

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

Centuria Office REIT

ABN/ARN

ARSN - 124 364 718

Financial year ended:

30 June 2022

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>



This URL on our  
website:

<https://centuria.com.au/cof/corporate-governance>

The Corporate Governance Statement is accurate and up to date as at 9 September 2022 and has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 29 September 2022

Name of authorised officer  
authorising lodgement: Anna Kovarik  
Company Secretary

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b>			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	<input checked="" type="checkbox"/> and we have disclosed a copy of our board charter at: <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate/governance/charters/”).

<sup>5</sup> If you have followed all of the Council’s recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed a copy of our diversity policy at: <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a></p> <p>and we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement. <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) in our Corporate Governance Statement.</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement.</p> <p><a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>	<p><input checked="" type="checkbox"/> As Centuria Office REIT (Fund) is externally managed and Centuria Property Funds Limited (CPFL) does not have any employees, the Fund Manager and other employees managing the Fund are employed by CPFL's parent entity, Centuria Capital Limited (CCL). CPFL rely on CCL's process for evaluating the performance of its senior executives and all other employees.</p> <p>and we have disclosed the evaluation process referred to in paragraph (a) process in our Corporate Governance Statement.</p> <p>and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement.</p> <p><a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b>			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p><input checked="" type="checkbox"/> Centuria Property Funds Limited and Centuria Office REIT (Fund) do not have an individual nomination committee and rely on Centuria Capital Group to assist with this function.</p> <p>and we have disclosed a copy of the charter of the committee at:  <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement.  <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p>	<p><input checked="" type="checkbox"/> and we have disclosed our board skills matrix in our Corporate Governance Statement.  <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	<input checked="" type="checkbox"/> and we have disclosed the names of the directors considered by the board to be independent directors in our Corporate Governance Statement. and, where applicable, the information referred to in paragraph (b) in our Corporate Governance Statement. and the length of service of each director is in our Corporate Governance Statement. <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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<b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b>			
3.1	A listed entity should articulate and disclose its values.	<input checked="" type="checkbox"/> and we have disclosed our values at in our Corporate Governance Statement. <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</li> </ul>	<input checked="" type="checkbox"/> and we have disclosed our Code of Conduct at <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a whistleblower policy; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</li> </ul>	<input checked="" type="checkbox"/> and we have disclosed our Whistleblower Policy in our Corporate Governance Statement. <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose an anti-bribery and corruption policy; and</li> <li>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</li> </ul>	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy in our Corporate Governance Statement. <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b>			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at:  <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a></p> <p>and the information referred to in paragraphs (4) and (5):  in our Corporate Governance Statement  <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a>  and Annual Report available at:  <a href="https://centuria.com.au/office-reit/investor-centre/#reports">https://centuria.com.au/office-reit/investor-centre/#reports</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p><input checked="" type="checkbox"/></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>



Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	<input checked="" type="checkbox"/> and we have disclosed our continuous disclosure compliance policy at: <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b>			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	<input checked="" type="checkbox"/> and we have disclosed information about us and our governance on our website at: <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	<input checked="" type="checkbox"/> and we have disclosed how we facilitate and encourage participation at meetings of security holders in our Corporate Governance Statement. <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	<input checked="" type="checkbox"/>	<input type="checkbox"/> set out in our Corporate Governance Statement
<b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b>			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<input checked="" type="checkbox"/> <p>and we have disclosed a copy of the charter of the committee at:</p> <p><a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement.</p> <p><a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<input type="checkbox"/> set out in our Corporate Governance Statement

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7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p><input checked="" type="checkbox"/> and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in our Corporate Governance Statement.</p> <p><a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	<p><input checked="" type="checkbox"/> and we have disclosed how our internal audit function is structured and what role it performs in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
7.4	<p>A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.</p>	<p><input checked="" type="checkbox"/> and we have disclosed whether we have any material exposure to environmental and social risks in our Corporate Governance Statement</p> <p>and, if we do, how we manage or intend to manage those risks in our Corporate Governance Statement.</p> <p><a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

## Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b>			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p><input checked="" type="checkbox"/> Centuria Property Funds Limited and Centuria Office REIT (Fund) do not have an individual remuneration committee and rely on Centuria Capital Group to assist with this function.</p> <p>and we have disclosed a copy of the charter of the committee at:  <a href="https://centuria.com.au/centuria-capital/corporate/sustainability/governance/">https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement.  <a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	<p><input type="checkbox"/> and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives out at</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	<input type="checkbox"/> and we have disclosed our policy on this issue or a summary of it out at:	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b> <input checked="" type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
<b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	<input type="checkbox"/> and we have disclosed information about the processes in place at:	<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.		<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.		<input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b> <input type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input checked="" type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable

Corporate Governance Council recommendation		Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:	Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>
<b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b>			
-	<p><i>Alternative to Recommendation 1.1 for externally managed listed entities:</i></p> <p>The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and</p> <p>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) in our Corporate Governance Statement</p> <p><a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>
-	<p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p><input checked="" type="checkbox"/> and we have disclosed the terms governing our remuneration as manager of the entity in our Corporate Governance Statement.</p> <p><a href="https://centuria.com.au/cof/corporate-governance">https://centuria.com.au/cof/corporate-governance</a></p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>



**Centuria**  
**Office REIT**  
Corporate  
Governance  
Statement  
2022



# Corporate Governance Statement

## Centuria Office REIT



101 MORAY ST, SOUTHBANK VIC





**Centuria Office REIT (COF or the Fund)** is a real estate investment trust listed on the Australian Securities Exchange (ASX) (ASX ticker code COF). The Responsible Entity is Centuria Property Funds Limited (CPFL), a member of the Centuria Capital Group (**Centuria or the Group**). CPFL's role is defined by the Fund's Constitution, the Corporations Act 2001 (Cth) and Regulations and the general law.

