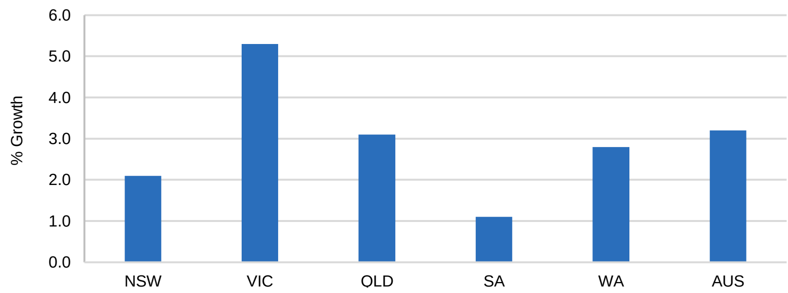
Source: ABS, Forecast data produced by .id as part of SAFi, Small Area Forecast information

CHILD PARTICIPATION AND NUMBER OF LDCs



Source: CQE, Department of Education and Training

% GROWTH IN NUMBER OF CHILDREN USING LDC: Q1-17 TO Q1-18



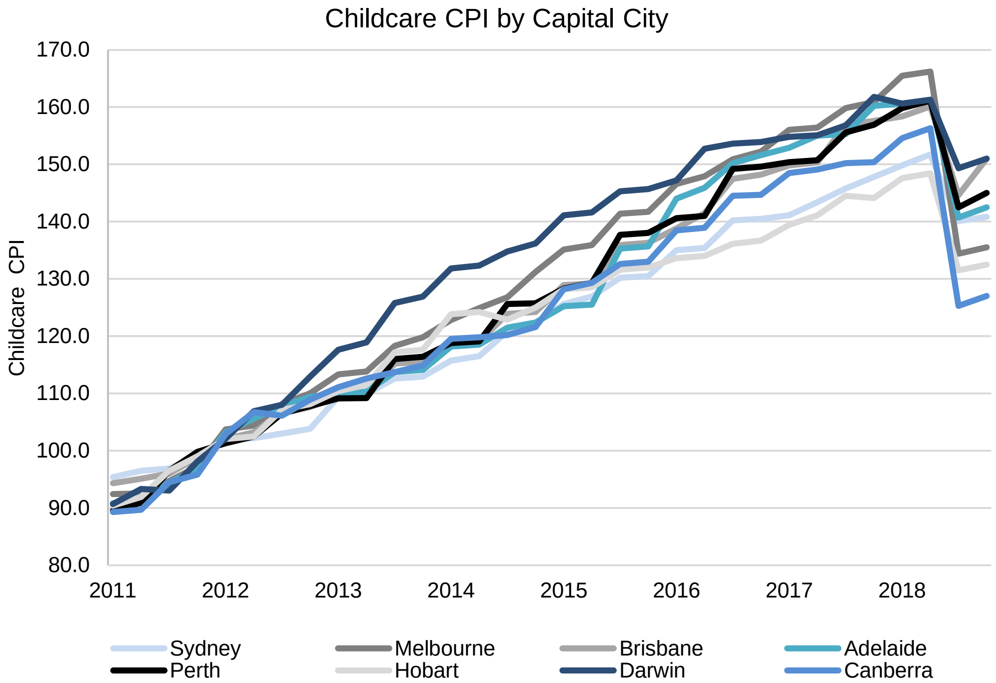
Source: CQE, Department of Education and Training

