

# Centuria

Centuria Capital Group

## Corporate Governance Statement 2024



# Corporate Governance Statement

## Centuria Capital Group

Centuria Capital Group (**Centuria** or **the Group**) consists of Centuria Capital Limited (**the Company**) and its controlled entities including Centuria Funds Management Limited (**CFML**), Centuria Capital Fund (**CCF**) and Centuria Capital No. 2 Fund (**C2F**). The shares in the Company and the units in CCF are stapled, quoted, and traded on the Australian Securities Exchange (**ASX**) as if they were a single security under the ticker code 'CNI'.

CFML is the Responsible Entity and Trustee of CCF and C2F. The C2F secured redeemable note is quoted on the ASX as a debt instrument (ASX:C2FHA).

Centuria is the manager of Centuria Industrial REIT (ASX:CIP), Centuria Office REIT (ASX:COF) and Asset Plus (NZX:APL), which is quoted on the New Zealand Securities Exchange (**NZX**).

The Group is a for-profit entity, and its principal activities are the marketing and management of investment products including property investment funds and friendly society investment bonds, as well as co-investments in property investment funds.

This Corporate Governance Statement (**Statement**) provides an overview of Centuria's corporate governance and reports on the ways in which Centuria has met the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 4th Edition (**CGC Principles**) for the 2024 financial year (**FY2024**).

This Statement is current as at 25 October 2024 and has been approved by the Board of Directors (**the Board**).

Centuria's values and capabilities	5
Corporate Governance Framework	6
The Board and its Committees	8
Remuneration and risk management framework	16
Governance codes and policies	18
Market and securityholder communication	20



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

## Centuria's values and capabilities

Since Centuria was established in 1998, our company culture has evolved to meet the changing dynamics of the marketplace and the complexity of operating throughout Australia, New Zealand and the Philippines. Our values and capabilities are reflective of Centuria's Code of Conduct and imply how each Centurian strives to effectively engage with company stakeholders.

### Values

#### We value honesty, transparency and respectfulness

As Centurians, we take pride in how we develop strong and lasting relationships within our business and with our investors, tenants and partners. We do this in how we communicate with, support, and respect one another.

#### We work and thrive as an integrated and agile team

At Centuria, we are bigger than the individual parts. We embrace diversity and collaborate with colleagues and partners to achieve success.

#### We support each other to grow

We seek opportunities to encourage employees development and support collective growth. We reward and celebrate success and like to promote from within.

#### We do what it takes

We love challenges and finding unique ways to solve problems. We have a focus on growth and acting ethically in the best interests of our stakeholders.

### Capabilities

#### Transparent cooperation

Transparent cooperation means our teams strive to be accountable and responsible, creating autonomy without politics. We value honest communication and one another's opinions, aiming to build trust and enable stronger collaboration with our stakeholders.

#### Transactional velocity

Transactional velocity means the speed that we do business. We encourage our people to seize opportunities and make prompt yet considered decisions in alignment with our values and purpose. What takes some others months to transact, may take us only days.

#### Thorough process

Our processes result in thorough analysis. Our experienced team is knowledgeable in identifying and analysing risks and opportunities, which helps us make more informed decisions.

