

Appendix 4G

Key to Disclosures

Corporate Governance Council Principles and Recommendations

Name of entity

Centuria Capital No. 2 Fund

ABN/ARSN

ABN: 24 858 616 727

Financial year ended:

30 June 2022

Our corporate governance statement¹ for the period above can be found at:²

- ☐ These pages of our annual report:
- ☒ This URL on our website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>

The Corporate Governance Statement is accurate and up to date as at 28 September 2022 and has been approved by the board.

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

Date: 29 September 2022

Name of authorised officer: Anna Kovarik
authorising lodgement: Company Secretary

¹ "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.

² 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.

³ 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, ⁴ we have followed the recommendation in full for the whole 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: ⁵
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT			
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: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/	<input type="checkbox"/> set out in our Corporate Governance Statement OR <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 OR <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 OR <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 OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

⁴ 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/”).

⁵ 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, ⁴ 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: ⁵
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&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: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</p> <p>and we have disclosed the information referred to in paragraph (c) in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</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, ⁴ 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: ⁵
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) and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</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"/> and we have disclosed the evaluation process referred to in paragraph (a) and whether a performance evaluation was undertaken for the reporting period in accordance with that process in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</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, ⁴ 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: ⁵
PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE			
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"/> and we have disclosed a copy of the charter of the committee at: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</p> <p>and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	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><input checked="" type="checkbox"/> and we have disclosed our board skills matrix in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement OR</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, ⁴ 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: ⁵
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, the length of service of each director, and where applicable, the information referred to in paragraph (b), in our Corporate Governance Statement.	<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 OR <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 OR <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 OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ 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: ⁵
PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY			
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.	<input type="checkbox"/> set out in our Corporate Governance Statement
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	<input checked="" type="checkbox"/> and we have disclosed our code of conduct at https://centuria.com.au/centuria-capital/corporate/sustainability/governance/	<input type="checkbox"/> set out in our Corporate Governance Statement
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	<input checked="" type="checkbox"/> and we have disclosed our whistleblower policy in our Corporate Governance Statement.	<input type="checkbox"/> set out in our Corporate Governance Statement
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	<input checked="" type="checkbox"/> and we have disclosed our anti-bribery and corruption policy in our Corporate Governance Statement.	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole 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: ⁵
PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS			
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"/> and we have disclosed a copy of the charter of the committee at: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</p> <p>and the information referred to in paragraphs (4) and (5) in our FY2022 Financial Statements and Corporate Governance Statement respectively.</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>

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole 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: ⁵
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
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
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 policy at: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/	<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
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
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: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/	<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
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 securityholders in our Corporate Governance Statement.	<input type="checkbox"/> set out in our Corporate Governance Statement

Key to Disclosures Corporate Governance Council Principles and Recommendations

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ we have followed the recommendation in full for the whole 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: ⁵
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
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
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>	<p><input checked="" type="checkbox"/></p> <p>and we have disclosed a copy of the charter of the committee at: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</p> <p>and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement.</p>	<input type="checkbox"/> set out in our Corporate Governance Statement

Corporate Governance Council recommendation		Where a box below is ticked, ⁴ 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: ⁵
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><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, and, if we do, how we manage or intend to manage those risks in our Corporate Governance Statement.</p>	<p><input type="checkbox"/> set out in our Corporate Governance Statement</p>

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PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
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"/> and we have disclosed a copy of the charter of the committee at: https://centuria.com.au/centuria-capital/corporate/sustainability/governance/</p> <p>and the information referred to in paragraphs (4) and (5) in our Corporate Governance Statement.</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 checked="" 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 in our Corporate Governance Statement.</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, ⁴ 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: ⁵
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 checked="" type="checkbox"/> and we have disclosed our policy on this issue or a summary of it in the FY2022 Financial Statement and in our Corporate Governance Statement.	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable OR <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES			
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.	Not Applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable OR <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.	Not Applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable OR <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.	Not Applicable	<input type="checkbox"/> set out in our Corporate Governance Statement OR <input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable <input 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, ⁴ 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: ⁵
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<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><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><input type="checkbox"/> set out in our Corporate Governance Statement</p>



Centuria
Capital No.2
Fund
Corporate
Governance
Statement
2022

Corporate Governance Statement

Centuria Capital No. 2 Fund

Centuria Capital No. 2 Fund (**C2F** or **the Fund**) is a wholly owned entity within the Centuria Capital Group (**ASX:CNI, Centuria** or **the Group**) and holds strategic equity investments in a number of listed and unlisted property investments managed by the Group entities, including Centuria Industrial REIT (**ASX:CIP**) and Centuria Office REIT (**ASX:COF**).