The primary objective for COF, as a real estate investment trust, is to generate sustainable and quality income streams, by executing initiatives to create value across a portfolio of quality Australian office assets.

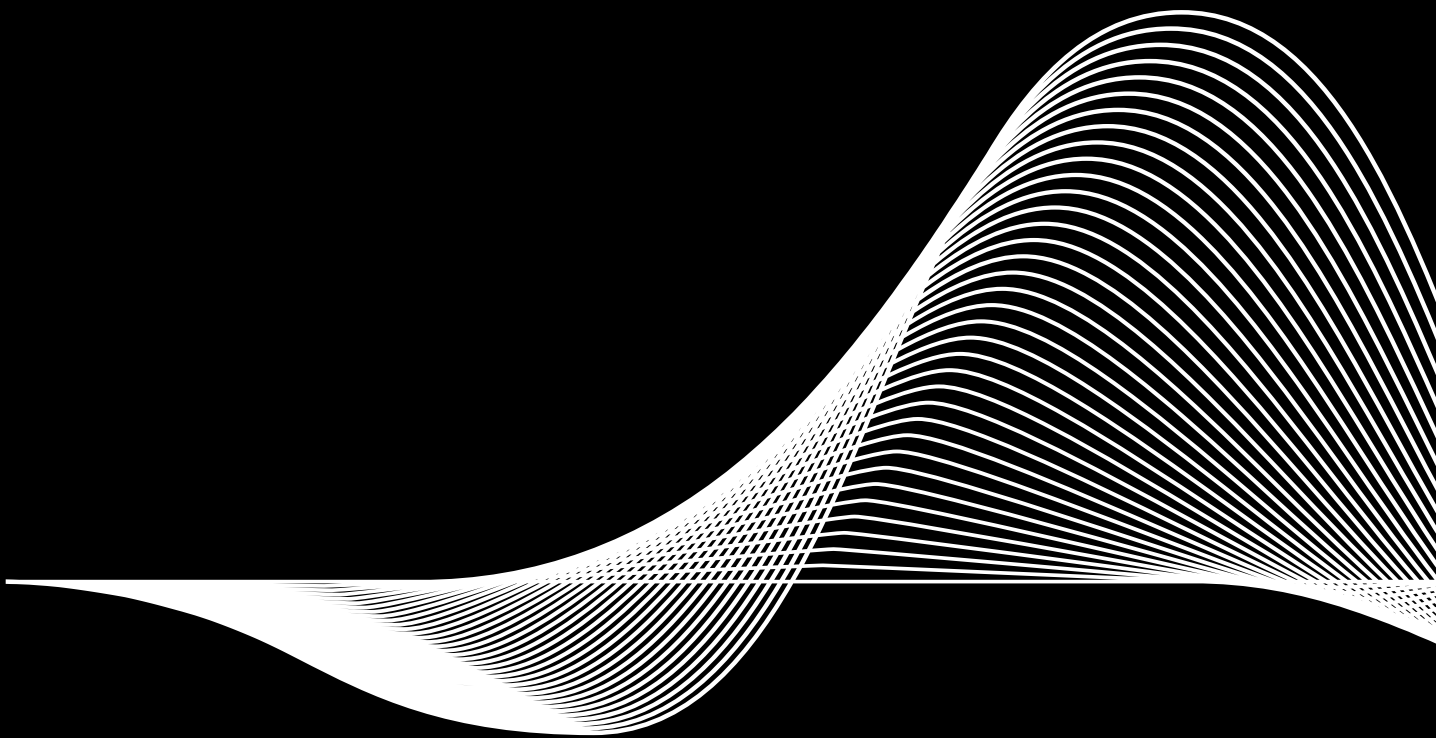
The CPFL Board of Directors (the Board) provides the leadership and direction for the Fund, including its commitment to the highest standards of corporate governance and recognises that an effective corporate governance culture supports the long-term performance and success of the business and the wider Group.

This Corporate Governance Statement (Statement) provides an overview of the Fund's corporate governance and reports on the ways in which COF has met the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 4th Edition (CGC Principles) for the 2022 financial year. As an externally managed Fund, a number of policies and functions are covered by the Group. For completeness and transparency, information has been provided on the Group's policies and functions where appropriate.

This Statement is current as at 9 September 2022 and has been approved by the CPFL Board.

# Centuria's values and capabilities

As a member of Centuria Capital Group, the Fund's culture and values are set by the Group. Centuria's guiding principle is to manage its properties and funds in the best interests of its investors. Centuria's culture is underpinned by the following values:



## Centuria values

### **WE ARE HONEST, TRANSPARENT AND RESPECTFUL**

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 personal 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 a commitment to always act ethically and in the best interests of our stakeholders.



## Centuria capabilities

### TRANSPARENT COOPERATION

Transparent cooperation means our teams are accountable and responsible, creating autonomy without politics. We are honest in our communication, we build trust and we value one-another's opinions, leading to stronger collaboration with our stakeholders.

### TRANSACTIONAL VELOCITY

Transactional velocity means the speed that we do business. We mobilise our people to seize opportunities and make quick decisions. What takes others months to transact, takes us only days.