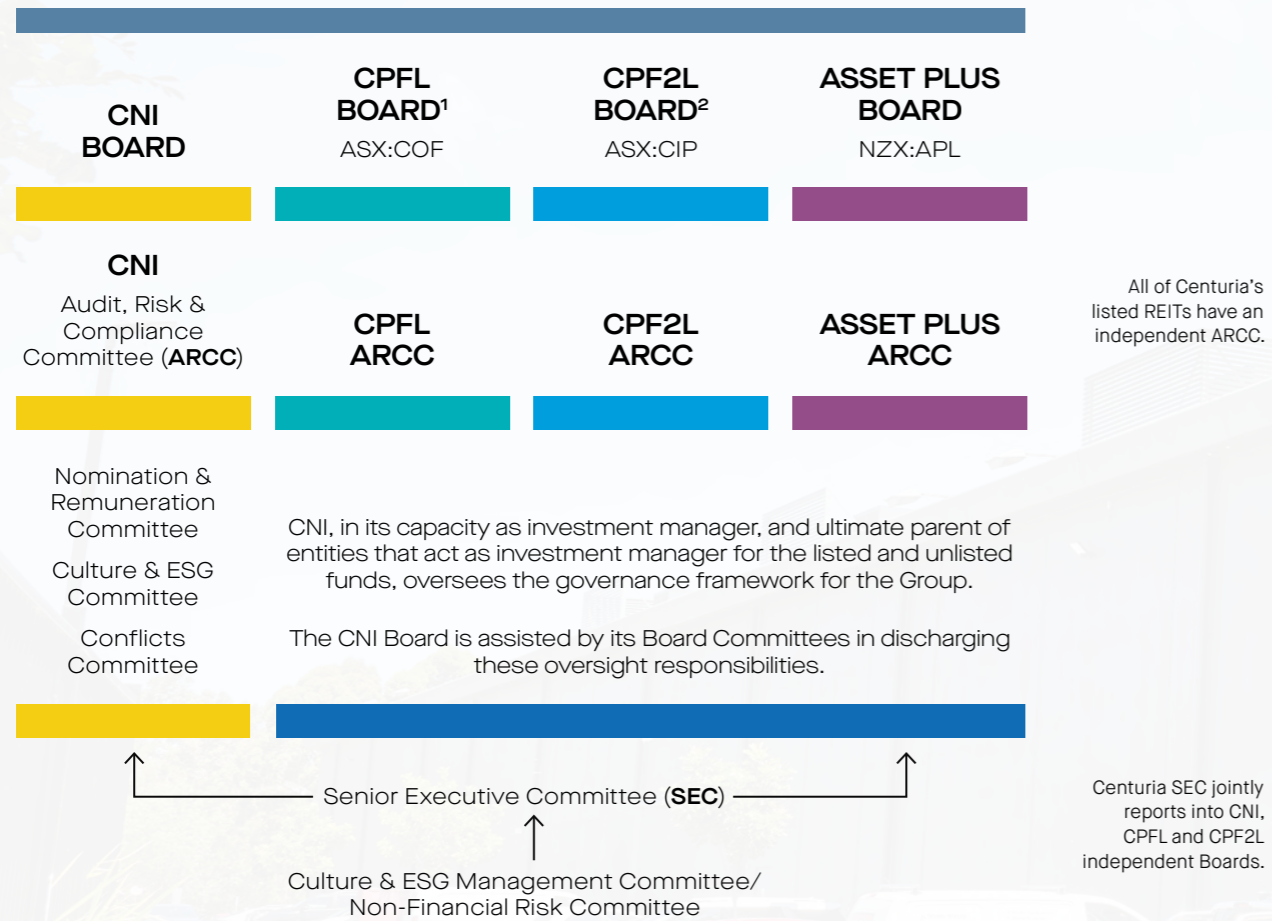
#### Personal interaction

At Centuria, it's personal. We endeavour for all Centurians to be well cared for. As a client, we look after your interests as if they were our own. We create a sense of belonging and build relationships through the way we treat and work with one another.

## Corporate Governance Framework

The diagram below shows an overview of the Group's Corporate Governance Framework. Centuria's listed REITs benefit from the Group's governance approach, whilst also maintaining their own governing bodies.

### CENTURIA CAPITAL GROUP (ASX:CNI)



Below is a list of Centuria's core corporate governance framework documents which are available on the Group's website.

- Charters and Policies as well as the Group's approach to sustainability are available at [centuria.com.au/centuria-capital/corporate/governance](http://centuria.com.au/centuria-capital/corporate/governance).
- Additional information for securityholders is available at Centuria's Investor Centre at [centuria.com.au/centuria-capital/shareholder-centre](http://centuria.com.au/centuria-capital/shareholder-centre).

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 Board and its Committees

### The Board and its role

The Board provides strategic direction for the Group and oversees the financial position, business and affairs, and governance framework of the Group on behalf of the securityholders, by whom the Directors are elected and to whom they are accountable.

The Board Charter, which outlines the roles and responsibilities of the Board, is available at [centuria.com.au/centuria-capital/corporate/governance](https://www.centuria.com.au/centuria-capital/corporate/governance).

The Board's specific responsibilities include:

- appointment and removal of the Joint Chief Executive Officers (**Joint CEOs**) and Company Secretary;
- participating with management in setting the goals, strategies and performance targets for the Group and to monitor their achievement;
- making available to management adequate resources to achieve the strategic plan;
- ensuring there are processes in place to comply with legal requirements and corporate governance standards, and that risk exposures are adequately managed;
- approving and monitoring the progress of major capital expenditure, capital management, and acquisitions and divestments;
- overseeing the financial position of Centuria;
- approving the annual and half-yearly financial reports; and
- reporting progress to securityholders as their appointed representatives, and seeking to align the collective interests of securityholders, boards and management.

The Board has delegated certain responsibilities to its standing Board Committees, which operate in accordance with the Committee Charters approved by the Board. Further information about each of the Board Committees is set out in the section titled 'Board Committees and their role'.

### Delegation to Senior Executive Committee

Day-to-day management of the Group's business and affairs, other than those matters specifically reserved for the Board, is delegated to the Joint CEOs, and through the Joint CEOs to the Senior Executive Team.

The Joint CEOs and Senior Executive Team (together, the Senior Executive Committee) (**SEC**) are accountable to the Board through regular reporting, presentations and performance evaluations.

The performance of the Joint CEOs is reviewed annually by the Nomination & Remuneration Committee (**NRC**) and the Board. This assessment is made against pre-determined criteria including Key Performance Indicators (**KPIs**) relating to the Group's performance as determined in the Group's Strategic Plan.

Performance reviews of the Senior Executive Team are carried out by the Joint CEOs who then report the findings to the NRC. The Joint CEOs conduct the reviews each year by assessing performance against agreed KPIs during the course of the year and deciding upon KPIs for the next year.

A performance evaluation of all staff including the SEC was undertaken in FY2024.

### Chair

The Chair of the Board is an Independent Non-Executive Director, and his role includes:

- leading the Board, facilitating the effective contribution of all individual Directors, promoting constructive and respectful relations between the Directors and between the Board and the SEC;
- setting the agenda for Board meetings and ensuring that adequate time is available for discussion of all agenda items including strategic issues; and
- representing the Board, chairing general meetings and communicating the Board's position to the Group's securityholders and the public.

### Company Secretary

The Company Secretary is accountable to the Board, through the Chair of the Board, on all matters to do with the proper functioning of the Board.

The Company Secretary is also responsible for advising Directors on corporate governance matters, liaising with regulators, supervising market disclosures, maintaining Centuria's corporate registers and apprising the Board on risk and governance issues.

### Board composition

The Board comprises five<sup>1</sup> (5) Non-Executive Directors and two (2) Executive Directors.

The following table sets out the composition of the Board as at the date of this Statement, as well as each Director's date of appointment, length of service and membership of Board Committee.

