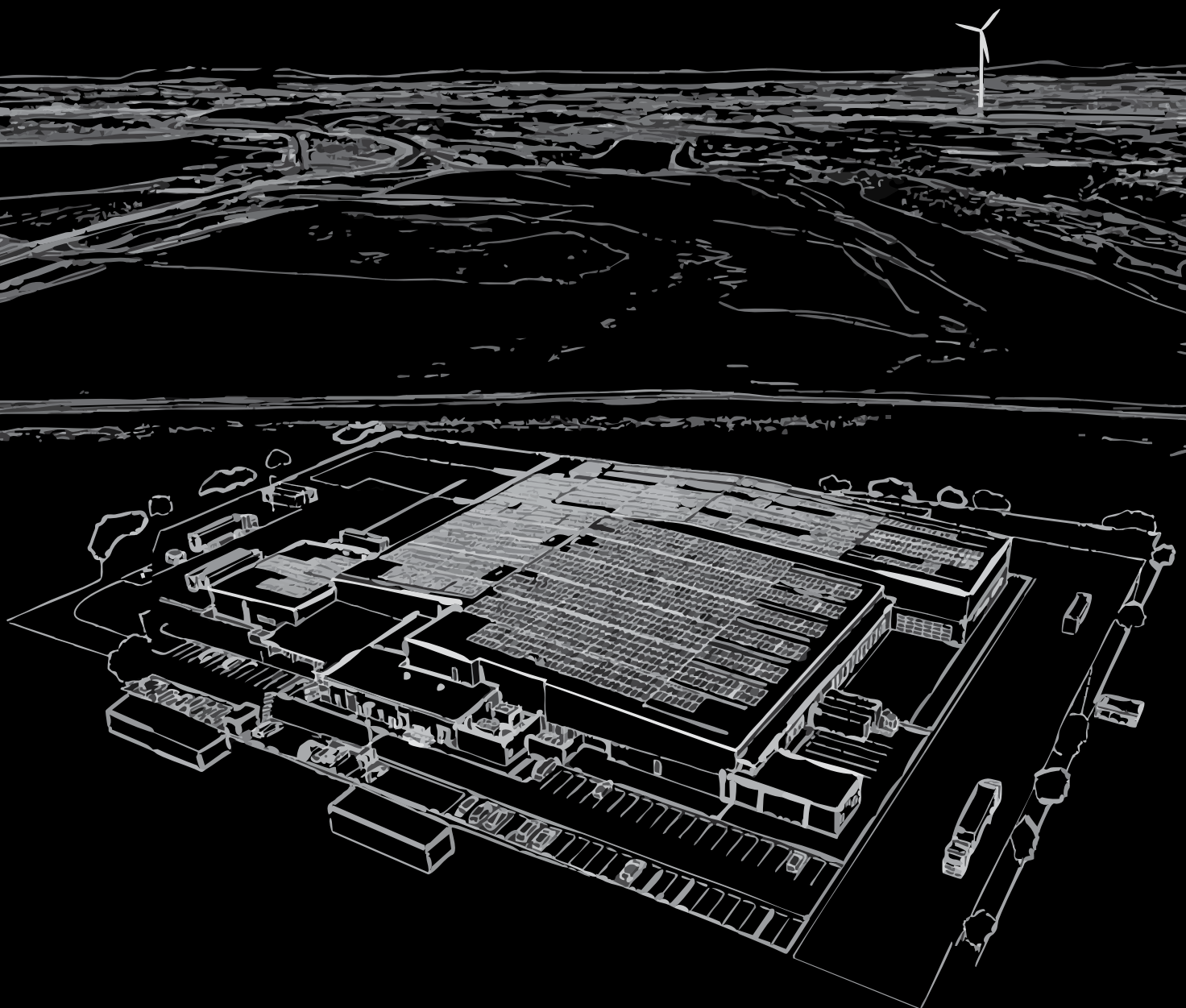

Centuria

Centuria Capital Group

Climate-related disclosures

For the period ended 30 June 2025



Acknowledgement of Country

Our group manages property throughout Australia and New Zealand. Centuria pays its respects to the traditional owners of the land in each country, to their unique cultures and to their elders past and present.

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13 GARDEN STREET, EVELEIGH NSW



2 PHILLIP LAW STREET, CANBERRA ACT

Introduction

Welcome to this report

At Centuria Capital Group, we are working towards further incorporating sustainability-related factors into our operations and investment approach, as described within this report.

Throughout the last year, the globe continued to be affected by severe weather events, including widespread major flooding in northern Australia for the second successive year, and a significant heatwave in Western Australia, which saw temperatures of 49.9°C.¹ 2024 was the warmest year in the World Meteorological Organization’s 175-year observational record with a global mean near-surface temperature of 1.55 ± 0.13°C above the 1850-1900 average.²

Effectively addressing climate-related risk and reducing greenhouse gas (GHG) emissions will require the coordinated efforts of governments and organisations. In addition to the environmental impacts of climate change, there are business implications relevant to those who invest in our schemes and trusts. In order to retain investors’ ongoing support for our sustainability approach, we must present regular and transparent updates of our actions – which we have set out to do in this report.

This report is Centuria’s voluntary response to certain aspects of the Australian Sustainability Reporting Standard S2, *Climate-related Disclosures (AASB S2)* developed by the Australian Accounting Standards Board (AASB). As we prepare for mandatory reporting, we have continued to share information on Centuria’s current approach to climate-related governance, strategy, risk management, and metrics and targets.

These climate-related disclosures are based on Centuria Capital Group and its controlled entities’ current assessment of climate-related risks and opportunities, and contain forward-looking statements which are subject to risks, uncertainties and assumptions. These forward-looking statements are not, and should not be considered to be guarantees, predictions or forecasts of future climate-related outcomes, financial performance or share prices. These statements are subject to change, known and unknown risks, uncertainties and other factors. Many of these issues are beyond Centuria’s control. Readers of these climate-related disclosures should not place undue reliance on forward-looking statements in light of the significant uncertainty in the data and other information, including climate metrics and modelling, that limits the extent to which they are useful for decision-making, and the many underlying risks and assumptions that may cause actual outcomes to differ materially. This important information should be read together with the disclaimer on page 39. Please consider these important disclaimers when reading the forward-looking statements in this report.

1. <https://www.csiro.au/en/news/All/Articles/2024/November/State-of-the-Climate-2024>
 2. <https://wmo.int/publication-series/state-of-global-climate-2024>

Who is Centuria?

Centuria Capital Group (ASX:CNI) is a leading real estate fund manager with \$20.6 billion¹ of assets under management in Australia and New Zealand. The Group manages a range of investment products, with listed and unlisted real estate funds representing approximately 95% of our total assets under management.

Our unlisted real estate funds platform includes single and multi-asset closed-ended funds and multi-asset open-ended funds. Meanwhile, our listed real estate investment trusts (REITs) include Centuria Industrial REIT (ASX:CIP) and Centuria Office REIT (ASX:COF) in Australia and Asset Plus Limited (NZX:APL) in New Zealand.

For the purposes of this report, 'Centuria', 'the Group', 'we', 'our' and 'us' refer to Centuria Capital Group and its subsidiaries. Centuria Office REIT (ASX: COF) and Centuria Industrial REIT (ASX: CIP) are collectively the 'listed funds'.

Centuria's purpose

We seek to transform real estate opportunities into compelling investments, which can create sustainable long-term value for our stakeholders and bring benefits to the communities in which we operate.



12-13 AND 14-17 DANSU COURT, HALLAM VIC

1. As at 30 June 2025.

1. In the context of Centuria's purpose statement, Centuria Capital Group defines stakeholders as our investors, our tenant customers, our colleagues and our lending partners.