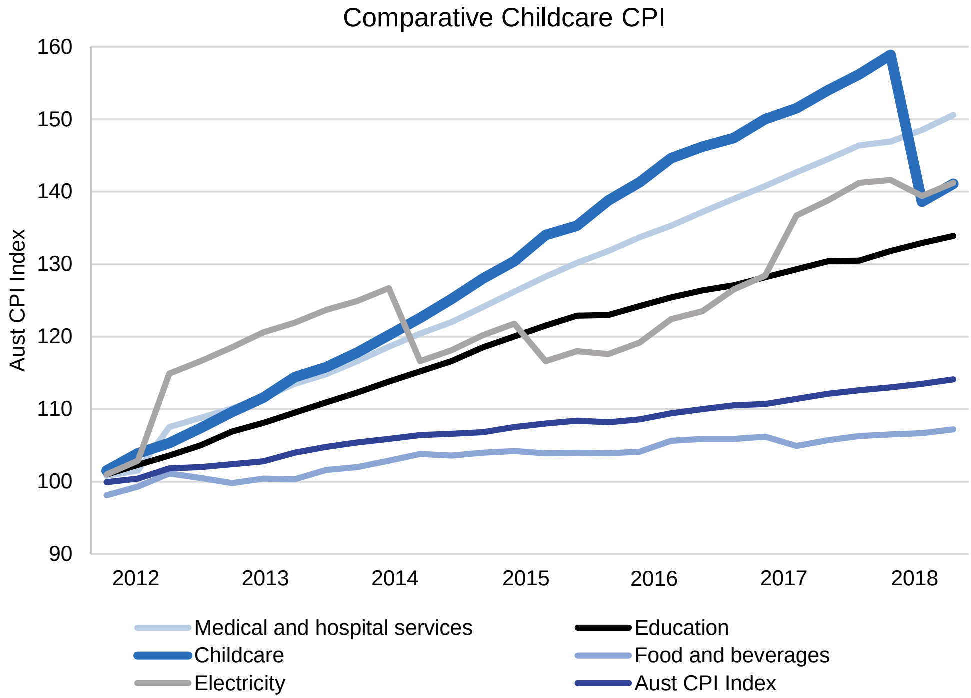
19 Sources: ABS, Forecast data produced by .id as part of SAFi, Small Area Forecast information
20 ABS
21 Calculated for March 2018, Source: Department of Education and Training

Affordability of Childcare since CCS Introduction

Affordability of Childcare is reported to have improved by an average of 11% since the introduction of the CCS (July 18 – Dec 18)

Childcare Consumer Price Index is an ABS composite index that takes into account the pricing of childcare, income levels and Government benefits received





Change in Childcare CPI since the introduction of the CCS

Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Darwin	Canberra	Australia
-7.2%	-18.5%	-5.7%	-11.7%	-10.0%	-10.7%	-6.4%	-18.7%	-11.2%

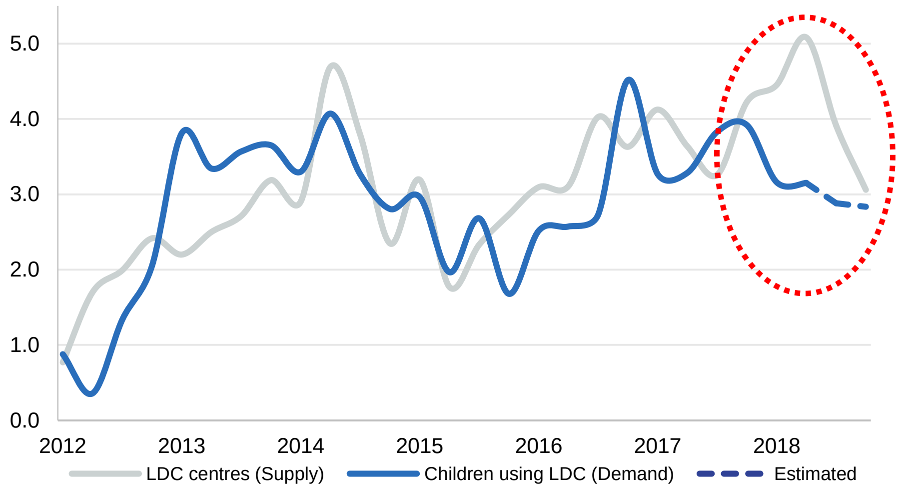
Source: ABS; 6461.0 Consumer Price Index: Concepts, Sources and Methods,

Note:
- Prices obtained for child care services cover full-time and part-time care. Respondents are selected from each of the community based, private company, and family based day care sectors of the industry.
- Parents with children in approved child care centres are eligible to claim a Child Care Benefit (CCB) based on income as well as the Child Care Rebate (CCR). This is modelled by the ABS, and the model is adjusted annually to reflect changes in benefit rates and tax rebates, and quarterly to reflect changes in aggregate income levels using data from Wage Price Index, Australia (ABS cat. no. 6345.0). Incomes are indexed quarterly as any change in a family's circumstances affects their benefit immediately regardless of when the Department of Human Services is notified. As the new CCB rates are applicable from 1 July each year, the estimated benefits typically increase in September quarter and then usually decline over the subsequent three quarters reflecting the effect of rises in aggregate incomes. The CCB and CCR are subsidies directly related to child care services, therefore the price of child care in the CPI is equal to the gross fee payable by the parents, less the amount of CCB and CCR that they receive. From 1 July 2018, the CCB and CCR will be replaced by one-means tested payment called the Child Care Subsidy (CCS).