Director	Role	Appointment date	Length of service	Board committee memberships
Garry Charny <sup>2</sup>	Independent Non-Executive Director/Chair	23 Feb 2016	8 years, 8 months	Nomination & Remuneration Committee Conflicts Committee <sup>3</sup> Culture & ESG Committee
John McBain	Joint CEO/ Executive Director	10 July 2006	18 years, 4 months	None
Jason Huljich	Joint CEO/ Executive Director	28 Nov 2007	16 years, 11 months	Culture & ESG Committee
Kristie Brown <sup>4</sup>	Independent Non-Executive Director	15 Feb 2021	3 years, 8 months	Audit, Risk & Compliance Committee Conflicts Committee
Joanne Dawson <sup>5</sup>	Independent Non-Executive Director	28 Nov 2023	11 months	Audit, Risk & Compliance Committee (Chair)
John Slater	Independent Non-Executive Director	22 May 2013	11 years, 5 months	Audit, Risk & Compliance Committee Nomination & Remuneration Committee
Susan Wheeldon	Independent Non-Executive Director	31 Aug 2016	8 years, 2 months	Culture & ESG Committee (Chair) Nomination & Remuneration Committee (Chair)

### Director independence

Garry Charny<sup>2</sup>, Kristie Brown<sup>4</sup>, Joanne Dawson<sup>5</sup>, John Slater and Susan Wheeldon are considered to be independent as per the independence criteria set out in the Board Charter.

The five independent Directors do not have relationships with the Group which affect their independent status, such as substantial security holdings or direct employment. No Director has a material contractual relationship with the Group or other subsidiaries of the Group except as a Director.

The Board have had regard to the guidelines provided by the ASX CGC Principles, and section 601JA(2) of the *Corporations Act 2001* (Cth) (**Corporations Act**) in assessing the independence of its Directors. Every Independent Director has had their independence confirmed through this process.

John McBain and Jason Huljich, who are the Joint CEOs of Centuria, serve as Executive Directors and are therefore not considered to be independent.

Directors are required to disclose at each Board meeting any interests that may affect their independence. Independent Directors reconfirm their independent status on an annual basis.

Each Board Committee comprises a majority of independent Non-Executive Directors and has an independent Director or member as its Chair.

1. The Board will comprise four (4) Non-Executive Directors and two (2) Executive Directors following the retirement of Garry Charny.

2. Garry Charny is due to retire at the conclusion of the 2024 Annual General Meeting (**AGM**).

3. The Conflicts Committee is overseen by an external independent chair, being Emeritus Professor Simon Rice AO.

4. Kristie Brown is to take over as Chairman of the Board upon Garry Charny's retirement as Director and Chairman at the conclusion of the 2024 AGM.

5. Joanne Dawson joined the Board on 28 November 2023 and is due to stand for election at the 2024 AGM.

### Managing conflicts of interest

Centuria recognises that conflicts of interest or potential conflicts of interest may arise from time to time for its Directors and related entities across the Group. Centuria has procedures in place to identify and monitor for such conflicts and to adopt appropriate measures where these arise.

The Board has established a Conflicts Committee to assist the boards of Centuria entities when they are considering matters involving conflicts of interests. One of its key oversight role is monitoring related party transactions involving Board members of Centuria entities. Further information about this committee is set out in the section titled 'Board Committees and their role'.

Centuria has adopted a policy that, as a matter of general principle, third party consultancy fees should not be paid to entities that are related to independent Directors.

Where a conflict of interest is identified, the Board of Centuria and Centuria entities has protocols for its members for declaring and dealing with potential conflicts of interest that include:

- Board members declaring their interests required under the Corporations Act, the ASX Listing Rules and general law requirements;
- Board members with a material personal interest in a matter before the Board not receiving the relevant Board paper and not being present at the Board meeting during the consideration of the matter and subsequent vote, unless the Board (excluding the relevant Board member) resolves otherwise; and
- Board members with other conflicts not involving a material personal interest in a matter before the Board not receiving the relevant Board paper and not being present at the Board meeting during discussion of the matter.

### Board skills and experience

The Board, with the assistance of NRC, regularly reviews the skills, knowledge and experience represented on the Board against the skills and experience needed to deliver the Group's strategy and meet both the current and future challenges of the Group. The Board uses a skills matrix as part of its Board review. The experience and skills of Directors in the key areas below are recorded in the matrix to identify any gaps or weaknesses in the Board's collective skillset to be addressed when filling any Board vacancies or by recruitment of additional Directors.

The competencies of the current Centuria Board members and the number of Directors with each skill and their experience are set out on the next page, as of the date of the approval of the 2024 Corporate Governance Statement.

In addition to the skills and experience set out on the next page, the Board comprises Directors with diverse backgrounds, and an appropriate balance of Directors with strong corporate memory and those that bring an external or fresh perspective.



310 SPEARWOOD AVE & LOT 14 SUDLOW RD BIBRA LAKE WA

Skills	Characteristics and attributes	Number of directors
People and culture	Experience with management of people and teams, including the ability to appoint and evaluate senior executives and oversee strategic human resource management.	
Leadership	Success at senior executive level.	
Risk	Ability to identify key business risks and experience at monitoring risks and compliance frameworks.	
Information technology	Knowledge and experience in the use of critical information technology systems and applications or use of digital technology.	
Strategy and development	Experience in identifying and critically assessing strategic opportunities or threats and executing or overseeing strategy implementations.	
Project management	Experience in the coordination of projects from start to finish.	
Property experience	Experience in acquisition, development and management of property assets.	
Financial services industrial experience	Senior executive experience in financial services such as funds management.	
Financial management and reporting	Qualifications and/or experience in accounting or finance, including assessing financial performance, statements and controls and funding arrangements.	
Marketing and distribution	Senior executive experience in marketing and distribution of financial products.	
Mergers and acquisitions	Knowledge and experience in mergers and acquisitions specific to the property fund and investment bond sector.	
Governance and compliance	Knowledge and experience in best practice governance structure, policies and processes or in addressing compliance/governance for an entity subject to rigorous regulatory standards.	
Asia Pacific market experience	Experience of the property fund and investment bond sector within the Asia Pacific market.	
Environmental sustainability	Ability to identify and manage the organisation's impacts on the greater environment.	
Social sustainability	Ability to identify and manage the organisation's impacts on the greater community.	
Stakeholder engagement	Ability to effectively communicate and maintain sustainable relationships with the organisation's stakeholders.	