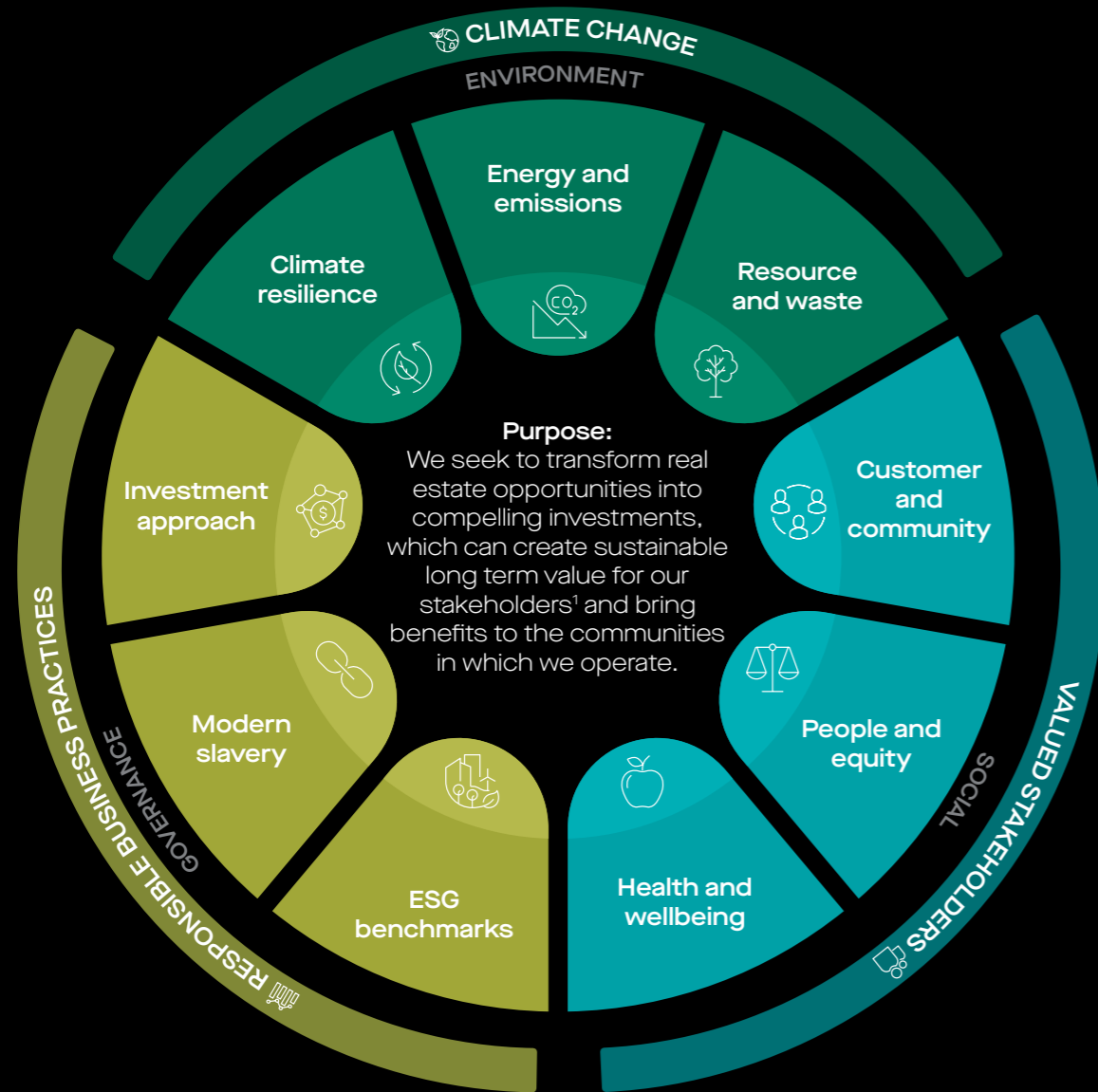
Our Sustainability Framework

Our approach to ESG is defined by our Sustainability Framework, a framework that outlines our ESG focus areas and helps to guide our related initiatives. These include climate change-related initiatives, which are addressed through one of the sustainability pillars 'climate change'.

Centuria's Sustainability Framework, revised in 2024, helps to drive the interaction and interdependence between Centuria's purpose, sources of value and business ESG strategy, while seeking to consider the interests of key stakeholders, as we understand them. It comprises three pillars, the first of which is our focus in this report:
















- Environment: Climate change
- Social: Valued stakeholders
- Governance: Responsible business practices

At Centuria, we are seeking to better understand the environmental, social and governance (ESG) implications of our operations and how we can effectively respond to these going forward.



1. In the context of Centuria's purpose statement, Centuria Capital Group defines stakeholders as our investors, our tenant customers, our colleagues and our lending partners.

We have developed the Centuria Sustainability Framework to help us better understand the ESG impacts of our activities and to assist in driving improvements in those impacts through our ESG strategy.

	 Climate change	 Valued stakeholders	 Responsible business practices
Objective	Environmental outcomes that can help to mitigate climate-related risks and enhance opportunities.	Create shared value with our stakeholders.	Maintain honest, transparent and respectful business practices.
Overview	Increasing severity in weather patterns have the potential to impact both Centuria's business and the communities in which we operate. In response, we are striving to build strategic resilience into our operations and reduce the impact of future potential climate-related risks, both physical and transitional, in assets we manage.	For the purpose of the Valued Stakeholders pillar, we define valued stakeholders as customers, tenants, investors, suppliers, government, industry bodies, employees and communities in which we operate. As an asset and fund manager, we are working to understand how we can create shared value with these groups for our mutual benefit.	Centuria seeks to achieve honest, transparent and responsible business practices by investing in both our processes and people. By integrating ESG measures into our governance framework – including our Sustainability Framework – we aim to continue building an ethical and collaborative culture.
Focus areas	 Climate resilience Build strategic resilience to potential future impacts of climate change.	 Customer and community Engage our customers and community to create shared value.	 Investment approach Embed ESG considerations into our asset acquisition processes.
	 Energy and emissions Monitor and reduce energy consumption and GHG emissions in line with Centuria's targets.	 People and equity Focus on promoting growth for our people and encourage diversity, equity and inclusion.	 Modern slavery Seek to minimise modern slavery in our supply chain.
	 Resources and waste Manage natural resources and minimise waste.	 Health and wellbeing Prioritise the health and wellbeing of our staff and customers.	 ESG benchmarks Where appropriate, assess assets and portfolios against relevant ESG benchmarks and explore third party sustainability certifications such as Green Star.
Alignment to UN SDGs			

Centuria's activities and progress across all three pillars of the Sustainability Framework in both New Zealand and Australia are detailed in **Centuria's Annual Sustainability Report**.

Progressing towards our targets

Buildings account for a significant portion of both Australia's energy use and emissions.¹ As the manager of real estate funds, Centuria's role includes the management of potential climate-related risks (both physical and transitional) across our property portfolios. By working to integrate certain sustainability considerations into our investment approach and operations, we aim to build resilience to the future impacts of climate change across the Centuria portfolio and to reduce our GHG emissions.

In FY25, Centuria continued to focus on building climate resilience preparedness across our business. The AASB will require mandatory climate-related disclosures, and we are working to ensure our readiness for mandatory reporting. With clear emissions reduction targets launched in FY23, we built on our climate-related scenario analysis work undertaken in FY24 and have commenced assessing how climate-related risks and opportunities may impact our business, including the listed funds (see page 18-24).



1055 NUMURKAH ROAD, KATUNGA VIC

Centuria's emission reduction targets



Centuria is targeting zero scope 2 emissions by 2035, with CIP and COF targeting 2028¹



Centuria and COF are targeting the elimination of gas and diesel in operations where practicable (scope 1) by 2035²

CIP has not set a scope 1 emission reduction target as the fund owns and operates minimal equipment captured within the boundary of the target, and associated diesel and gas consumption has been assessed as immaterial to the fund's total emissions profile.

Centuria NZ has adopted the Centuria emission reduction targets, with modifications to the scope 1 target parameters and to the approach for achieving zero scope 2 emissions, as outlined in the **New Zealand Climate Statements**.

1. Centuria, CIP and COF will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of onsite solar and large-scale generation certificate deals which match our consumption.
 2. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by Centuria and COF. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's emission reduction target.