Supply Update

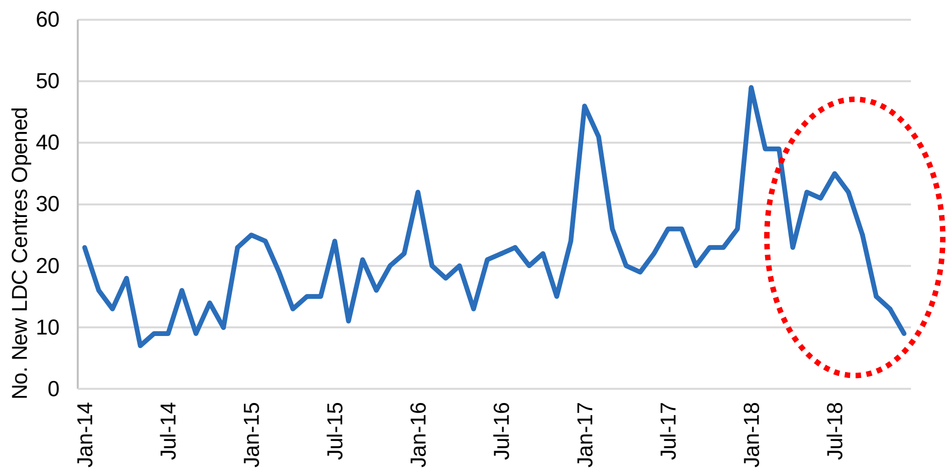
- As at December 2018 there were 7,574 Long Day Care (LDC) centres in Australia, growing by 4.7% for CY18
- Supply of new centres exceeded child demand growth for most of 2018 by an estimated 75 centres or 1.0%. The growth in new centres reduced in the last few months
- New supply is absorbing closures of older inefficient centres. 73 centres closed in CY18 (27 centres closed in CY17)
- In CY18 VIC and NSW had the greatest number of new centre openings (accounting for a combined 60% of the total new supply)
- Supply is expected to moderate in 2019 and beyond with higher barriers to entry becoming increasingly more difficult:
  - Bank lending criteria has tightened further
  - Councils approval processes are becoming more challenging
  - Operators continue to remain cautious in regards to location and centre selection and have decreased funding capacity
- Analysis indicates that ~60% of new centres are located in areas where the child-to-place ratio sits above 3:1

12 MONTH ROLLING AVERAGE – GROWTH IN:
LDC CENTRES (SUPPLY) AND CHILDREN USING LDC (DEMAND)



Source: CQE, Department of Education and Training, ACECQA

NUMBER OF NEW LDC CENTRES OPENED IN AUSTRALIA: 2014 – 2018



Source: Canaccord, CQE, Department of Education and Training

4. Outlook

East Brighton, VIC

Outlook

INDUSTRY CONDITIONS

- Industry conditions improving with increased demand and falling supply
- Mid 2018's short term occupancy softness appears to have been overcome
- Oversupply being absorbed by demand, new construction largely justified on a macro basis
- 2019 Federal Election may trigger a constructive revision of the CCS's new 'Activity Test'

ENHANCING RETURNS

- 9 market reviews achieved 7.8% increase overall
- Four new centre completions expected for FY19. Average overall yield on cost for the development pipeline has remained steady at 7.2% and will add further to the earnings base

GROWTH PROSPECTS

- Vendor expectations have moderated providing further opportunity for growth by acquisition
- Broader Charter Hall platform adds to existing expertise to enhance prospects and CQE's offering to its tenant base

DISTRIBUTIONS

- 100% occupancy expected early in 2H with recent rental growth metrics expected to be maintained
- Reiterate distribution guidance of 16.0cpu[22] for FY19, representing 6% growth on FY18

[22] Based on continued tenant performance and barring any unforeseen events and no material change in current market conditions.