● High competence/practiced ● Moderate ● Aware

## Board Committees and their role

Four standing Board Committees have been established to assist the Board in carrying out and discharging its responsibilities:

- Audit, Risk & Compliance Committee;
- Nomination & Remuneration Committee;
- Culture & ESG Committee; and
- Conflicts Committee.

The membership, roles and responsibilities of each of the Board Committees are outlined in their respective Charters and are summarised in the table below.

Copies of the Board Committee Charters are available on our website: [centuria.com.au/centuria-capital/corporate/governance](http://centuria.com.au/centuria-capital/corporate/governance).

### Audit, Risk & Compliance Committee

Committee membership	Composition requirements	Responsibilities
<b>Joanne Dawson<sup>1</sup></b> (Chair) <b>Kristie Brown<sup>2</sup></b> <b>John Slater</b>	<ul style="list-style-type: none"> <li>• Only Non-Executive Directors.</li> <li>• A minimum of three members.</li> <li>• A majority of independent Directors, including an independent Director as Chair.</li> <li>• All members are financially literate, either holding financial or accounting qualifications and/or having professional experience in a financial or accounting related field.</li> </ul>	<ul style="list-style-type: none"> <li>• To oversee the Group’s accounting policies and financial reporting, including reviewing the annual financial statements.</li> <li>• To review the effectiveness of the Group’s administrative, operating and accounting controls.</li> <li>• To establish an internal and external audit function in respect of the activities of the Group and to oversee the adequacy of that function and consider audit findings and management’s responses and related actions.</li> <li>• To monitor the relationship with the internal and external auditors of the Group and make recommendations to the Board on the appointment and removal of external auditors, their terms of engagement, their independence and the scope and quality of the audit.</li> <li>• To review the audit plan proposed by the internal and external auditors, and suggest potential improvements or changes in coverage.</li> <li>• To consider completeness and quality of financial and operational information being provided to the Board, and suggest ways in which those reports might be improved.</li> <li>• To oversee the Company’s compliance with regulatory requirements.</li> <li>• To establish a system for the reporting of compliance issues to the Group and subsidiary Boards.</li> <li>• To receive regular compliance sign-offs from Management, through the Chief Risk Officer – Financial Services.</li> <li>• To monitor emerging issues relevant to compliance matters.</li> <li>• To review and assess the effectiveness of the Group’s Risk Management Policy and internal control practices and ensure there is a continuous process for the management of significant risks throughout the Group.</li> <li>• To monitor compliance with the Company’s Risk Management Policy.</li> <li>• To monitor any related party transactions.</li> <li>• To report to the Board on matters raised at its meetings.</li> </ul>

1. Joanne Dawson joined the Board on 28 November 2023 and was appointed member and Chair of the ARCC.  
 2. Kristie Brown is to take over as Chairman of the Board upon Garry Charny’s retirement as Director and Chairman at the conclusion of the 2024 AGM.

## Nomination & Remuneration Committee

Committee membership	Composition requirements	Responsibilities
<b>Susan Wheeldon</b> (Chair) <b>Garry Charny<sup>1</sup></b> <b>John Slater</b>	<ul style="list-style-type: none"> <li>• Only Non-Executive Directors.</li> <li>• A minimum of three members.</li> <li>• A majority of independent Directors, including an independent Director as Chair.</li> </ul>	<ul style="list-style-type: none"> <li>• To consider and/or make recommendations to the Board in relation to Nomination matters, including:                             <ul style="list-style-type: none"> <li>– identifying and selecting suitable candidates for appointment as Non-Executive Directors to the Board and the Boards of subsidiaries;</li> <li>– appointment of the Joint CEOs and Company Secretary;</li> <li>– assessment of the overall skills, experience, expertise and diversity of the Board and its Board Committees; and</li> <li>– assessment of the effectiveness and composition of the Board and Board Committees;</li> </ul> </li> <li>• To consider and/or make recommendations to the Board in relation to Remuneration matters, including:                             <ul style="list-style-type: none"> <li>– annual review of the Group’s remuneration framework including the short term and long term incentive program for staff and executives including but not limited to the Joint CEOs and Senior Executive Team; and</li> <li>– annual review of the remuneration for non-executive Directors of Centuria Board and its subsidiary boards.</li> </ul> </li> <li>• To conduct annual performance evaluation of the Joint CEOs and Senior Executive Team against their KPIs.</li> <li>• To conduct performance evaluation of the Board, Board Committees and Directors.</li> </ul>