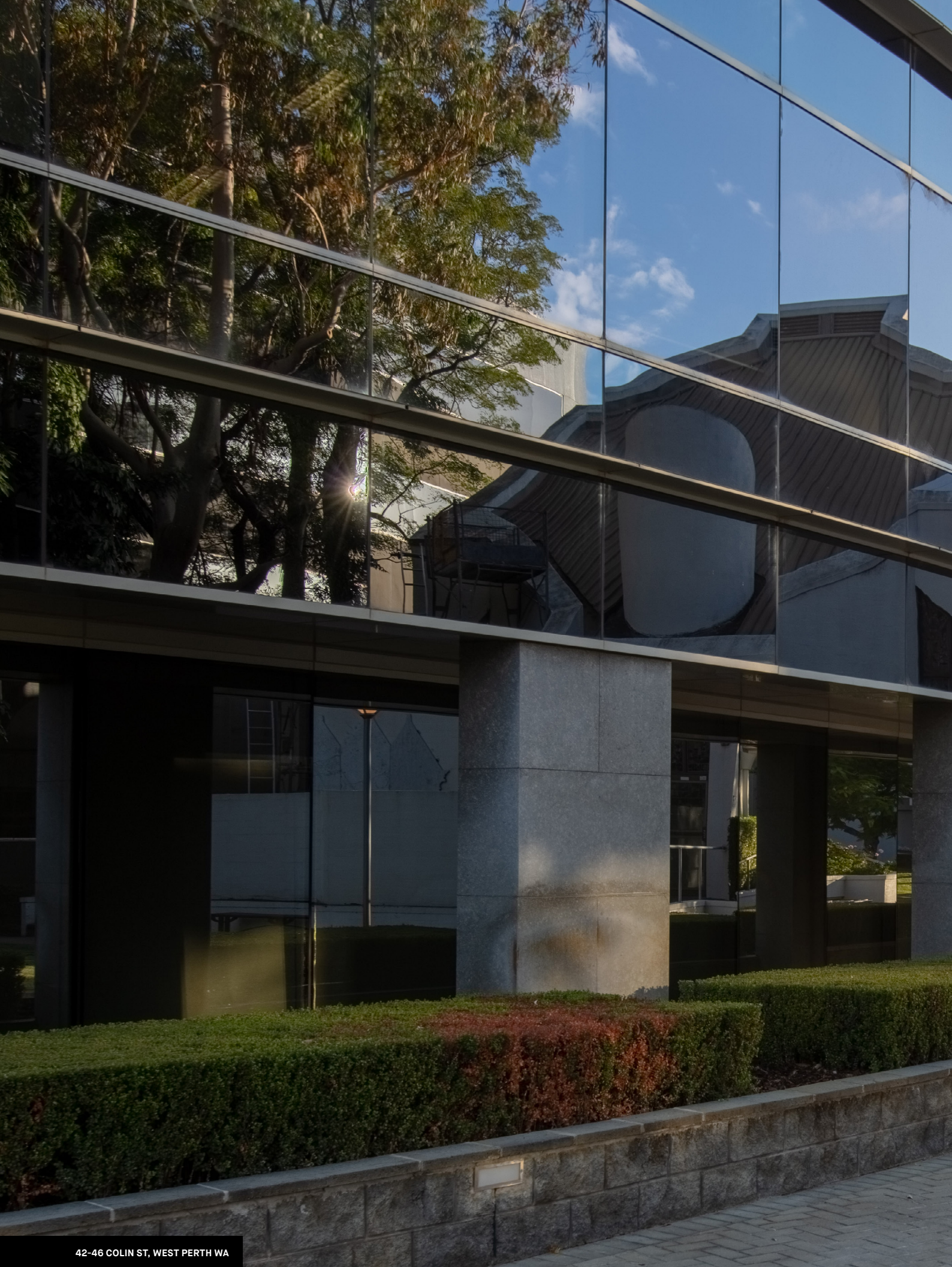
### THOROUGH PROCESS

Our processes result in thorough analysis. Our experienced team knows where the risks and opportunities lie, which leads to well-informed decision-making.

### PERSONAL INTERACTION

At Centuria, it's personal. As a Centurian you will 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.