5. Appendices

Paddington, QLD

Portfolio Overview

- WALE of 9.5 years
- Majority of leases are triple net leases - net effective rents
- Typical lease term from commencement; 15 years plus two 5 year options
- Most leases have a 5 year notice period to take up option
- Land rich assets – **90.8** ha of land
- Diversified tenant register – **31** tenants and growing
- **6.0%** passing freehold yield

As at 31 Dec 18	No.	Value ($m)	% of Total Property Assets	Passing Yield (%)
NSW/ACT	77	209.2	20.2	5.9
QLD	125	318.4	30.7	6.3
VIC	65	240.2	23.2	5.6
SA	19	38.9	3.8	6.6
WA	16	36.7	3.5	6.6
TAS/NT	4	8.9	0.9	6.2
New Zealand	48	75.7	7.3	6.0
Total Freehold	**354**	**928.0**	**89.6**	**6.0**
Leasehold	33	31.4	3.0	13.1
Total Operating	**387**	**959.4**	**92.6**	**6.2**
Developments[23]	26	76.7	7.4	
Total	**413**	**1,036.1**	**100.0**	**6.2**

As at 31 Dec 18	Value ($m)	% of Total Assets	Description
Folkestone CIB Units	17.3	1.6	15% ownership of a wholesale trust that owns 9 police stations and 2 courthouses leased to the Victorian government
Arena REIT Units	25.0	2.3	3.8% interest in ARF which invests predominantly in childcare
Total	**42.3**	**3.9**	

[23] Excludes sites not yet settled

Key Statistics

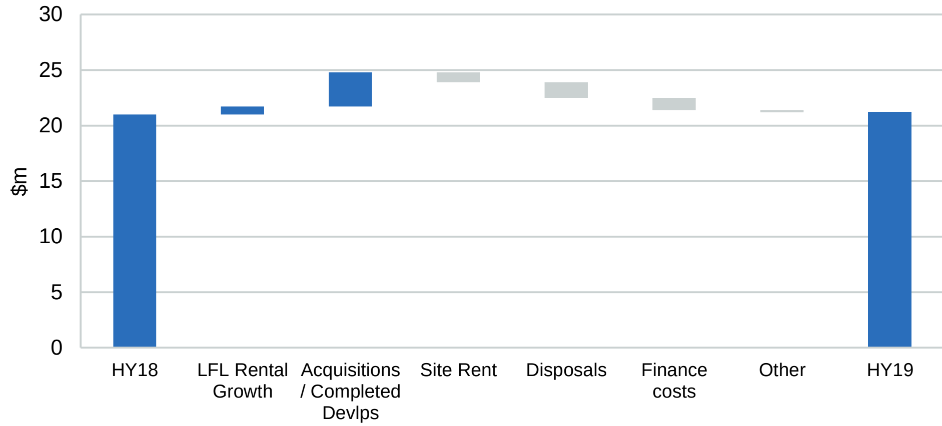
	FY15	FY16	FY17	FY18	HY19
NTA ($)	1.82	2.14	2.51	2.78	2.87
NTA Growth (Annualised) (%)	21.3	17.6	17.3	10.8	6.4
Weighted Average Passing Yield (%)	8.0	7.3	6.7	6.3	6.2
Weighted Average Lease Expiry (Years)	7.9	8.2	9.1	9.9	9.5
% Of Lease Income Expiring In Next 5 Years	5.6	11.3	12.0	15.8	15.1[24]
Like-for-like Rental Growth (%)	2.4	2.8	3.1	2.8	2.6
Major Customer % Of Income (Goodstart) (%)	63	59	56	50	49
Geographic Spread (% Rental Income)					
• NSW/ACT	26.2	25.8	26.4	24.7	24.8
• QLD	37.5	35.5	33.8	35.3	34.3
• VIC	16.9	19.8	21.2	22.9	23.1
• WA	3.7	3.9	3.7	3.5	3.9
• SA	6.0	5.3	5.7	5.3	5.6
• TAS/NT	1.1	1.0	1.0	0.9	0.9
• NZ	8.6	8.7	8.2	7.4	7.4
Market Rent Reviews					
Completed Number	54	65	127	34	9
Weighted Average Rental Growth (%)	4.3	5.5	4.7	4.7	7.8
Capital Management					
Gearing (%)	29.5	26.6	27.7	29.1	29.9
Weighted Average Cost Of Debt (%)	4.6	4.5	4.2	4.1	4.0
Weighted Average Debt Maturity (Years)	1.9	4.0	3.5	2.4	4.6
Interest Cover Ratio (x)	4.6	5.1	4.9	4.3	4.2