1. Garry Charny is due to retire at the conclusion of the 2024 AGM.



LISTED: 235 WILLIAM STREET, NORTHBRIDGE WA

## Culture & ESG Committee

Committee membership	Composition requirements	Responsibilities
<p><b>Susan Wheeldon</b> (Chair)</p> <p><b>Garry Charny<sup>1</sup></b></p> <p><b>Natalie Collins</b> (Director of CPF2L, Centuria Life Limited, Centuria Healthcare Asset Management Limited and Over Fifty Guardian Friendly Society Limited)</p> <p><b>Jason Huljich</b></p>	<ul style="list-style-type: none"> <li>Directors, including one Executive Director with an independent Director as Chair (who is not the Chair of the Board).</li> <li>A minimum of three members.</li> </ul>	<p>To review, monitor and/or make recommendations to the Board in relation to the following:</p> <ul style="list-style-type: none"> <li>Cultural matters:                             <ul style="list-style-type: none"> <li>processes and frameworks used for measuring and assessing culture and values alignment (including in relation to diversity and inclusion); and</li> <li>management’s approach to the identification and management of risks associated with the Company’s culture.</li> </ul> </li> <li>Environmental matters:                             <ul style="list-style-type: none"> <li>the implementation and delivery of environmental initiatives and commitments; and</li> <li>management’s approach to the identification and management of climate-related risks and opportunities.</li> </ul> </li> <li>Social matters:                             <ul style="list-style-type: none"> <li>the implementation and delivery of social sustainability initiatives and commitments; and</li> <li>the effectiveness of the Group’s initiatives and policies (including human rights and modern slavery) in the Company’s supply chain.</li> </ul> </li> <li>Governance matters:                             <ul style="list-style-type: none"> <li>any reputational impact of the Group’s business strategies and practices;</li> <li>in collaboration with the Audit, Risk &amp; Compliance Committee, any material issues relevant to the Company’s ESG strategy and reporting; and</li> <li>the Company’s Corporate Governance Statement, Sustainability Report, climate-related disclosures both in Australia and New Zealand, and the Group’s ESG achievements and future commitments.</li> </ul> </li> </ul>

## Conflicts Committee

Committee membership	Composition requirements	Responsibilities
<p><b>Simon Rice AO</b> (Chair) (externally appointed member)</p> <p><b>Kristie Brown<sup>2</sup></b> (Director of CNI)</p> <p><b>Garry Charny<sup>1</sup></b> (Director and Chair of CNI)</p> <p><b>Roger Dobson</b> (Director and Chair of CPF2L)</p>	<p>Where possible, members will consist of:</p> <ul style="list-style-type: none"> <li>a Director of CNI who is not a Director CPFL or CPF2L;</li> <li>one or more Directors of the Centuria Group who are not Directors of CNI; and</li> <li>an external member or the Chair of CNI.</li> <li>A minimum of three members.</li> </ul>	<ul style="list-style-type: none"> <li>To provide assistance to the boards of Centuria entities when they are considering matters involving conflict of interest.</li> <li>To review proposed transactions involving one or more Centuria entities or Centuria personnel and to provide the board of directors of the relevant Centuria entity with its opinion on whether there is a real and sensible possibility of a conflict of interest and management of any potential conflicts of interest.</li> <li>To assess the adequacy of the procedures and processes adopted to address conflict of interest issues.</li> </ul>

1. Garry Charny is due to retire at the conclusion of the 2024 AGM.  
 2. Kristie Brown is to take over as Chairman of the Board upon Garry Charny’s retirement as Director and Chairman at the conclusion of the 2024 AGM.

## Board and Board Committees' meeting attendance

The number of meetings held by the Board and its Board Committees during FY2024, and each Director’s attendance, is reported in the Directors’ Report, contained in the Group’s FY2024 Financial Report and 2024 Annual Report.

The Chair of the Board and the Joint CEOs attend Board Committees meetings by invitation as a matter of course.

## Board renewal, appointment and performance

The Board, with the assistance of the NRC, regularly assesses the skills, experience, tenure and diversity required collectively for the Board to effectively fulfil its role.

The Group has procedures in place to review and assess the performance of its Boards, Board Committees and Directors each year.

The Board performance review process is designed to:

- improve the effectiveness of the Board;
- identify inefficiencies or deficiencies of the Board;
- clarify the composition of the Board and the roles of Directors;
- encourage a collaborative team environment; and
- ensure the continued corporate performance of the Group.

The review included assessing:

- the Board’s effectiveness, performance and process relative to achieving its obligations and meeting its responsibilities;
- the Board’s success in setting strategies of the Board and the business;
- the Board’s operation, including communication processes and its conduct of Board meetings and discussions;
- the Board’s engagement and relationship with management;
- the Board’s management of risks;
- the independence of Directors;
- the Chair’s performance;
- the performance of relevant Board Committees; and
- appropriate succession planning.

The review process can include questionnaires, individual interviews with Directors and discussion of the results and feedback at Board meetings.

A performance review of the Board, its Board Committees and Directors was completed in FY2024.

## Director appointments

The Board, with the assistance of the NRC, formulates the criteria and identifies potential candidates for the appointment of Directors to the Board of the Group and subsidiary entities.

A letter of appointment is provided to each Director setting out the terms of their appointment. Prior to a person’s appointment as a Director, or recommendation for appointment, appropriate background checks are undertaken including in relation to the candidate’s character, experience, education, criminal record and bankruptcy history.

Following their appointment, the Company Secretary arranges an induction program for all new Directors to ensure that they have the appropriate knowledge needed to perform their role.

The Explanatory Notes provided in the Notice of the Group’s AGM will provide material information relevant to a decision to elect or re-elect a Director.

For more details on the procedures for the selection and appointment of Directors, please see our Procedures for the Selection and Appointment of New Directors which is accessible on the Corporate Governance page of the

Group’s website: [centuria.com.au/centuria-capital/corporate/governance](http://centuria.com.au/centuria-capital/corporate/governance).

## Director education and professional development

The Group values continuing education for Directors in order to update and enhance their knowledge and hence ensure optimal performance.