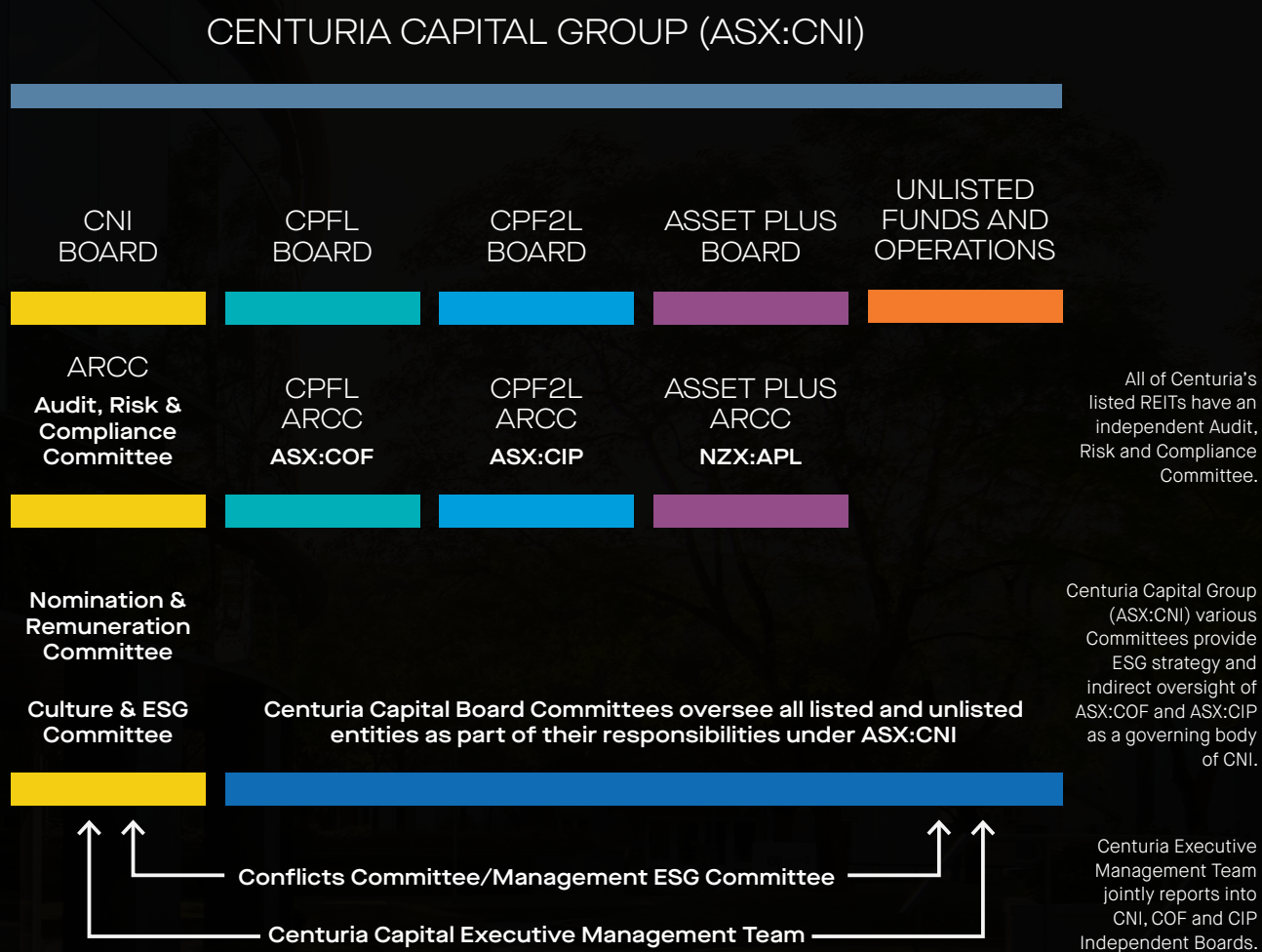


42-46 COLIN ST, WEST PERTH WA



# Corporate Governance Framework

The diagram below shows an overview of the Group's Corporate Governance Framework, including where COF sits within this structure.



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/sustainability/governance](https://centuria.com.au/centuria-capital/corporate/sustainability/governance).
- Additional information for unitholders is available at Centuria's Investor Centre at [centuria.com.au/centuria-capital/shareholder-centre](https://centuria.com.au/centuria-capital/shareholder-centre).

# The Board

## Section 1

### 1.1 The Board and its role

The Fund is under the supervision and direction of the CPFL Board which comprises Mr Matthew Hardy (Chairman), Mr Peter Done, Mr Darren Collins and Ms Elizabeth McDonald. The primary function of the Board is to ensure that the Fund is managed in the best interests of unitholders. The CPFL Board regularly receives reports from Centuria executives and senior managers that have responsibility for the business activities of the Fund, in relation to the services provided by Centuria, and any other material matters that the Board should be aware of. The Board also monitors the governance and performance of the Fund through Committees established by the Board.

CPFL's Board Charter which formalises the roles and responsibilities of the Board is available at: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

The specific responsibilities of the Board are:

- To participate with management in setting the goals, strategies and performance targets for the Fund and to monitor their achievement;
- To make available to management the resources to achieve the strategic plan including financial, management, manpower and material resources;
- To ensure there are processes in place to conform with legal requirements and corporate governance standards, and that risk exposures are adequately managed;
- To approve and monitor the progress of major capital expenditure, capital management, and acquisitions and divestments;
- To oversee the financial position of CPFL;
- To approve the annual and half-yearly financial reports; and
- To report progress to the unitholders as their appointed representatives, and seek to align the collective interests of unitholders, the Board and management.

The Board have delegated certain responsibilities to standing Committees which operate in accordance with Charters approved by the Board. The Board of CPFL has formed an Audit, Risk & Compliance Committee to facilitate the performance of its duties, which is discussed in further detail below.

All matters not specifically reserved for the Board and necessary for the day-to-day management of the Fund are delegated by the Board to the Fund Manager and the Management Team. However, the Board retains responsibility for the overall activities and management of the Fund. Those Centuria executives and senior managers that have responsibility for the business activities of the Fund have delegated authority to make decisions in respect of the day-to-day management of the Fund and its assets.

The Company Secretary of CPFL is accountable to 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 the Fund's corporate registers and apprising the Board on risk and governance issues.

### 1.2 The Composition of the Board

The Board comprises four Independent Non-Executive Directors.

The following table sets out the current composition of the Board, each Director's date of appointment and the membership of each Board Committee.

DIRECTOR	ROLE	APPT. DATE	LENGTH OF SERVICE	COMMITTEE MEMBERSHIPS
<b>Matthew Hardy</b>	Independent Non-Executive Director/Chair	4 July 2013	9 yrs, 2 mths	Audit, Risk & Compliance Committee
<b>Peter Done</b>	Independent Non-Executive Director	5 Dec 2007	14 yrs, 9 mths	Audit, Risk & Compliance Committee
<b>Darren Collins</b>	Independent Non-Executive Director	10 March 2015	7 yrs, 6 mths	Audit, Risk & Compliance Committee (Chair)
<b>Elizabeth McDonald</b>	Independent Non-Executive Director	1 March 2022	6 mths	Audit, Risk & Compliance Committee

During the year, the following Directors resigned from the CPFL Board:

- Nicole Green resigned on 27 January 2022.
- Nicholas Collishaw resigned on 30 August 2021.

# The Board

## Section 1

### 1.3 Director independence

Matthew Hardy, Peter Done, Darren Collins and Elizabeth McDonald are considered to be independent as per the independence criteria set out in the Board Charter. The four 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. In determining the independence of its Directors, CPFL has had regard to the guidelines provided by the ASX CGC Principles and section 601JA(2) of the Corporations Act 2001 (Cth). Every independent Director has had their independence confirmed through that process.

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.