1. <https://gbca-web.s3.amazonaws.com/media/documents/gbca-sustainable-finance-final.pdf>

Governance

Objective: To enable users of general purpose financial reports to understand the governance processes, controls and procedures Centuria uses to monitor, manage and oversee climate-related risks and opportunities.

Board oversight

The Centuria Capital Group Board (Board) bears ultimate accountability for overseeing the management of sustainability risks and opportunities across the Group, including those related to climate. In addition, the Board retains overall accountability for the Group's risk profile. The Board meets at least monthly or as required and the directors carry out their responsibilities with the support of the following Committees:



Culture and ESG (CESG) Committee, which is accountable to the Board and works primarily in an advisory capacity. The CESG Committee is tasked with recommending a CESG strategy and Sustainability Framework for endorsement by the Board and overseeing any climate-related targets set. The Board is ultimately responsible for approving the ESG strategy and emission reduction targets. The CESG Committee meets quarterly, or more often if needed. Minutes of each meeting are presented at the following Board meeting where applicable. The CESG Charter (revised in FY24) sets out the Committee's responsibilities, include overseeing Management's approach to the identification and management of climate-related risks and opportunities.

The CESG Committee receives quarterly updates from the Group Manager of Sustainability on climate-related risks and opportunities identified during FY24, when relevant. In FY25, these updates have focused on the ongoing work to assess the business impacts associated with these risks and opportunities.

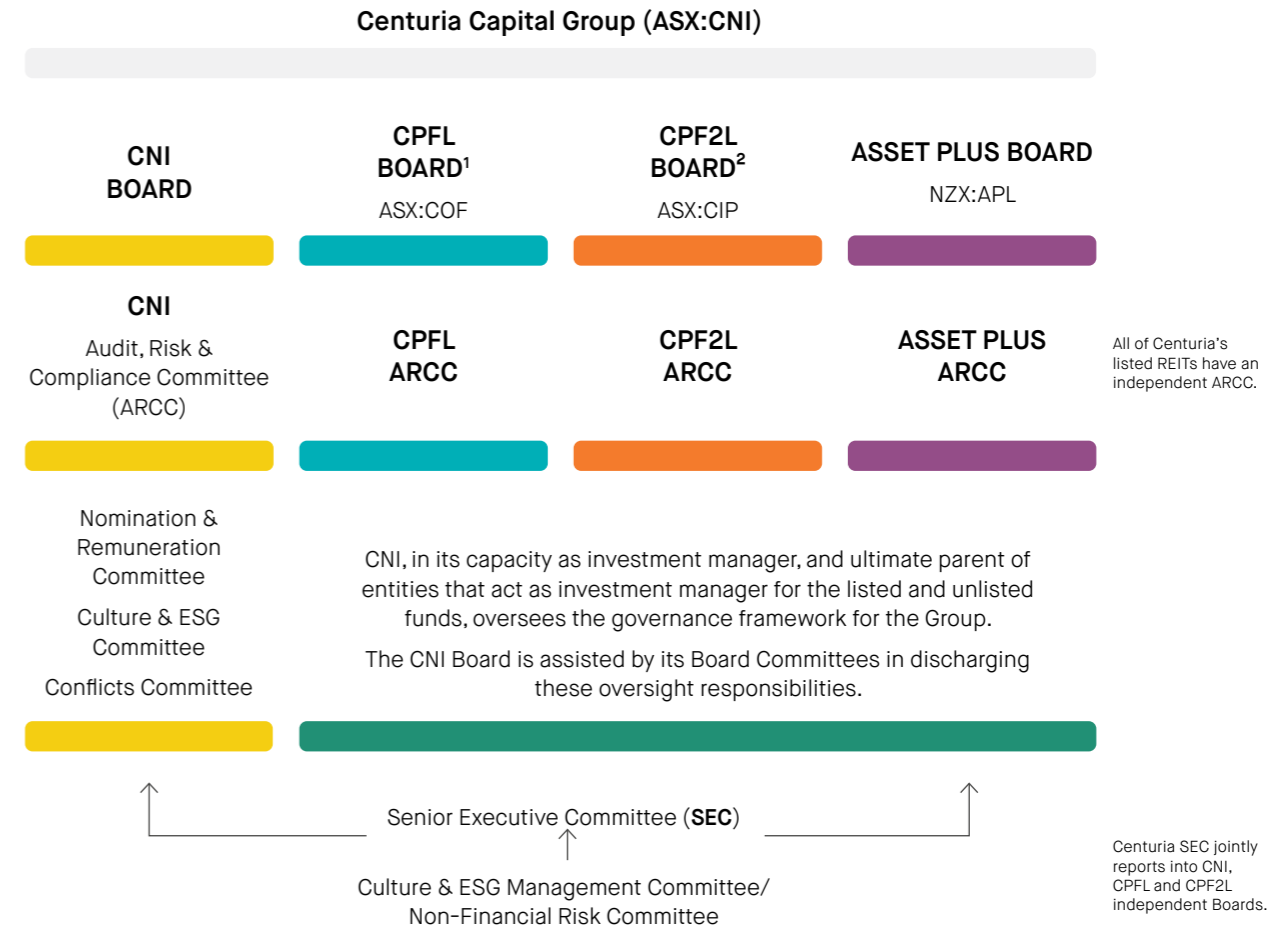


Audit Risk and Compliance Committees (ARCCs), which meet quarterly to consider relevant material risks that may apply to the Group (including those related to physical climate-related risks where applicable), along with Management's proposed strategies for mitigating or controlling these risks. There is an ARCC for each of Centuria's responsible entities.



Senior Executive Committee (SEC), which holds a specific risk meeting quarterly, and is responsible for providing a Senior Management review of material risks and key controls across the Group (including those related to physical climate-related risk where applicable) and developing appropriate responses. The Board is responsible for approving Centuria's Sustainability Framework, which includes climate resilience as a key focus area, and was last updated in FY24. In FY24, climate-related risks and opportunities relevant to Centuria Capital Group and its controlled entities' were identified through a scenario analysis workshop (detailed on pages 22-23) and endorsed by the CESG Committee.

To align with Centuria's group-wide ESG Policy, due diligence for new acquisitions incorporates climate-related risks and opportunities. Specific considerations include assessing an asset's physical resilience to the potential future impacts of climate change, reviewing third party green building certifications and evaluating onsite fossil fuel use. Material climate-related risks identified and a proposed mitigation approach must be described in the papers seeking approval for the acquisition, for review by the SEC and the relevant Board.



To ensure the Board has access to the appropriate skills and competencies to oversee climate-related risks and opportunities, internal expertise (such as the Group Sustainability Team) and external specialists (such as climate consultants) are engaged as required. The Group Sustainability Team and Group Finance Team participate in relevant climate-related disclosure working groups facilitated by industry bodies and attend relevant industry briefings to maintain expertise in this area.

Currently, performance against climate-related metrics and targets is not expressly incorporated into employee remuneration, with the exception of Key Management Personnel. However, all employees have a specific key performance indicator (KPI) requiring compliance with any policies and procedures applicable to their role and duties, including the ESG Policy.

Achievement of this KPI is reflected in short-term remuneration incentives (STIs).

Centuria's Joint CEOs, Jason Huljich and John McBain, ultimately oversee the performance of Centuria's management. Their STIs include specific sustainability requirements as outlined in the **CNI remuneration report**.

1. Centuria Property Funds Limited (CPFL) is the responsible entity for COF and other Centuria unlisted funds.
2. Centuria Property Funds No. 2 Limited (CPF2L) is the responsible entity for CIP and other Centuria unlisted funds.

The role of management

Last year, the climate-related risks and opportunities relevant to Centuria Capital Group and its controlled entities were identified across three climate-related scenarios. This was done through a risk and opportunity workshop (see page 20 for details), facilitated by the Group Manager of Sustainability, in conjunction with an external specialist consultant. Centuria's SEC and New Zealand's Senior Management Team (SMT) along with senior level representation from the funds management, finance, marketing, investor relations, development, operations and risk teams, were actively involved in this process.