Centuria Funds Management Limited (**CFML**) is the Responsible Entity of the Fund and provides the opportunity to invest in secured redeemable notes on the Australian Stock Exchange (**ASX**) as a debt instrument (**ASX:C2FHA**).

The Board of Directors of CFML (**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 C2F has met the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 4th Edition (**CGC Principles**) for the 2022 financial year (**FY2022**).

This Statement is current as at 28 September 2022 and has been approved by the Board.



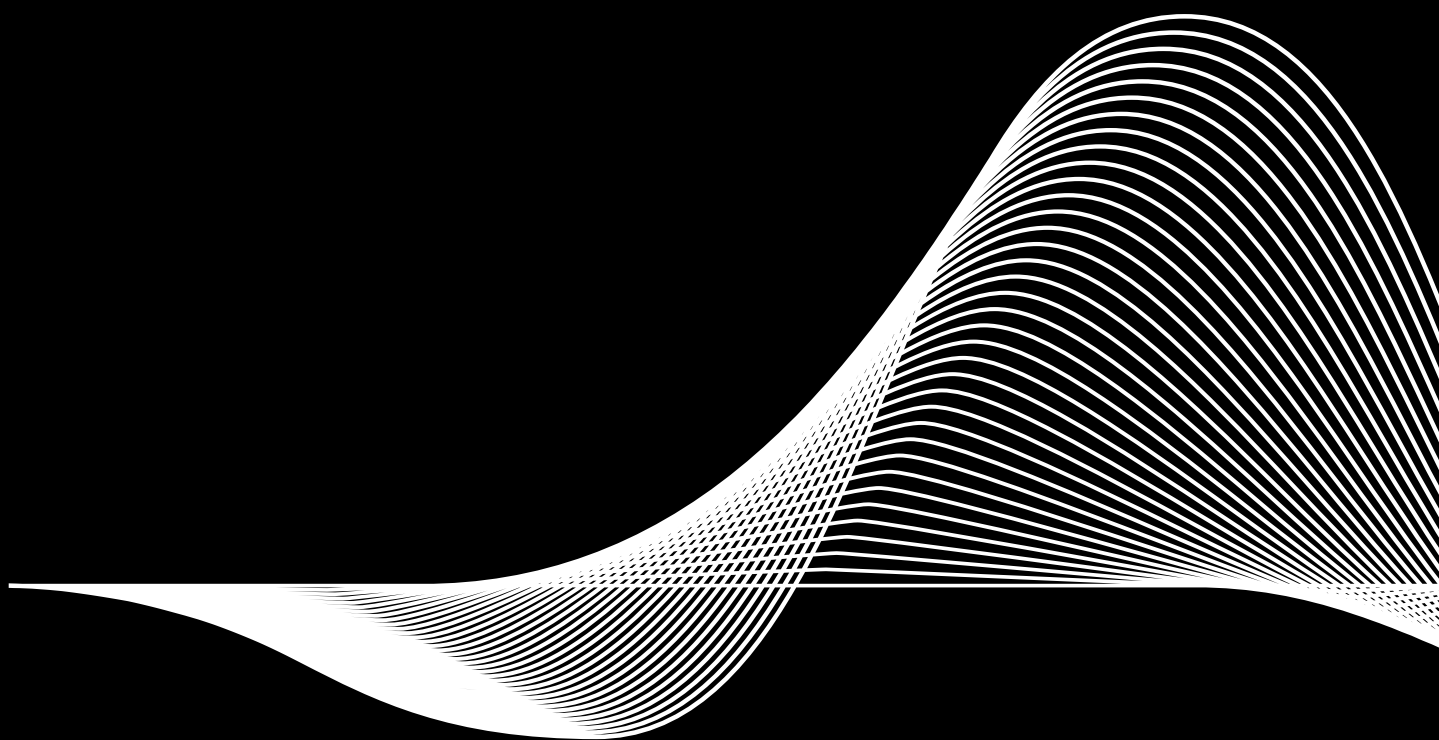


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Centuria's values and capabilities

Centuria's guiding principle is to manage our properties and funds in the best interests of our investors.

In achieving this principle, the Centuria Board and Executive Management Team are committed to the highest standards of corporate governance and recognise that an effective corporate governance culture supports the long-term performance and success of the business. These values reinforce the capabilities of Centuria's employees:



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.