The Audit, Risk & Compliance Committee has an independent Director as its Chair and comprises members who are independent Directors.

### 1.4 Managing conflicts of interests

CPFL recognises its responsibilities in relation to conflicts of interest and related party transactions and has a Conflicts of Interest Policy in place that governs the way in which CPFL manages such transactions or conflicts.

Through the application of this Policy, CPFL is committed to:

- Identifying and monitoring all potential conflicts of interest;
- Avoiding conflicts of interests wherever this is the only way to properly protect unitholders' interests;
- Taking appropriate steps to ensure the fair treatment of all unitholders potentially affected by the conflict; and
- Dealing in an open manner and disclosing its conflicts of interest wherever this is likely to be relevant to unitholders.

Additionally, the Board of Centuria established a Conflicts Committee to assist the Boards of Centuria Entities when they are considering matters involving conflicts of interests. This Committee is overseen by an external independent Chair and consists of three independent Non-Executive Directors. The current external independent Chair of the Conflicts Committee is Professor Simon Rice AO. The other members of the Committee are Garry Charny (Chairman of Centuria), Kristie Brown (Non-Executive Director of Centuria) and Roger Dobson (Chairman of Centuria Property Funds No.2 Limited, the responsible entity of Centuria Industrial REIT (ASX:CIP)). One of the key oversight roles of the Conflicts Committee is monitoring related party transactions involving Board members of Centuria Entities.

Effective from 30 June 2021, the Group 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 (including CPFL) has protocols for its members for declaring and dealing with potential conflicts of interest that include:

- CPFL Board members declaring their interests required under the Corporations Act 2001 (Cth), the ASX Listing Rules and general law requirements;
- CPFL Board members with a material personal interest in a matter before the CPFL Board not receiving the relevant CPFL Board paper and not being present at the CPFL Board meeting during the consideration of the matter and subsequent vote, unless the CPFL Board (excluding the relevant CPFL Board member) resolves otherwise; and
- CPFL 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.

# The Board

## Section 1

### 1.5 Board skills and experience

The parent entity of CPFL, Centuria Capital Limited, has a Nomination & Remuneration Committee that formulates criteria for appointment of Directors to the Board of Centuria Capital Limited and subsidiary entities (including CPFL), identifies potential candidates and recommends remuneration of Directors and senior management.

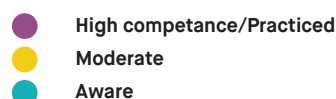
The Nomination & Remuneration Committee regularly reviews the skills, knowledge and experience represented on the CPFL Board against the skills and experience needed to deliver the Fund's strategy and meet both the current and future challenges of the Fund. The experience and skills of Directors in the key areas below are recorded in the matrix to

identify any gaps or weaknesses in the CPFL Board's collective skillset to be addressed when filling any CPFL Board vacancies or by recruitment of additional Directors.

The competencies of the current CPFL Board members and the number of Non-Executive Directors with each skill and their experience is set out below, as of the date of the approval of the 2022 Corporate Governance Statement.

In addition to the skills and experience set out below, the CPFL 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.

SKILLS	CHARACTERISTICS AND ATTRIBUTES	NUMBER OF DIRECTORS	SKILLS	CHARACTERISTICS AND ATTRIBUTES	NUMBER OF DIRECTORS
<b>People and Culture</b>	Experience with management of people and teams, including the ability to appoint and evaluate senior executives and oversee strategic human resource management.		<b>Governance and Compliance</b>	Knowledge and experience in best practice governance structure, policies and processes or in addressing compliance / governance for an entity subject to rigorous regulatory standards	
<b>Leadership</b>	Success at senior executive level.		<b>Asia Pacific Market Experience</b>	Experience of the property fund and investment bond sector within the Asia Pacific Market.	
<b>Risk</b>	Ability to identify key business risks and experience at monitoring risks and compliance frameworks.		<b>Environmental Sustainability</b>	Ability to identify and manage the organisation's impacts on the greater environment.	
<b>Information Technology</b>	Knowledge and experience in the use of critical information technology systems and applications or use of digital technology.		<b>Social Sustainability</b>	Ability to identify and manage the organisation's impacts on the greater community.	
<b>Strategy and Development</b>	Experience in identifying and critically assessing strategic opportunities or threats and executing or overseeing strategy implementations.		<b>Stakeholder Engagement</b>	Ability to effectively communicate and maintain sustainable relationships with the organisation's stakeholders.	
<b>Project Management</b>	Experience in the coordination of projects from start to finish.				
<b>Property Experience</b>	Experience in acquisition, development and management of property assets.				
<b>Financial Services Industrial Experience</b>	Senior executive experience in financial services such as funds management.				
<b>Financial Management and Reporting</b>	Qualifications and/or experience in accounting or finance, including assessing financial performance, statements and controls and funding arrangements.				
<b>Marketing and Distribution</b>	Senior executive experience in marketing and distribution of financial products.				
<b>Mergers and Acquisitions</b>	Knowledge and experience in Mergers & Acquisitions specific to the property fund and investment bond sector.				





# The Board

## Section 1

### 1.6 Board renewal, appointment and performance

CPFL periodically evaluates the performance of the Board, its Committees and individual Directors, including undertaking external board effectiveness reviews.

The Board 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 Company.

Reviews include 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 Centuria management;
- The Board's management of risks;
- The independence of Directors;
- The Chairman'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 feedback at Board meetings.

An external review of the CPFL Board was completed in 2022.

### 1.7 Director appointments

As an externally managed fund, the parent entity of CPFL, Centuria Capital Limited, oversees the appointment of Directors to the Board of the Group and subsidiary entities (including CPFL). The Group Nomination & Remuneration Committee formulates the criteria for appointment of Directors, identifies potential candidates and recommends remuneration of Directors and senior management.