The Board Charter gives Directors the authority to seek professional advice as considered necessary in the performance of their duties at the Group’s expense.

The Directors also have full access to the Company Secretary to assist them in carrying out their roles.

# Remuneration and risk management framework

## Remuneration framework

Information about our remuneration framework, including policies and practices regarding the remuneration of Non-Executive Directors, the Joint CEOs and other senior executives, is included in the Remuneration Report, contained within the Directors' Report (located in the Group's FY2024 Financial Report and 2024 Annual Report).

## Risk management framework

The Board has established a Risk Management Framework for the Group, a summary of which can be viewed under the Corporate Governance page of the Group's website: [centuria.com.au/centuria-capital/corporate/governance](http://centuria.com.au/centuria-capital/corporate/governance).

Risk management is an integral part of the governance of the Group and is one of the main responsibilities of the Board and senior management. The Board is ultimately responsible for approving and reviewing the Group's Risk Management Framework. The monitoring and management of risk on an ongoing basis is the responsibility of management as represented by the heads of the respective business units of the Group.

Across the Group, managing risk is a continuous process for both management and the Board. The Group's comprehensive Risk Management Framework requires a detailed annual business risk review, which seeks to define all the major risks that could prevent or impact the Group from achieving its objectives. A review of the Risk Management Framework was undertaken in FY2024 to ensure it continues to be sound and relevant for the risk appetite set by the Board.

## Risk and responsibilities

The management of risk is continually addressed during the year at the business unit level and also by the Non-Financial Risk Committee (NFRC), comprised of members of the SEC. Periodically, a review of the effectiveness of the Group's Risk Management Framework is undertaken. Combined with this is an embedded compliance culture to ensure the Group meets the requirements of the Australian Securities and Investments Commission for conducting a financial services business and operating managed investment schemes. A robust compliance framework has been implemented which requires the business to monitor its activities and those of its outsourced service providers. The risk and compliance function of the Group reports directly to the ARCC and the Board.

The ARCC has the following risk management responsibilities:

- Assessing risks arising from the Group's operations and ensuring the adequacy of measures taken to moderate those risks.
- Reviewing and assessing the effectiveness of the Group's Risk Management Framework and internal control practices and ensuring there is a continuous process for the management of significant risks throughout the Group.
- Monitoring compliance with the Group's Risk Management Framework.

Quarterly risk reports are provided to the ARCC. All material incidents and breaches of Policies are reported to the relevant Boards and/or Board Committees.

## Internal audit function

Centuria has engaged EY to perform the internal audit function and provide an independent appraisal of the Group's control environment.

The Group's annual internal audit program is determined having regard to the risk profile of the business arising from the annual business risk review and is subject to the review and approval of the ARCC.

## External auditor

KPMG is appointed as the Group's External Auditor and provides an independent opinion on whether, among other things, the Group's financial report provides a true and fair view of the Group's financial position and performance.

The Group's external audit partner attends the AGM each year and is available to answer questions from securityholders.

## Environmental sustainability risks

Subsidiary companies within the Group act as manager of commercial, industrial and development properties that can have exposure to environmental sustainability risks, including climate-related risks, for example, meeting environmental rating standards, remediating sites affected by potential environmental liabilities, or managing risks related to the future potential impacts of climate change. These risks are managed in accordance with the Group's Risk Management Framework and with the assistance of specialist professionals where required.

Further details of our sustainability risk management approach and initiatives are outlined in the Centuria Environmental, Social and Governance (ESG) Policy and Sustainability Report, which is updated and published annually.

The Centuria ESG Policy is available at [centuria.com.au/centuria-capital/corporate/governance](http://centuria.com.au/centuria-capital/corporate/governance) and the annual Sustainability Report is available at [centuria.com.au/centuria-capital/corporate/sustainability](http://centuria.com.au/centuria-capital/corporate/sustainability).

## CEO and CFO declarations

The Joint CEOs and CFO have made the requisite declarations in accordance with section 295A of the Corporations Act prior to the Board's approval of the CNI's half year and full year financial statements.

These declarations are founded on a sound system of risk management and internal compliance and control, which in all material aspects, implements the policies adopted by the Board with respect to the management of financial reporting risks.

### Board of Directors

#### Board ARCC

### Accountability and responsibility

First line of defence	Second line of defence	Third line of defence
<b>Business units/Operational management/NFRC</b>	<b>Group Risk and Compliance</b>	<b>Group internal audit and external audit activities</b>
The business is responsible for the ownership, rating and implementation of controls in respect of identified risks. Material risks are escalated to the NFRC that has responsibility and oversight of the management of, and controls around, these risks	The Risk and Compliance team is responsible for overseeing the implementation of the Group's Risk Management and Compliance Framework, providing effective challenge to the business in respect of the management of risks. The Risk and Compliance team is led by the Chief Risk Officer – Financial Services, who reports into the Group Chief Risk Officer and Company Secretary and has an independent reporting line to the ARCC.	The Group internal audit function is independently performed by Ernst & Young (EY) and is overseen by the ARCC. EY reports directly to the ARCC at least on a quarterly basis. KPMG provides external audit services to the Group.

## Governance codes and policies

### Code of Conduct

The Group has a Code of Conduct, which is available on its website: [centuria.com.au/centuria-capital/corporate/governance](https://centuria.com.au/centuria-capital/corporate/governance).

The Code of Conduct sets expectations for the maintenance of standards of honesty, integrity, care, diligence and fair dealing by Directors and Centuria employees in the performance of their duties and responsibilities.

Each Director, senior executive and employee of Centuria Capital Limited has agreed to comply with the Code of Conduct.