The Centuria SEC reviews all asset acquisitions made by Centuria Capital Group, including its controlled entities. In line with ESG Policy and to the extent relevant, the SEC considers an asset's climate-related physical resilience to the future potential impacts of climate change, third party green building certifications and onsite fossil fuel use. This review is prepared by the investment team prior to presentation to the Centuria SEC.

The Centuria SEC meets fortnightly, providing another routine forum to monitor any material climate-related risks identified. No material climate-related risks were identified during FY25. Centuria's SEC is also guided by the CESG Committee outcomes, as explained on page 12.

Quarterly, the Group's material risk register is reviewed, updated and presented to the relevant ARCC.

In FY25, Centuria built on the scenario analysis work completed the previous year (see page 16), initiating the assessment of potential business impacts associated with Centuria Capital Group and its controlled entities' climate-related risks and opportunities, referred to as Climate Related Exposures (CREs). A series of business impact workshops were held, where CREs were examined for their potential impact across different parts of the business. This process involved senior leaders from across Centuria and is detailed on page 24.



NORTHLANDS PLAZA, BALCATTWA

Strategy

Objective: To enable users of general purpose financial reports to understand Centuria's strategy for managing climate-related risks and opportunities.

Scenario analysis

In FY24, a key focus for Centuria was to identify and assess climate-related risks and opportunities relevant to Centuria Capital Group and its controlled entities against three future climate scenarios. Guided by the International Financial Reporting Standards (IFRS) and Task Force on Climate-Related Financial Disclosures (TCFD) recommendations (as shown to the right), Centuria's climate-related scenario analysis involved the creation of three future climate scenarios. These scenarios served as a foundation for identifying climate-related risks and opportunities, assessing potential impacts on the Group and its controlled entities, and informing our disclosures.

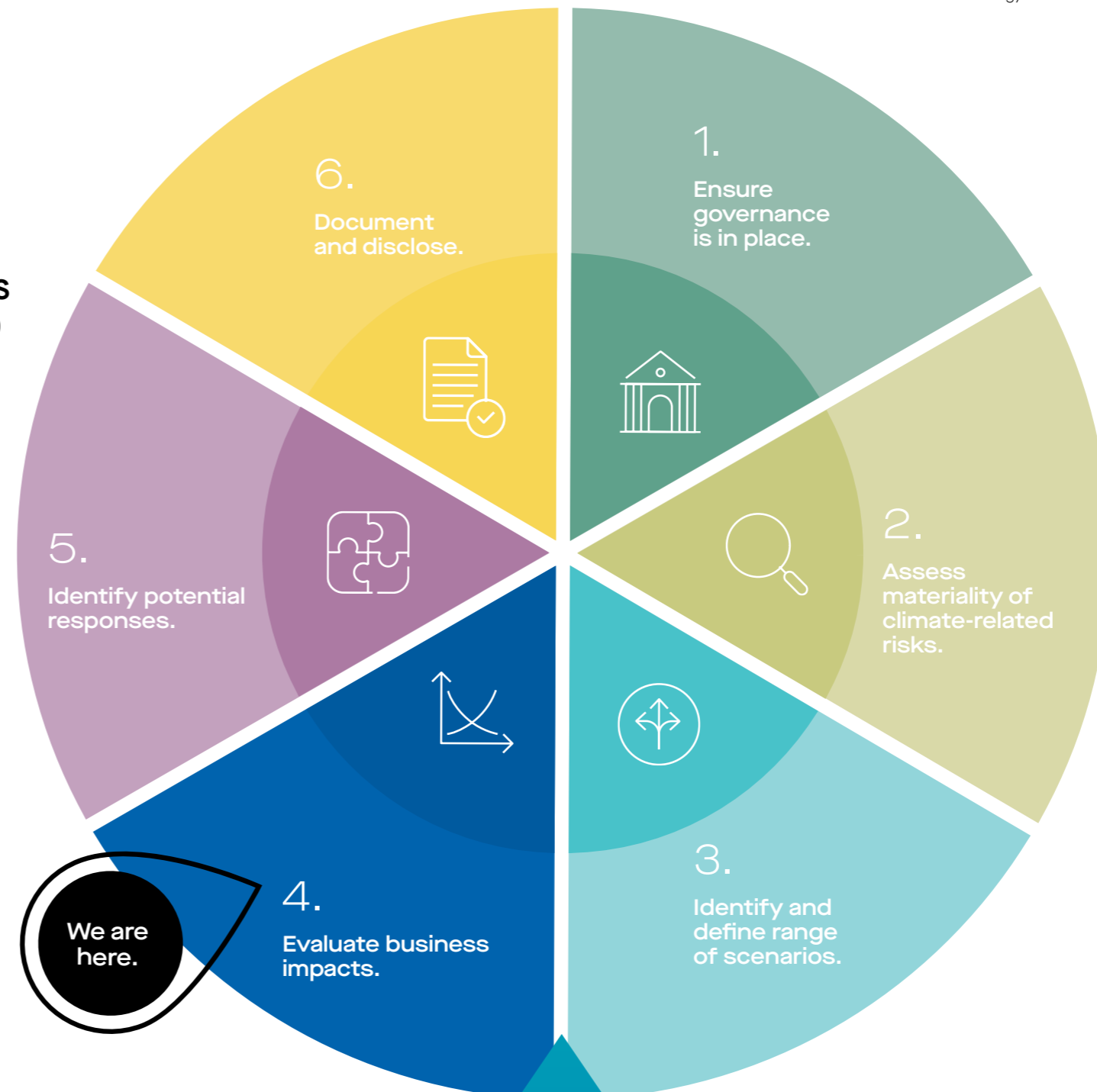
Centuria acknowledges the uncertainty and limitations involved in using future climate scenarios and their climate-related impacts. The uncertainty may impact Centuria's projections and risk and opportunity identification. We acknowledge that scenario analysis is an evolving practice and that our approach to scenario analysis may change over time. We aim to review our scenarios and scenario analysis when new, materially significant content becomes available, such as the release of the next iteration of the IPCC Assessment Report.

Centuria's scenario analysis approach (guided by the IFRS and TCFD recommendations)

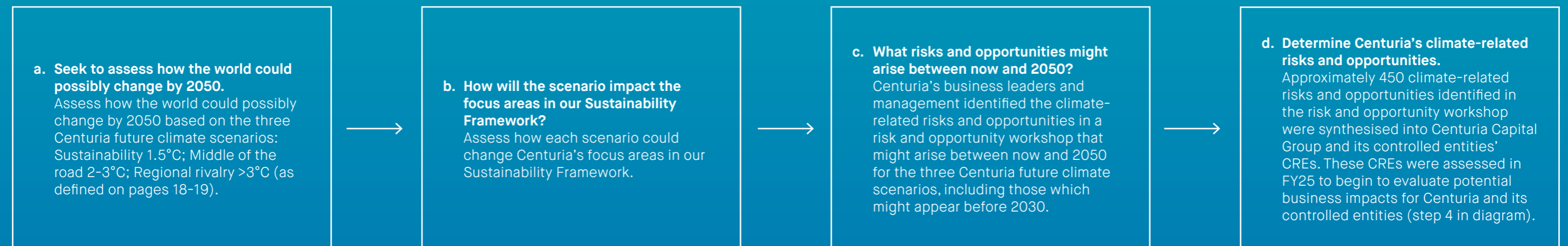


What is scenario analysis?

A process for identifying and assessing a potential range of outcomes of future events under conditions of uncertainty.



Our process between steps 3 and 4 is:



The three scenarios developed are long-term scenarios:

Centuria's climate scenarios

The IPCC is the peak global body for assessing the science related to climate change and has released Assessment Reports every 5-7 years for the last 20 years. These Assessment Reports, reviewed by experts and member governments of the UN or World Meteorological Organization, provide a comprehensive summary of what is known about the drivers, impacts and future risks, and how adaptation and mitigation can reduce those risks. As part of the Assessment Reports, the IPCC releases updated future climate scenarios developed by scientific, economic, technological and policy experts, which set the global standard for climate scenarios. Currently the scenarios are based on Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs), which provide socioeconomic and emissions projections respectively. The IPCC's baseline SSPs are Sustainability, Middle of the road, Regional rivalry, Inequality and Fossil-fuelled development. Centuria has adopted the IPCC SSP names for its climate scenarios.