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

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.

### 1.8 Director education and professional development

Centuria values continuing education for Directors in order to update and enhance their knowledge and hence ensure optimal performance. The Board Charter of CPFL gives Directors the authority to seek external professional advice as considered necessary in the performance of its duties, at CPFL's expense. Further, each Director may seek independent professional advice, at CPFL's expense, in relation to the performance of their duties as a Director. The Directors of CPFL also have full access to the Group's Company Secretary to assist them in carrying out their roles.

### 1.9 Board committees

To help them carry out their responsibilities, the Board of CPFL has established an Audit, Risk & Compliance Committee. The Audit, Risk & Compliance Committee meets as necessary but at a minimum, four times per year.

The Committee works within its Board approved Committee Charter, which sets out the roles, responsibilities, membership requirements and meeting procedures. The Audit, Risk & Compliance Committee's Charter is available at: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

# The Board

## Section 1

### Audit, Risk & Compliance Committee

COMMITTEE MEMBERSHIP	COMPOSITION REQUIREMENTS	RESPONSIBILITIES INCLUDE
<b>Darren Collins (Chair)</b>  <b>Peter Done</b>  <b>Matthew Hardy</b>  <b>Elizabeth McDonald</b>	<ul style="list-style-type: none"> <li>Only Non-Executive Directors;</li> <li>A minimum of two members;</li> <li>A majority of independent Directors, including an independent Director as Chair;</li> <li>The Chair is an independent Director appointed by the Board who is not the Chairman of the Board;</li> <li>All members have a working familiarity with basic finance and accounting practices; and</li> <li>At least one member should have accounting or related financial management expertise and at least one member should have a detailed understanding of the industry in which Centuria operates.</li> </ul>	<ul style="list-style-type: none"> <li>To oversee the Fund's accounting policies and financial reporting, including reviewing the annual financial statements;</li> <li>To review the effectiveness of the Fund's administrative, operating and accounting controls;</li> <li>To establish an internal and external audit function in respect of the activities of the Fund;</li> <li>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 Fund 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 to suggest ways in which those reports might be improved;</li> <li>To oversee the Fund'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 Compliance Manager;</li> <li>To monitor emerging issues relevant to compliance matters;</li> <li>To review and assess the effectiveness of the Fund'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 Fund's Risk Management Policy;</li> <li>To monitor any related party transactions; and</li> <li>To report to the Board on matters raised at its meetings.</li> </ul>

# The Board

## Section 1

### 1.10 Board and committee meeting attendance

Details of meeting attendance of the Board and Audit, Risk & Compliance Committee for FY22 are in the following table:

DIRECTOR	BOARD MEETINGS		AUDIT, RISK & COMPLIANCE COMMITTEE MEETINGS	
	Number of meetings attended	Number of meetings held during the time the director held office during the year	Number of meetings attended	Number of meetings held during the time the director held office during the year
Matthew Hardy	27	27	8	8
Darren Collins	26	27	7	8
Peter Done	27	27	8	8
Elizabeth McDonald <sup>1</sup>	8	8	2	2
Nicole Green <sup>2</sup>	15	15	4	4
Nicholas Collishaw <sup>3</sup>	4	4	# <sup>4</sup>	# <sup>4</sup>

1. Elizabeth McDonald was appointed on 1 March 2022

2. Nicole Green resigned on 27 January 2022

3. Nicholas Collishaw resigned on 30 August 2021

4. Not a member of the Committee

# Remuneration

## Section 2

### 2.1 Executive remuneration

As the Fund is externally managed, the Fund Manager and other employees managing the Fund are employed by the parent entity, Centuria Capital Limited.

Information regarding executive remuneration of the Group's executives can be found in the Remuneration Report contained in the Centuria FY22 Financial Report and the Annual Report.

All employees of Centuria Capital Limited are subject to performance reviews conducted every 6 months with KPI progress reviews occurring monthly.

Performance evaluations for all senior executives who worked for the Fund were undertaken in the reporting period.

### 2.2 Non-executive director remuneration

As the Fund is externally managed, the Policy relating to the remuneration of the Directors of CPFL has been established by the Board of Centuria Capital Limited, the parent entity. The Centuria Board seeks to set aggregate remuneration at a level that provides the Group and the subsidiary entities with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to unitholders. The underlying principles in setting Non-Executive Directors' remuneration are as follows:

1. Non-Executive Directors receive adequate remuneration to attract and retain the requisite talent;
2. Reflect the complexity of the Group structure and the time commitment associated with oversight of multi-faceted operating entities within the Group; and
3. The structure should align the Non-Executive Directors with investors, not providing any disincentive to take independent action.

Directors' remuneration does not include incentive schemes or performance related payments.

Effective from 1 June 2021, the Group has adopted a Directors' fees schedule which recognizes the complexity of the Group, the multiple entities that Directors sit on within the Group and in the interests of good governance and transparency. This fees schedule is disclosed in the Centuria FY22 Remuneration Report and covers Directors' fees for the Board of CPFL.

### 2.3 Fund management fees

In accordance with the Fund's Constitution, CPFL is entitled to management fees of an amount equal to 0.55% per annum of the gross asset value of the Fund, calculated and paid monthly.