[24] 34% of leases due to expire in the next 5 years have options not yet due, with the remaining 66% providing an opportunity for CQE to renegotiate a positive outcome. Source: CQE

Profit & NTA Contributions

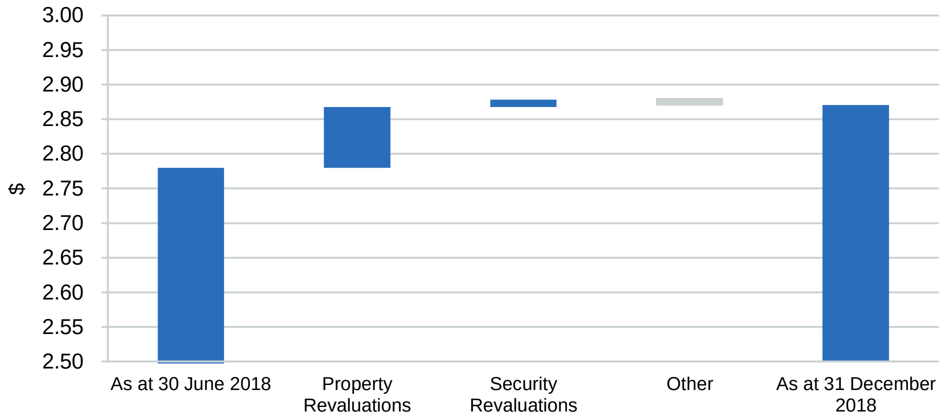
- Improvement in HY19 distributable income due to:
  - organic income growth of 2.6% ($0.7m increase)
  - increased income from acquisitions ($1.8m) / completed developments ($1.4m), less disposals ($1.4m) and lower site rent on development sites ($0.9m)
  - Finance cost increase by $1.1m due to higher level of borrowings during period (average debt balance $54.7m higher during period)
- Growth in NTA per Unit of $0.09 primarily due to:
  - property revaluations of $22.6m or $0.09 per Unit