Centuria's scenario analysis has built upon the AR6 IPCC climate scenarios to enable further regional and sectoral specificity. To complement the IPCC scenarios, scenario data was also drawn from other sources, including the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS). These additional sources have utilised the IPCC data and are aligned with the IPCC SSP and RCP scenarios – providing data on topics such as national gross domestic product (GDP), energy efficiency and materials decarbonisation. This approach has enabled Centuria to develop scenarios that provide information relevant to our operating environment, allowing us to better identify the climate-related risks and opportunities that the business may face in the future. Modelling has not been undertaken for Centuria's climate scenarios, as they are derived directly from these projections.

The Centuria climate scenario 'Middle of the road' is expected to test Centuria's exposure to the continuation of existing trends (2-3 degrees), the 'Sustainability' scenario is expected to test exposure to high climate-related transition risk e.g. exposure to future potential mandated carbon taxes (1.5 degrees), and the 'Regional rivalry' scenario is expected to test exposure to high levels of climate-related physical risk e.g. sea level rise (>3 degrees).

Centuria's climate scenarios were reviewed and endorsed by the Board in FY24 following review by the Centuria C&ESG Committee. There have been no changes to the scenarios since being endorsed in FY24.

 Sustainability 1.5°C SSP1-RCP1.9	 Middle of the road 2-3°C SSP2-RCP4.5	 Regional rivalry >3°C SSP3-RCP7.0
Society-driven changes result in reduced consumption and rapid decarbonisation, a greater focus on wellbeing, improved nature outcomes and higher ESG expectations for companies and governments. The worst impacts of climate change are avoided, although extreme weather events are more common compared to what we experience today.	Continuation of current socio-economic trends and economic growth, along with rapid decarbonisation of the economy. There is a clear national policy context, a price on carbon, and high ESG expectations for corporates. As temperatures rise, the severity of climate change impacts from weather events continue to increase.	Breakdown in global collaboration towards climate change results in protectionism, inequality and breakdowns in global supply chains. Extreme weather events become more frequent and severe which, along with a growing global population, place intense pressure on energy, food and natural resources.

2100 temperature change	Less than 1.5°C	2-3°C	More than 3°C
IPCC scenario	SSP1-RCP1.9	SSP2-RCP4.5	SSP3-RCP7.0
Peak emissions year	2025	2030	2075
Net zero by	2080	2100	N/A
2100 population	7-8 billion	9-10 billion	10-12 billion
2100 sea level rise	0.5 metres	0.6 metres	0.7 metres
2050 net forest loss	N/A	1%	4%
Global consumption	Strong decrease	No change to current settings	Short-term increase, long-term decrease
Global collaboration	Strong increase	No change to current settings	Strong decrease
Climate policy	Strong increase in ambition	Gradual increase in ambition	Strong decrease in ambition
2050 cost of carbon (USD)	>\$100/tonne	\$40/tonne	<\$20/tonne
Nature based carbon sequestration	Significant	Moderate	Limited
Technology change	High change including advancements in negative emissions technologies	Balanced and gradual change including selective deployment of negative emissions technology	Slow change with a focus on resiliency

Risk and opportunity identification

Once the climate scenarios were created, leaders across all business units and funds were engaged to provide their diverse perspectives and inputs through a risk and opportunity workshop, held in FY24.

The risk and opportunity workshop was delivered to Centuria's senior and middle managers, including the entire Centuria SEC and members of the Centuria NZ SMT. Its purpose was to leverage their expertise to identify the climate-related risks and opportunities for Centuria Capital Group and its controlled entities between now and 2050 under the three Centuria future climate scenarios.

Prior to their attendance at the workshop, participants completed an ESG topic materiality survey. This survey required the participants to consider and rate a range of ESG issues in terms of their potential impacts on the resilience of Centuria. The results provided insight into the ESG issues considered most important by the business and generated a shortlist of 30 top ESG material issues, which were discussed at a high level for each scenario during the workshop. This process aimed to demonstrate how materiality may change over time within each scenario, assisting with the identification of climate-related risks and opportunities.

During the workshop, participants were introduced to the concept of climate-related scenario analysis, gaining an understanding of how this approach could enhance resilience under a range of potential future climate states. From there, they were shown videos describing each of the three scenarios, including indicators of change and a qualitative narrative for each one. The NGFS and IPCC data were utilised across all scenarios to provide direct comparisons, including temperature increase, cost of carbon by 2050, peak emissions year, GDP per capita, population change and inequality.

Armed with these insights, participants were then asked to do a deep dive into the three scenarios, brainstorming as individuals to consider how each one could impact Centuria's market, products and capabilities, supply chain, operations, reputation and brand. Participants then worked in small groups to combine individual risks and opportunities by common theme and prioritised them based on the likelihood of them emerging as a material issue over the next 10 years.

Following the workshop, approximately 450 individual climate-related risks and opportunities were synthesised into Centuria Capital Group and its controlled entities' CREs.









69 STUDLEY COURT, DERRIMUT VIC




Climate-related exposures (CREs)

Through Centuria's risk and opportunity workshop, management identified relevant physical and transitional CREs. The CREs capture our current understanding of both the risks and opportunities that Centuria and the underlying property funds it manages may be exposed to in the long term (greater than 10 years). The CREs may evolve when future IPCC Assessment Reports are released.



818 BOURKE STREET, DOCKLANDS VIC

CRE	Description	Category
Risk/opportunity: Transitional		
	Access to capital Changing expectations of investors and capital partners and the associated impact on access to, and cost of, capital.	Market
	Changing regulatory requirements Addressing changing regulatory obligations amid shifting climate policies and incentives.	Policy
	Cost of carbon How the introduction of a mandatory price on carbon could affect Centuria, CIP and COF's property and operations.	Policy
	Demand for sustainable and resilient assets Ensuring that Centuria, CIP and COF's assets are focused on and deliver environmental performance and climate resilience in a world affected by changed climate.	Market
	Reputation and stakeholder expectations The changing expectations of tenants as the economy transitions to address the impacts of climate change.	Reputation
	Supply chain impacts Supply chain disruptions arising from the impacts of climate change.	Supply chain

CRE	Description	Category
	Product and service offering Ensuring that Centuria's products and services adapt and evolve in response to market trends, climate change and geopolitical environments.	Market
	Culture and capability Continued focus on Centuria's culture and capability to maintain workforce engagement and social license to operate.	Reputation
Risk/opportunity: Physical		
	Physical climate change impacts Physical climate change impacts on the Fund's property, operations and markets, including insurance.	Acute or chronic physical risk

Business model and value chain

Once our CREs had been identified, a series of business impact workshops were held with senior leaders across the Australian business. The goal of each workshop was to test Centuria's CREs for their potential current and anticipated effects on CNI and the listed funds' business model and value chain.

The workshops, facilitated by the Group Manager of Sustainability and our technical climate consultant, comprised nine 90-minute sessions involving senior leaders from across all business units, with a representative from finance attending over half of the workshops. Held in small groups, the workshops asked attendees to consider how Centuria Capital Group and its controlled entities' CREs could impact their particular business unit or fund. The process was scenario-agnostic, meaning that participants weren't asked to consider our three climate scenarios separately.

Each group was asked to analyse their relevant sector's exposure to the CREs based on the approach in ISO 31050 Risk Management – Guidelines for managing an emerging risk to enhance resilience. The Centuria risk framework was utilised during the workshop to allow participants to assess the expected inherent impact of the CRE, identify mitigants, and evaluate the effectiveness of the mitigant following its implementation. Participants also assessed the likely time horizon for the anticipated business impact.

For each workshop, the following approach was taken:



Mapping.