In addition to the management fee, the following fees may be charged, under the Management Services Agreement between CPFL, the Fund's Registered Entity and Centuria Property Services Pty Limited (Centuria Property Services):

1. Centuria Property Services is entitled to receive a base property management fee and facilities management fee, the amount of which varies by property. In FY22 this amount totalled \$5,125,177.
2. Centuria Property Services is entitled to charge a Leasing Fee in respect of various leasing activities, which is principally based on a scale which varies according to the duration of lease entered into by the tenant. The Leasing Fee scale is as follows:

LEASE TERMS	MAXIMUM FEE PAYABLE TO CENTURIA PROPERTY SERVICE
Lease term of up to 3 years	11.0% of average annual Gross Rental Income (plus GST)
Lease term of 3-4 years	12.0% of average annual Gross Rental Income (plus GST)
Lease term of 4-5 years	12.5% of average annual Gross Rental Income (plus GST)
Lease term of 5 years or more	13.0% + 0.5% of average annual Gross Rental Income for every year over five years (capped at 15.0%) (plus GST)

3. A Surrender Fee at 5% of Gross Income Surrender Value capped at \$50,000. Surrender Fees are not payable unless otherwise agreed prior to negotiation of the relevant surrender and there is no new lease to commence after the surrender date on which the surrender by the outgoing tenant was conditional.
4. A Project Management Fee at 5% of the value of works greater than \$5,000 in aggregate, up to a value of \$500,000. Any amount over this limit is to be agreed between CPFL and Centuria Property Services.
5. A Market Renewal Fee at 10% of the increase achieved above the passing gross face rent payable immediately prior to the date of the rent review.

An Engineering/Operations Service Charge may be agreed in writing by the parties from time to time.

Fees charged by related party property managers are subject to periodic independent benchmarking reviews. Such a review was last completed by KPMG in July 2022.

Custodian fees are paid to the custodians. Custody fees are paid to CPFL in relation to some of the Fund's assets and in accordance with the Constitution at a rate of 0.05% of the Fund's gross assets.

# Risk framework

## Section 3

### 3.1 Risk management framework

The Board of Centuria Capital Limited, the parent entity of CPFL, has established a Risk Management Framework for the Group, a summary of which can be viewed under the Corporate Governance page of its website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

The Audit, Risk & Compliance Committee of CPFL is also responsible for overseeing the Fund's Compliance and Risk Management Framework and assessing risks arising from the Fund's operations and considering the adequacy of measures taken to moderate those risks. The Risk Management Framework is reviewed annually to ensure it continues to be sound and relevant for the risk appetite set by the Board. The Risk Management Framework was last reviewed in September 2021.

All material incidents and breaches of Policies are reported to the relevant Boards and/or Committees.

### 3.2 Risk and responsibilities

ACCOUNTABILITY & RESPONSIBILITY	BOARD OF DIRECTORS		
	BOARD AUDIT, RISK & COMPLIANCE COMMITTEE		
	1 <sup>st</sup> Line of defence	2 <sup>nd</sup> Line of defence	3 <sup>rd</sup> Line of defence
	Business Units/Operational Management/Non-Financial Risk Committee (NFRC)	Group Risk & Compliance	Group Internal Audit & External Audit Activities
Accountability & Responsibility	The business is responsible for the ownership, rating and implementation of controls in respect of identified risks.	A specialised Risk and Compliance team with independent reporting lines to the CPFL Audit, Risk & Compliance Committee.	Independent assurance is provided to CPFL by Ernst & Young (EY). The internal audit function is overseen by the CPFL Audit, Risk & Compliance Committee with EY reporting directly to the Committee.
	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 Risk Management and Compliance Framework, providing effective challenge to the business in respect of the management of risks.	KPMG provides external audit services to the Group.
		The Chief Risk Officer – Financial Services also has an independent reporting line to CPFL's Audit, Risk & Compliance Committee. The Risk and Compliance team reports into the Group Chief Risk Officer and Company Secretary.	

### 3.3 Internal audit function

As a wholly owned subsidiary of Centuria, CPFL and the Fund are incorporated into the Centuria internal audit program where applicable. The internal audit program is set annually across the Group and is reviewed by the CPFL Audit, Risk & Compliance Committee to ensure sufficient coverage of property matters.

The Audit, Risk & Compliance Committee receives and reviews reports regarding material business risk and any relevant assurance activity (including internal audit) undertaken as part of CPFL's Risk Management Framework.

### 3.4 External auditor

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

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

### 3.5 CEO and CFO declarations

As the Fund is externally managed, the Joint CEO and the Chief Financial Officer of Centuria Capital Limited have made the requisite declarations in accordance with section 295A of the Corporations Act 2001 (Cth) prior to the CPFL Board's approval of the financial statements of the Fund.

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.

### 3.6 Environmental and social sustainability risks

Subsidiary companies within the Group, such as CPFL, act as manager of commercial, industrial and development properties that can have exposure to environmental sustainability risks, for example, meeting environmental rating standards or remediating sites affected by environmental liabilities. 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 the Group's risk management approach and initiatives are outlined in the Sustainability Report, which is updated annually. This report is available under the Sustainability section of the Group's website: <https://centuria.com.au/centuria-capital/corporate/sustainability/>.

# Governance codes and policies

## Section 4

### 4.1 Code of Conduct

As an externally managed Fund, Directors and Centuria employees working for the Fund are subject to and adhere to the Centuria Code of Conduct, which is available on the Group's website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

The Centuria 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 and Centuria employee working for the Fund has agreed to comply with the Centuria 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.

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

### 4.2 Whistleblower Policy

The Group recognises the expectation of the Group's 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 Centuria 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 made 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; and
- 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.

The Board of Centuria Capital Limited approves this Policy and all material incidents and issues reported under the Whistleblower Policy are reported to the Board of Centuria Capital Limited and if relevant, the CPFL Board.

### 4.3 Anti-bribery, Corruption and Fraud Policy

The Group's Fraud and Corruption Control Policy outlines the principles and framework implemented to ensure the Group is able to minimise the risk of fraud and corruption occurring across the organisation, including subsidiaries (such as CPFL). Fraud and corruption prevention strategies demonstrate sound management practice and governance and assist the Group in deterring unethical behaviour.