DISTRIBUTABLE INCOME: HY18 TO HY19



Paddington, QLD

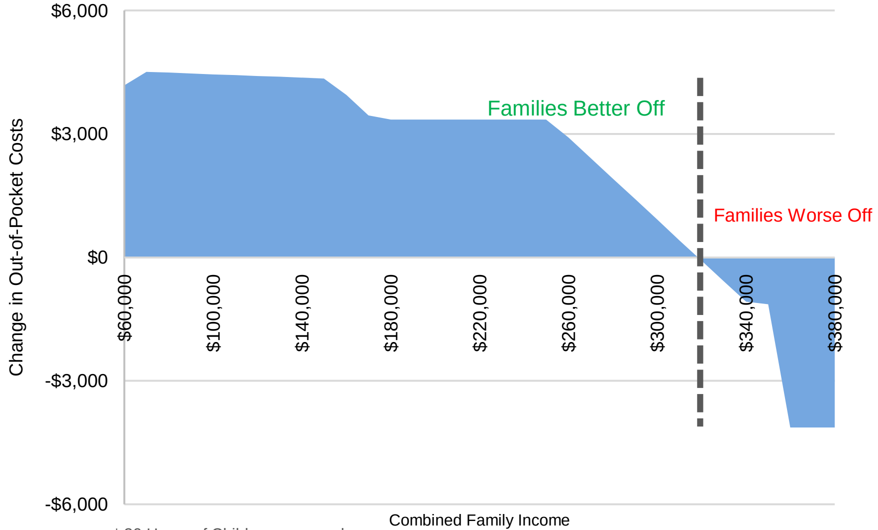
NTA PER UNIT: JUNE 2018 TO DEC 2018



Government Funding Update

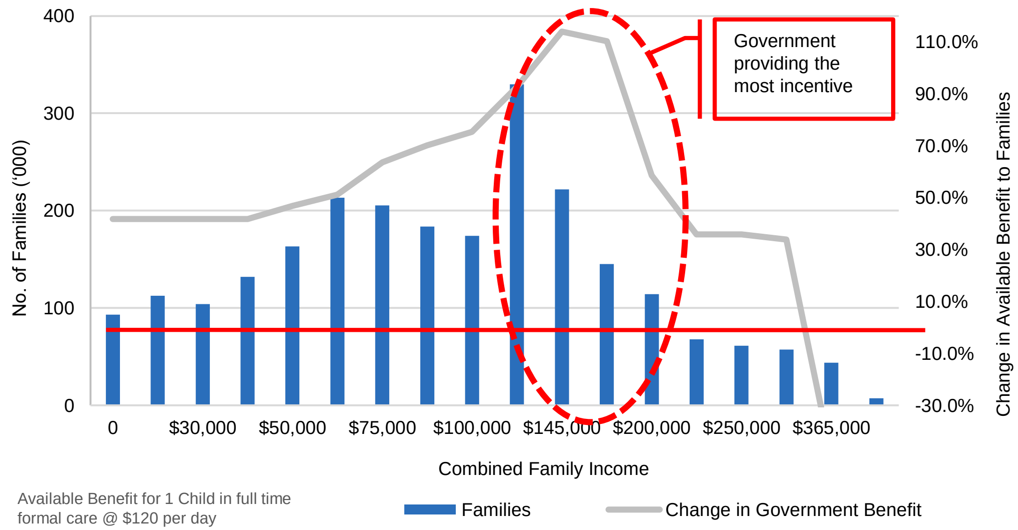
- New Government Subsidy package came into effect on 1 July 2018 providing an additional $3.5bn
- 94% of families (who meet the activity test) are better off under the new Subsidy
- The most Subsidy incentive is provided to families earning a combined income of $100,000 - $210,000. This has led to a neutral to small increase in centre occupancy
- Preschool education for 3 to 4 year olds is likely to be a pivotal issue in the next Federal Election
- Both NSW and VIC Governments have announced policies to increase preschool funding to include 3 year olds.
- Increased funding is likely to result in increased child enrolments and the need to increase the number of LDC's

EFFECT OF JULY-18 GOVERNMENT SUBSIDY CHANGE TO FAMILY OUT-OF-POCKET COSTS FOR LDC*



* 30 Hours of Childcare per week

CHANGE IN THE AVAILABLE BENEFIT TO FAMILIES



Available Benefit for 1 Child in full time formal care @ $120 per day

Sources: Centerlink, Department of Education and Training, Productivity Commission, ABS, OEDC.org

Childcare Regulations And Funding

Government Funding Structure post 1 July 2018	
Activity Tested	Fortnightly assessment of work / study activity determines the number of subsidised hours received as follows: • 8-16 hrs activity → up to 36 hrs subsidy • 17-48 hrs activity → up to 72 hrs subsidy • 49 hrs activity → up to 100 hrs subsidy
Means Tested	1. Under $65k p.a. family income • 85% rebate of actual fee or benchmark price • No cap 2. $65k to below $250k p.a. family income • 50%-85% rebate of actual fee or benchmark price; • No cap / child or **$10,000 cap / child p.a.** for families earning over $185k p.a. 3. $250k p.a. to below $350k p.a. family income • Tapering to 20% rebate of actual fee or benchmark price 4. Above $350k p.a. family income • No rebate
Impact	• Should increase accessibility of services to those who require it most • Should increase labour supply and female workforce participation rate • Simpler than the current multi-payment system

Sources: Centerlink, Productivity Commission

Charter Hall Sustainability Strategy – For the Future

ECO INNOVATION

Deliver smart solutions that make a difference for our customers and the planet by:

- Developing more efficient and lower ecological footprint buildings by including:
    - Solar hot water
    - Low water using gardens
    - Bicycle racks for employees
    - Energy efficient lighting and appliances
    - Rainwater harvesting to reduce potable water consumption
- Developing an approach to increase the resilience of the portfolio from a changing climate

BUILDING COMMUNITY

Increase community value and social cohesion in the places we create by:

- Further increasing engagement with our stakeholders and providing better opportunities
- Building our Pledge 1% opportunities within the early learning communities

ENHANCING WELLBEING

Enhance people's wellbeing at work and in our supply chain by

- Developing collaborative partnerships to enhance wellbeing and opportunities for stakeholders

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