Prior to the workshop, Centuria's business models and value chains were mapped as inputs, activities and outputs. The aim of this was to provide workshop participants with a visual representation of their businesses during the workshops (see step 3 below).

Inputs and outputs were broken into 3 groups: financial, goods and services and stakeholders, while activities were specific to each fund or business unit.



CRE review.

Each workshop began with a recap of the 9 CREs, which were identified in the initial risk and opportunity workshop held in February 2024. A review of the three Centuria climate scenarios was also provided as background on how the CREs were determined. Participants were then asked to rank the CREs based on their expected impact on the participant's business unit. This ranking determined the order in which the CREs were assessed during the workshop (allowing us to prioritise our time and efforts).



Consideration of material impact drivers.

Referring to the pre-prepared map of Centuria's business models and value chains, participants were then asked to identify which core inputs, activities, and outputs (specific to their business unit or fund) were most likely to be impacted by the Centuria CREs.



Business impact.

Having determined which core inputs, activities and outputs could be impacted by each CRE, the next challenge was considering how they could be impacted – and what controls would be required to mitigate the impact. The information collected during this stage enabled the determination and materiality of the inherent impact.



Risk assessment.

During the final stage of the workshop, participants applied the Centuria risk management framework to assess the effectiveness of their proposed mitigation measures, along with the expected time horizon for the potential impact to be realised, enabling residual risk to be determined.

Results of these business impact workshops are being considered internally with an update on the results to be presented in future climate-related reporting.



Time horizons - CREs

CRE	Description
Short (0-2 years)	Aligns with the immediate strategic planning priorities for assets including leasing, capital expenditure, debt management and investor distributions.
Medium (3-10 years)	Aligns with typical lease terms, asset hold periods, capital expenditure and financial modelling horizons.
Long (greater than 10 years)	Aligns with major development or capital expenditure life cycle planning.

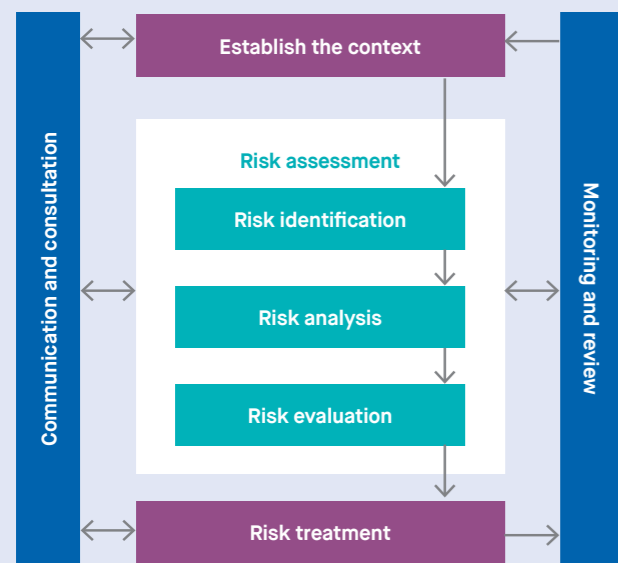
Risk management

Objective: To understand Centuria's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform Centuria's overall risk management process.

Identifying, assessing and managing climate-related risks

Centuria recognises that effective risk management can not only help us to avoid undesirable outcomes but can also enable us to achieve our strategic objectives and goals. Our Risk Management Framework has been implemented across Centuria Capital Group and its controlled entities to assist us in identifying and managing material risks, managing capital and ensuring risk informed decision making. By adhering to this framework, we seek to ensure that material risks can be understood, measured and reported against, and that Management manages risk to remain within the Boards' set parameters.

Centuria has adopted the following risk management process, which is consistent with the AS/NZS ISO 31000 Risk Management – Principles and guidelines.



6 MUNROE LANE, ALBANY, AUCKLAND

When assessing risks for Centuria Capital Group and its controlled entities, a qualitative approach is used, which describes the likelihood of a risk occurring and the potential magnitude of consequences. Using these assessment mechanisms, we follow the same process to assess all risks:

- Identify the risk.
- Determine the inherent risk rating (before consideration of mitigating controls).
- Identify the controls and mitigation strategies.
- Rate the adequacy of these controls.
- Determine the residual risk rating (after controls).
- Determine whether to transfer, avoid, implement further controls (risk treatment) or accept the residual risk having regard for the Board's risk tolerance.
- Monitor and review all material risks.

As outlined on page 24, Centuria's time horizons are short (0-2 years), medium (3-10 years) and long-term (greater than 10 years).

To align with Centuria's group-wide ESG Policy, due diligence for new acquisitions identifies and manages climate-related risks and opportunities. Specific considerations include assessing an asset's physical exposure to the future potential impacts of climate change, reviewing third party green building certifications and evaluating onsite fossil fuel use.

Our risk management process has also been further systemised in FY25, through the implementation of a new governance, risk and compliance system: Protecht – which was selected to support readiness for APRA's new Prudential Standard, CPS 230 for Operational Risk Management. Protecht has now been rolled out across the company, enabling us to consistently input obligations and monitor compliance.

Ongoing review of material risks

Risk and the effectiveness of control measures to manage risk need to be monitored on an ongoing basis to ensure changing circumstances do not alter the risk evaluation profiles and adequacy assessments. New risks or opportunities to improve mitigation strategies for existing risks may be identified via a range of sources that are monitored by the CRO – Financial Services.

These include:

- Regular reviews of material risks by the SEC.
- Review of material risks completed by the CRO – Financial Services, every quarter in alignment with quarterly reporting to the ARCC.
- Changes in Centuria's strategic objectives.
- Regular review of the identified risks and mitigation strategies by the Chief Risk Officer – Financial Services and Risk Owners.
- The internal audit program.
- Ongoing monitoring by the Board committees, particularly the Audit, Risk and Compliance Committee.
- The implementation of new legislation.
- The release of new regulatory guides, guidelines, or information from an applicable regulator.

Role of the ARCCs

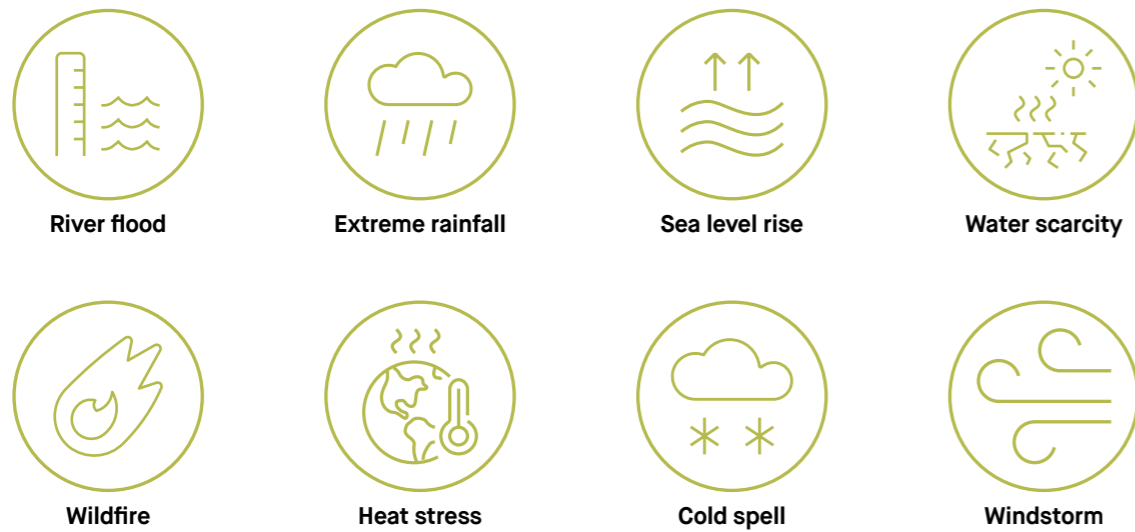
As discussed in the Governance section of this report, the Centuria and Responsible Entity ARCCs assist the relevant Board in meeting its responsibilities regarding risk management. The ARCCs are responsible for agreeing what risks are material to Centuria and the listed funds and considering the mitigation strategies for management of those risks.