Effective fraud and corruption control requires the commitment and involvement of all employees, contractors, customers and external service providers. It is therefore imperative that Centuria is aware of what within the Group is at risk and the types of fraud and corrupt behaviour that can occur.

### 4.4 Continuous Disclosure Policy

The Group has a Continuous Disclosure Policy which is available on its website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

The Group is committed to fair and open disclosure and has adopted policies and procedures to ensure that the Group meets its disclosure obligations under the Corporations Act 2001 (Cth) and the ASX Listing Rules. The focus of these policies and procedures is to effect the Group's commitment to:

- Comply with the general and continuous disclosure principles contained in the ASX Listing Rules and the Corporations Act 2001 (Cth);
- Prevent the selective or inadvertent disclosure of price sensitive information;
- Ensure that securityholders and the market are provided with full and timely information about its activities; and
- Ensure that all market participants have equal opportunity to receive externally available information issued by the Group.

Responsibility for compliance with the Group's continuous disclosure obligations rests with the Company Secretary. Price sensitive information is publicly released through the ASX before disclosing it to analysts or others outside the Group. Information is posted on the Group's website as soon as reasonably practicable after the ASX confirms an announcement has been made, with the aim of making the information accessible to the widest audience. The Group follows a robust process to verify the integrity of any periodic report prior to its release to the market.

### 4.5 Diversity Policy

The Group has a Diversity Policy which is available on its website: <https://centuria.com.au/centuria-capital/corporate/sustainability/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 employees, senior management and board candidates.

Further information regarding the Group's measurable objectives regarding gender diversity and progress against these objectives are outlined in the Centuria Capital Limited 2022 Corporate Governance Statement.

For transparency, we provide the three-year history of female representation on the CPFL Board:

LEVEL	2022 Outcome	2021 Outcome	2020 Outcome
Board of Directors	25%	25%	0%

# Governance codes and policies

## Section 4

### 4.6 Modern Slavery

In 2019, the Group established a Modern Slavery Project Team to further develop the Group's understanding of modern slavery risks and supplier management across the business. The team enables planning, development and implementation of a strategic road map of measures and controls to improve Centuria's approach to procurement and supply chain governance.

The concept of 'risk' in relation to modern slavery refers to the risk to people rather than to Centuria, its subsidiaries or its investors. This relates to the severity of modern slavery practices, the likelihood of them occurring and the extent of the number of people affected and over what period of time. Centuria adopted a risk-based approach in its assessment of the risks to people.

The outcomes of this risk-based assessment and analysis identified the key modern slavery risks within Centuria's business and its supply chain and the development of systems and procedures to manage these key risks and priorities.

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: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

### 4.7 Supplier Code of Conduct

In 2022, the Group established a Supplier Code of Conduct to reinforce its commitment to honest, transparent and responsible business practices.

Contractors, sub-contractors, consultants and suppliers, herein referred to as suppliers, are expected to conduct themselves in line with Centuria's values. The Supplier Code of Conduct sets out the expectation for suppliers when 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.

Suppliers are expected to:

- Have read and understood the Supplier Code of Conduct;
- Abide by all applicable laws, regulations and standards;
- Take all reasonable steps to notify Centuria if they are unable to abide by the Supplier Code of Conduct, or applicable laws, regulations and standards; and
- Communicate to their own suppliers the expectations set out by Centuria's Supplier Code of Conduct.

The Centuria Supplier Code of Conduct is available on the Group's website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

### 4.8 Securities Trading Policy

The Group has a Directors' and Employees' Securities Trading Policy to ensure that Directors and Employees are aware of the law prohibiting insider trading and to establish guidelines for dealings in Centuria Securities to ensure Directors and Employees comply with the law prohibiting insider trading.

# Shareholder communication

## Section 5

The Group has a Shareholders Communications Policy, which is available on its website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

The Group aims to provide prompt, accurate and accessible information to its securityholders and unitholders.

The Group's website forms an important part of the strategy for communicating with securityholders of Centuria Capital Limited as well as unitholders of Centuria's Funds (including COF). 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 AGMs or other general meetings of the Group's securityholders.

The Group recognises the importance of providing its securityholders and unitholders and the broader investment community with facilities to provide avenues for two-way communication between the Group, the Board and securityholders and/or unitholders. The Group has developed a program on securityholder engagement for engaging with securityholders/unitholders, the media and the broader investment community. In addition, the Group's securityholders and Fund's unitholders have the ability to elect to receive communications and other security holding information electronically.

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

- The Group's AGM where securityholders and unitholders are given the opportunity to ask questions;
- The release of the Group's notices and explanatory statements for AGMs and other securityholder meetings;
- The release of the Fund's Annual Report, and half-year and full-year financial reports;
- The release of announcements made to the ASX;
- Maintenance of the Group's website, at [www.centuria.com.au](http://www.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 securityholders can use to contact the Group or the security registry to ask questions directly.

In designing notices and explanatory statements and memoranda relating to the Group's AGM and other securityholder meetings (including the Fund's), the Group gives consideration to the guidelines given by the ASX Corporate Governance Council in its CGC Principles.

A notice of meeting and explanatory memorandum in respect of the resolutions to be voted on by unitholders will be provided in accordance with the Fund's Constitution and the Corporations Act, and will also be available on the Group's website at: [www.centuria.com.au](http://www.centuria.com.au), and lodged with the ASX.

In accordance with the Fund's Constitution, unitholders who are not able to attend the meeting are able to vote by proxy.

At any general meeting of unitholders, the Chair of the general meeting determines that each resolution will be decided on a poll.

The Group, through its registry service provider, Boardroom, provides unitholders the option to receive communications and send communications to the security registry electronically. Unitholders may communicate with the Group through contact details provided on the Group's website.









# Centuria

[centuria.com.au/cof](https://centuria.com.au/cof)