Employees are encouraged to escalate any contraventions of the Code of Conduct to their manager or the Chief Risk Officer – Financial Services.

Centuria provides regular mandatory training to employees on their obligations under the Code of Conduct.

### Whistleblower Policy

The Group recognises the expectation of its shareholders, unitholders, employees, customers, regulators and the community and is committed to good corporate governance, compliance and ethical behaviour generally.

Accordingly, the Group has implemented a Whistleblower Policy that sets out a clear process by which its employees and other parties can report suspected misconduct, an improper state of affairs or circumstances, or a breach of certain laws.

This Policy sets out the following:

- Procedures for dealing with reports of suspected misconduct, an improper state of affairs or circumstances, or a breach of law.
- How Centuria will support whistleblowers and protect them from detriment.
- The person/organisations to whom protected disclosures may be made, and how they can be made.
- How Centuria will investigate protected disclosures.
- How Centuria will ensure fair treatment of employees who are mentioned in protected disclosures, or to whom such disclosures relate.

All Centuria employees are encouraged to report any known or suspected incidences of disclosable matters by making a protected disclosure in accordance with this Policy. Centuria personnel should report any disclosable matter to an eligible recipient, as defined in this Policy. Should the matter be considered serious enough that an external party should be notified rather than an eligible recipient within Centuria, a member of the audit team at KPMG should be contacted.

All material incidents and issues reported under the Whistleblower Policy are reported to the Board.

### Anti-bribery, Corruption and Fraud Policy

Centuria is committed to preventing, detecting and deterring bribery and corruption by managing its bribery and corruption risk and complying with relevant legislation in all jurisdictions in which it operates or has dealings.

Centuria has a Fraud and Corruption Control Policy which outlines the principles and framework implemented to minimise the risk of fraud and corruption and deter unethical behaviour occurring across the organisation, including subsidiaries. Material breaches of this Policy are reported to the ARCC.

Under this Policy, Centuria expects that its officers, directors, employees, contractors, service providers, subsidiaries and third parties acting on behalf of Centuria will comply with this Policy and all applicable anti-bribery and corruption laws.

### ESG Policy

In 2023, Centuria adopted an overarching ESG Policy across the Group, which outlines the Group's commitment to responsible and ethical business practices, including a directive to integrate ESG considerations into their investment and asset management approach.

The Group has actioned themes outlined in the ESG Policy through the implementation of its Sustainability Framework. The Annual Sustainability Report details the progress made towards these ESG themes during the reporting period.

The Centuria ESG Policy is available at [centuria.com.au/centuria-capital/corporate/governance](https://centuria.com.au/centuria-capital/corporate/governance) and the annual Sustainability Report is available at [centuria.com.au/centuria-capital/corporate/sustainability](https://centuria.com.au/centuria-capital/corporate/sustainability).

### Diversity Policy

The Group has a Diversity Policy, which is available on its website: [centuria.com.au/centuria-capital/corporate/governance](https://centuria.com.au/centuria-capital/corporate/governance).

The Group recognises and values the differences between people and the contribution these differences can make to the long-term growth and sustainability of the Group. Diversity results from a range of factors including gender, race, cultural heritage, origin, age, physical ability, language and other factors.

The objective of this Policy is to promote a corporate culture within the Group where the diverse experiences, perspectives and backgrounds of people are embraced and valued and which is conducive to the recruitment of well qualified and diverse employee, senior management and board candidates.

The Board has established the following measurable objectives regarding gender diversity and aims to achieve these objectives over the next few years as Directors and senior executive positions become available and provided appropriately qualified candidates come forward:

- At least 30% of the Group's employees are female.
- At least 20% of the Group's senior executives are female.
- To have not less than 30% of directors of each gender on Centuria Capital Group Board.

As at 30 June 2024, female representation on CNI's workforce at various management levels was as follows:

	2024	2023	2022
Board of Directors	43% <sup>1</sup>	29% <sup>2</sup>	29%
Non-Executive Directors	60% <sup>3</sup>	40%	40%
Senior executives <sup>4</sup>	29%	27%	31%
All employees <sup>5</sup>	45%	45%	41%

Centuria has submitted a Workplace Gender Equality Report for the reporting period 1 April 2023 to 31 March 2024. A copy of this report will be made available on the Group's website [centuria.com.au](https://centuria.com.au) once published by the Workplace Gender Equality Agency (currently anticipated for February 2025).

### Modern Slavery Statement

Centuria continues to develop the Group's understanding of modern slavery risks across its supply chain and improve Centuria's approach to procurement and supply chain governance.

The Group places strong emphasis on the importance of human rights and maintains a commitment to addressing potential violations related to modern slavery. Ensuring the protection of human rights and preventing modern slavery violations is a commitment overseen by several governing bodies within the Group, each tasked with assessing and continually improving transparency across Centuria's various supply chains.

Centuria assesses modern slavery risks across its operations and supply chain. Its risk-based approach acknowledges certain parts of the business and supplier types present a higher modern slavery risk to the Group. Centuria continues to update its approach based on findings and in consultation with the wider industry.

The Group has published its Modern Slavery Statement on its website, which identifies the steps that Centuria is taking to minimise the risks of modern slavery within its operations: [centuria.com.au/centuria-capital/corporate/governance](https://centuria.com.au/centuria-capital/corporate/governance).

### Supplier Code of Conduct

Centuria has established a Supplier Code of Conduct to reinforce its commitment to honest, transparent and responsible business practices.

Contractors, sub-contractors, consultants and suppliers, are expected to conduct themselves in line with Centuria's Values. The Supplier Code of Conduct sets out the expectation for suppliers when they are engaged with works either directly or on behalf of the Group, including its listed real estate investment trusts (REITs), unlisted funds and operations across both Australia and New Zealand.