118 BOLINDA ROAD, CAMPBELLFIELD VIC

Physical risk assessments

Centuria has introduced an approach to assessing physical climate-related risks for asset acquisitions. Assessments utilise climate data provided by ClimSystems through its Climate Insights platform and modelling methods consistent with IPCC protocols. New asset acquisitions are assessed for physical exposure to climate change across the following categories using downscaled Global Climate Model (GCM) and, where available, Regional Climate Model (RCM) projections:



Risk management process

The process applied to identifying, assessing, prioritising and monitoring material risks through our Risk Management Framework includes:



Integration into risk management processes

The processes detailed above are applicable to all material risks identified and considered by management, with risks prioritised depending on their materiality. Centuria has a process for assessing the environmental and climate-related physical risks for asset acquisitions as mentioned on page 28.

Case study: Putting physical measures in place

When working with insurance providers to obtain cover for our property assets, physical risk assessments are carried out on our assets. Where potential bushfire or flood risks are identified, we develop a Bushfire Emergency Response Plan (BERP) or Flood Emergency Response Plan (FERP) for the asset. These plans outline what actions our staff need to take in a climate-related emergency to protect the asset and ensure the safety of staff and tenants. The plans also specify training required to ensure staff are adequately prepared to respond.

In FY25, Centuria implemented a range of climate risk recommendations across the portfolio. Most insurance-related recommendations related to reducing risk around services and housekeeping. Only one asset was flagged as needing physical works carried out to mitigate potential flood damage: an office building at 1 William Street, Perth WA. At this property, automatic flood barriers were installed in the basement carpark to prevent essential services (located in the basement) from becoming submerged. The new system is one of only two in Perth, and uses sensors to detect when street-level water is no longer draining from around the building. Sensors detect when water reaches a certain level, triggering the barrier to rise above the water to prevent it from overflowing into the property. The barrier can withstand up to 75cm of flooding.¹



Case study: Importance of climate modelling in acquisition due diligence

With ESG considerations now fully integrated into Centuria's acquisition process, relevant due diligence was undertaken in assessing the acquisition of Manning Mall, a neighbourhood retail centre in Taree NSW. Our climate modelling forecast that the asset's exposure to future physical climate-related risk was within Centuria's acceptable risk appetite. This forecast proved to be accurate when severe flooding occurred in April 2025, with the centre remaining unaffected by the river flood water. To support local business owners who were less fortunate, Centuria offered short term lease options at a 50% discount to retailers whose premises were temporarily unusable, and also offered the centre as a community hub.



1. Expected to exceed a projected one-in-500-year flooding event



MANNING MALL, TAREE NSW

Metrics and targets

Objective: To enable users of general purpose financial reports to understand Centuria's performance in relation to its climate-related risks and opportunities, including progress towards any targets set and any targets required by law or regulation.

Metrics

GHG emissions and reporting boundary

In FY25, location-based GHG emissions have been measured and reported in both Australia and New Zealand through the application of the standards set under the *Australian National Greenhouse and Energy Reporting Act (2007)* and its definition of operational control:

The corporation has the authority to introduce and implement any or all policies for the facility (operating, health and safety, environmental policies). If two or more persons satisfy the requirements, the person with the greatest authority to introduce and implement policies has operational control.

Centuria calculates emissions by collecting energy consumption data for scope 1 and 2 sources in accordance with Centuria's 2025 Basis of Preparation. The energy metrics and scope 1 and 2 emissions have received limited assurance from KPMG.¹ The GHG emission consolidation approach used is operational control. Energy consumed is multiplied by the appropriate emissions factors from the Australian National Greenhouse Accounts Factors 2024 and the New Zealand Ministry for the Environment Measuring Emissions Guide 2025.

In FY25, Centuria has used metered electricity data where available when reporting scope 1 and 2 location-based GHG emissions across our assets and operations.

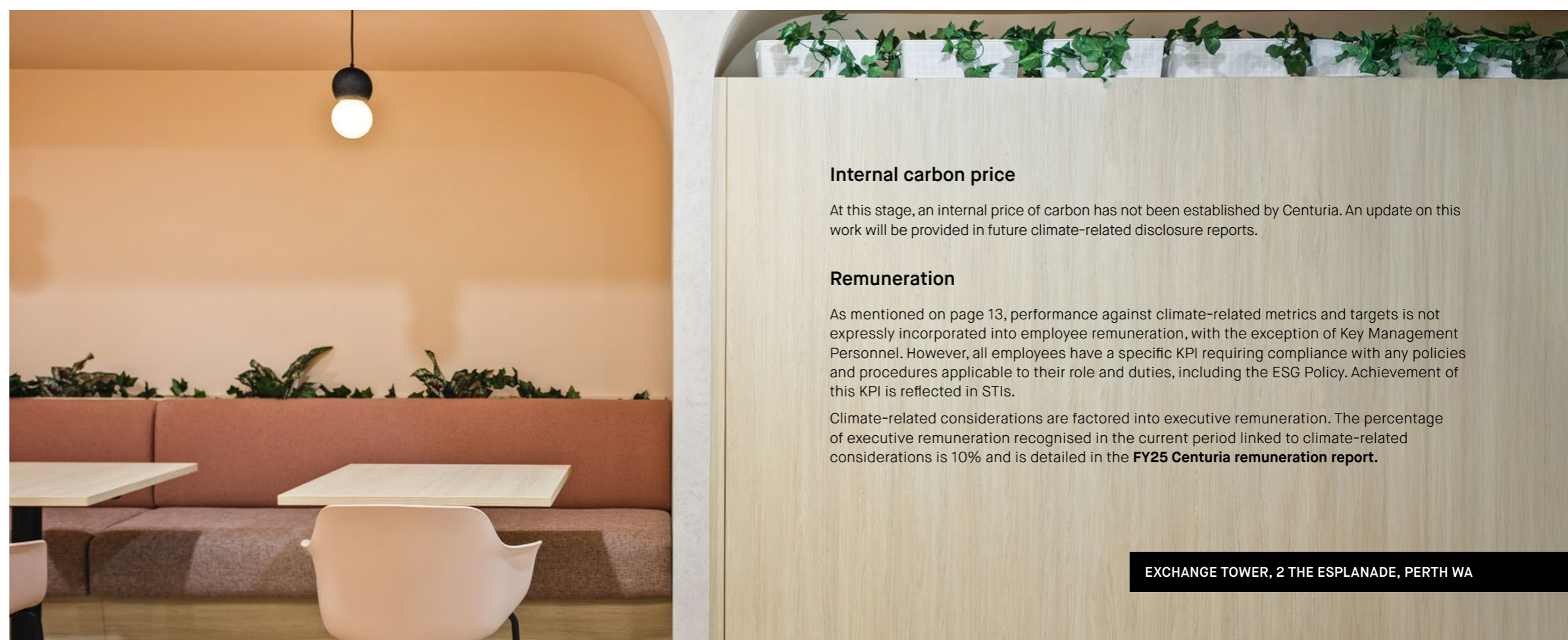
Scope 3 boundaries

Another significant piece of work carried out in FY25 was assessing Centuria's scope 3 boundaries. Given the complexity of Centuria's business model, it has been necessary to consider how the GHG protocol can be applied across different parts of the business. Working with specialist consultants, our focus was to identify what carbon emissions are included within our reporting boundary to establish the foundation of our scope 3 reporting ahead of mandatory reporting requirements commencing. This work will continue in FY26 with an update to be made in future reporting. Scope 3 emissions are not expected to be reported in Australia for CNI, CIP or COF until required under AASB S2.

FY25 energy and emissions data¹

	FY24	FY25 ²	
EMISSIONS	Scope 1³ (tCO2e)	3,732	4,012
	Scope 2 (location based) (tCO2e)	24,602	23,592
	Total	28,334	27,604
ENERGY	Total consumption⁴ (MWh)	58,652	60,971
	Total renewable energy procured (MWh)	1,654	2,438
	Solar generated across assets (MWh)	7,196	9,219
	Capacity of solar installed (kW)	1,125	245

1. Emissions and energy values represent Australian and New Zealand assets under operational control (across listed and unlisted funds), and Centuria's corporate offices.
 2. Data limited assured by KPMG (excluding capacity of solar installed figure, total renewable energy procured and total Scope 1 and Scope 2 emissions).
 3. FY25 scope 1 value includes estimates for greenhouse gas emissions associated with refrigerant leakage for equipment Centuria owns and maintains. FY25 increase is driven primarily by diesel consumption at Moora Farms.
 4. Energy consumed represents onsite fuel combustion, energy purchased (grid and renewable), and onsite solar consumed.



Internal carbon price

At this stage, an internal price of carbon has not been established by Centuria. An update on this work will be provided in future climate-related disclosure reports.

Remuneration

As mentioned on page 13, performance against climate-related metrics and targets is not expressly incorporated into employee remuneration, with the exception of Key Management Personnel. However, all employees have a specific KPI requiring compliance with any policies and procedures applicable to their role and duties, including the ESG Policy. Achievement of this KPI is reflected in STIs.

Climate-related considerations are factored into executive remuneration. The percentage of executive remuneration recognised in the current period linked to climate-related considerations is 10% and is detailed in the **FY25 Centuria remuneration report**.

1. KPMG limited assurance report found [here](#).

Emission reduction targets

Centuria's emission reduction targets include:



Centuria and COF are targeting the elimination of gas and diesel in operations where practicable (scope 1) by 2035¹



Centuria is targeting zero scope 2 emissions by 2035, with CIP and COF targeting 2028²

We do not currently have interim emission reduction targets. The objective of the targets is to mitigate gross GHG emissions within Centuria's target boundaries as defined on page 35. The targets have not been derived using a sectoral decarbonisation approach.

At this time, Centuria has not sought independent assessment or validation as to how our emissions reduction targets contribute to limiting global warming to 1.5 degrees celsius.

1. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by Centuria and COF. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's emission reduction target.
2. Centuria, CIP and COF will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of onsite solar and large-scale generation certificate deals which match our consumption.



What do our scope 1 and 2 emission reduction targets include?

scope



Source of scope 1 emissions

Includes natural gas and diesel used during the operation of our buildings. Gas and diesel related emissions cover whole buildings where Centuria or COF owns and operates the equipment. For the purpose of our target, scope 1 emissions do not include sources of gas, diesel and other fossil fuels used and controlled by our tenants.

scope



Source of scope 2 emissions

Scope 2 emissions represent electricity consumed in areas where Centuria, CIP and COF has 'operational control',¹ which may include electricity consumed for base and common areas across the Fund's assets.

1. Centuria, CIP and COF have adopted the National Greenhouse and Energy Reporting definition of operational control, where the corporation has the authority to introduce and implement any or all policies for the facility (operating, health and safety, environmental policies). Centuria accounts for scope 1 and 2 emissions where we were able to manage the day-to-day operations of an asset or part thereof, including the ability to introduce management policies and upgrade plant/equipment.

Summary of Centuria targets



Leased assets by Centuria (as a tenant)

Powered by the equivalent of 100% renewable energy from FY24¹ in Australia



Centuria Office REIT (COF)

Installing onsite solar where feasible

Targeting the elimination of gas and diesel in operations where practicable by 2035²

Targeting zero scope 2 GHG emissions by 2028³



Centuria Industrial REIT (CIP)

Targeting zero scope 2 GHG emissions by 2028³



Unlisted funds

Installing onsite solar where feasible

Targeting the elimination of gas and diesel in operations where practicable by 2035²

Targeting zero scope 2 GHG emissions by 2035³



Development

Targeting fully electric design where practicable in all new developments by Centuria commenced from FY24

Targeting 5 Star Green Star for CIP and COF developments from FY24

Targeting Green Star certification for new developments from FY24



Centuria New Zealand

Targeting zero scope 2 GHG emissions by 2035⁴

Targeting the elimination of gas and diesel in operations where practicable by 2035⁵



VARISTY LAKES DAY HOSPITAL, VARISTY LAKES QLD

1. Achieved through the purchase of GreenPower and large scale generation certificate deals which match our consumption. New Zealand offices are currently powered by the national grid (approximately 85% renewable).
2. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by Centuria and COF. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's emission reduction target.
3. Centuria, CIP and COF will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of onsite solar and large-scale generation certificate deals which match our consumption. The zero scope 2 target applies to scope 2 emissions for existing assets that fall under the operational control of CNI, CIP and COF.
4. Centuria NZ will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity. While Centuria NZ receives electricity from the national grid, by 2035 Centuria NZ expects to purchase all its electricity from a supplier who matches our consumption on an annualised basis to power from hydro, wind or solar sources.
5. Centuria NZ will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Scheme. Gas and diesel equipment owned and operated by our tenants, refrigerant use and diesel used in backup generators, are excluded from Centuria NZ's emission reduction target.

How we expect to achieve our targets and progress to date

Scope 1

The scope 1 target requires us to phase out diesel and gas for equipment owned and operated by Centuria and COF by 2035 (where gas and diesel equipment is within the boundary of the scope 1 target as outlined on page 35) through electrification of equipment, where practicable. Centuria and COF are taking the approach outlined below with the aim to achieve the scope 1 target by 2035:

- 1 **Review assets and assess if gas and diesel equipment exists.**
- 2 **Assess the age and anticipated replacement program for existing gas and diesel equipment.**
- 3 **Determine the electrification roadmap for assets within the boundary of the scope 1 target, where applicable.**

Progress to date

The COF portfolio has electrified 10 of the 19 assets within the fund, with electrification roadmaps in place for the assets yet to be electrified. The assets in the unlisted funds impacted by the target are under assessment with an update on progress to be provided in future reporting.

Scope 2

The scope 2 target is expected to be achieved in Australia with Centuria's corporate operations and areas of assets within our operational control being powered by the equivalent of 100% renewable electricity by 2035,¹ and areas of assets under CIP's and COF's operational control by 2028.

From FY24, we have purchased the equivalent of 100% renewable electricity for all Australian Centuria corporate tenancies. For Sydney and Melbourne office, this has been achieved through 100% GreenPower with large-scale generation certificates (LGCs) purchased and retired for any remaining electricity not covered by GreenPower. For Brisbane and Perth offices, which operate within an embedded network, LGCs have been purchased and retired for the FY25 period.

A key focus for FY25 has been electricity procurement, including exploring options to meet the scope 2 emission reduction target for the Group and listed funds. A range of approaches are being considered, including onsite electricity generation and storage, as well as renewable electricity procurement opportunities. We look forward to sharing our progress on energy procurement in future reporting.

The scope 2 target is yet to be achieved in respect of the assets managed by Centuria and the listed funds.

Disclaimer

This report is issued by Centuria, summarising Centuria's assessment of future climate risks and opportunities which could affect Centuria's business and customers, and its resulting strategy. Centuria has taken all due care in preparing this report, including its scenarios and assumptions. The information in this report has been obtained from and based on sources believed by Centuria to be reliable.

This Report contains statements that are, or may be deemed to be, forward-looking statements, including climate-related goals, targets, pathways, ambitions, guidance, forecasts, estimates, prospects, climate-related risks and opportunities, as well as Centuria's current planning to address climate-related risks. Forward-looking statements can generally be identified by the use of forward-looking words such as 'anticipates', 'estimates', 'will', 'should', 'could', 'may', 'expects', 'plans', 'forecasts', 'target' or similar expressions. The nature of forward-looking statements requires us to make assumptions that are subject to inherent risks and uncertainties, many of which are beyond our control and give rise to the possibility that our predictions, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct, and that our objectives, targets, and strategies to mitigate and adapt to climate-related risks and opportunities will not be achieved. These forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No independent third party has reviewed the reasonableness of any such statements or assumptions.

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1. Achieved through the purchase of GreenPower and large scale generation certificate deals which match our consumption.

Centuria

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