The Centuria Supplier Code of Conduct is available on the Group's website: [centuria.com.au/centuria-capital/corporate/governance](https://centuria.com.au/centuria-capital/corporate/governance).

### Securities Trading Policy

The Group has a Directors' and Employees' Securities Trading Policy, which is available on its website: [centuria.com.au/centuria-capital/corporate/governance](https://centuria.com.au/centuria-capital/corporate/governance).

This Policy establishes guidelines for dealing in Centuria Securities and ensures that Directors and Employees are aware of, and comply with, the law prohibiting insider trading.

1. Following the retirement of Garry Charny at the conclusion of the 2024 AGM, this will increase to 50%.  
 2. Following the retirement of Peter Done at the conclusion of the 2023 AGM, this was 33% and increased to 43% upon the appointment of Joanne Dawson to the Board.  
 3. Following the retirement of Garry Charny at the conclusion of the 2024 AGM, this will increase to 75%.  
 4. For the 2024 and 2023 reporting periods, 'senior executives' means all members of the Senior Executive Committee, Heads of business and other senior executives within the Company. For the 2022 reporting period, 'senior executives' means those positions that report directly to the Joint CEOs of the Group.  
 5. Includes employees in Australia and New Zealand, as well as contracted personnel employed through a third-party provider in Manila.

## Market and securityholder communication

### Verification of periodic corporate reports

Centuria has verification and approval processes in place to support the integrity of the information disclosed in periodic corporate reports released to the market which are not required to be audited or reviewed by our external auditor. The processes vary depending on the report and generally involve the individuals with responsibility for the information confirming to the best of their knowledge and belief that the information is considered to be accurate and not misleading. The processes may also involve review and confirmation by internal subject matter experts (and where pertinent, our external advisers) that the corporate report is appropriate for release.

### Market disclosure

Centuria seeks to provide all investors with timely, accurate, balanced and meaningful information.

Centuria has a Continuous Disclosure Policy, which provides a framework for how it manages and meets its disclosure obligations under the Corporations Act and the ASX Listing Rules and governs how the Group communicates with its securityholders and the investment community. This policy is available on the Group's website at: [centuria.com.au/centuria-capital/corporate/governance](http://centuria.com.au/centuria-capital/corporate/governance).

The Board, or the Joint CEOs and/or the Company Secretary, must authorise all market communications. The Company Secretary, or her delegate, is responsible for the lodgement of all market related communication with the relevant securities exchange. A copy of all announcements is provided to the Board after its release to the ASX.

Before Centuria gives a new and substantive investor or analyst presentation, Centuria will release a copy of that presentation to the market. Once relevant information is disclosed to the market and made available to investors, it is published on the Group's website as soon as practicable with the aim of making the information accessible to the widest audience. This includes investor discussion packs, and presentations on, and explanations about, the Group's financial results.

Responsibility for compliance with the Group's continuous disclosure obligations rests with the Company Secretary.

### Securityholder communication and participation

The Group aims to provide prompt, accurate and accessible information to its securityholders. It has established a Shareholder Communications Policy detailing steps to be taken to achieve this objective, a copy of which can be viewed on the Group's website: [centuria.com.au/centuria-capital/corporate/governance](http://centuria.com.au/centuria-capital/corporate/governance).

The Group's website forms an important part of the strategy for communicating with securityholders. The Group's website has an Investor Centre page which includes security details, company reports, ASX announcements and press releases (including copies of any significant presentations made to analysts), and items relating to the AGM or other general meetings of the Group's securityholders.

The Group recognises the importance of keeping its securityholders and the broader investment community fully informed and has an investor relations program for engaging with securityholders, the media and the broader investment community.

The main mechanisms through which the Group provides avenues for two-way securityholder engagement include:

- the Group's AGM where securityholders are given the opportunity to ask questions;
- the release of notices and explanatory notes for the Group's AGMs and other securityholder meetings;
- the release of the Group's Annual Report, half-year and full year financial reports;
- the release of announcements made to the ASX;
- maintenance of the Group's website at [centuria.com.au](http://centuria.com.au), which contains up to date information on the operations of the Group, its Board, management and Corporate Governance structure, ASX announcements, security price, debt investment, and other relevant information; and
- maintenance of various telephone lines that enable securityholders to contact and ask questions directly of the Group, or its registry service provider, Boardroom.

Securityholders can elect to receive communications and other security holding information, and send communications to Boardroom, electronically. Securityholders may also communicate with the Group through the contact details provided on the Group's website.

The AGM of shareholders of the Company and a general meeting of unitholders of CCF are held concurrently each year. A notice of meeting and explanatory notes in respect of the resolutions to be voted on by securityholders will be provided in accordance with the Constitution of the Company and CCF, and the Corporations Act. The notice of meeting and explanatory notes will also be made available on the Group's website at: [centuria.com.au/centuria-capital/investor-centre](http://centuria.com.au/centuria-capital/investor-centre), and lodged with the ASX.

Centuria intends to hold a 'hybrid AGM' this year, with securityholders being able to attend the AGM venue in person or participate online. Securityholders participating online will be able to ask questions and make comments (either through the AGM online platform or via the teleconference) and vote on resolutions. Consistent with our practice for voting at meetings of securityholders, voting on all resolutions will be conducted by a poll. Securityholders who are not able to attend the meeting are able to vote by proxy or lodge a direct vote before the AGM.



UNLISTED: 208 FORDYCE ROAD, HELENSVILLE NZ

# Centuria

[centuria.com.au](http://centuria.com.au)