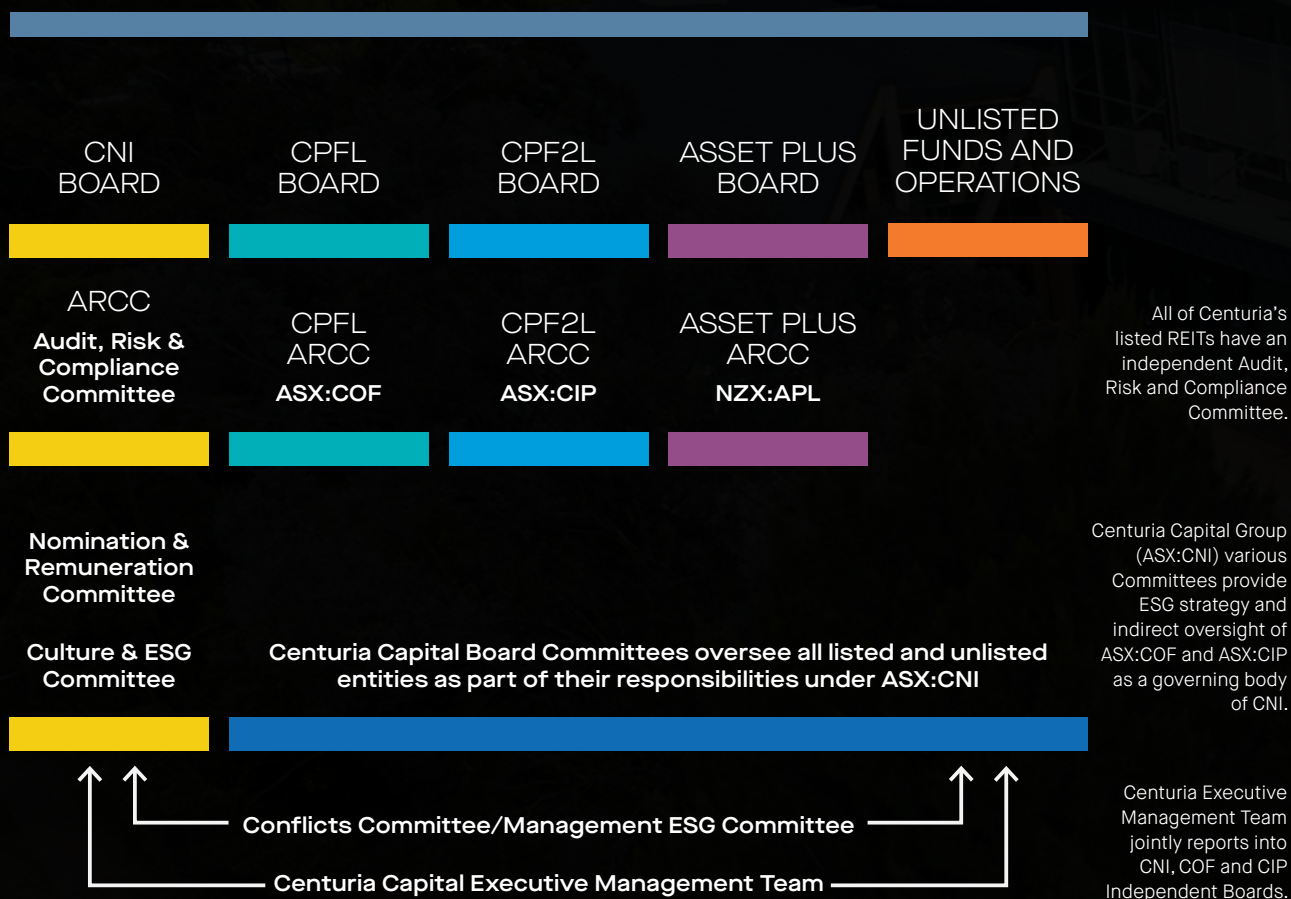
PERSONAL INTERACTION

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.

Corporate Governance Framework

The diagram below shows an overview of the Group's Corporate Governance Framework.

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/sustainability/governance.
- Additional information for unitholders is available at Centuria's Investor Centre at centuria.com.au/centuria-capital/shareholder-centre.

Corporate Governance Statement

FY2022 Corporate Governance Highlights

During FY2022, the Board's governance activities included:

- Strengthened the Nomination & Remuneration Committee (**NRC**) by appointing independent Non-Executive Director (**NED**), Susan Wheeldon, as Chair of NRC on 28 February 2022, replacing CNI Chairman, Garry Charny, who remains a member of the NRC.
- Continued to foster an inclusive and diverse workplace and commitment to our measurable objectives on gender diversity. As at 30 June 2022, CNI maintained female representation on the Board at 29% and increased female representation across CNI's workforce to 41%.
- Continued to increase Centuria's commitment to sustainability and environmental, social and governance (**ESG**) outcomes following the appointment of a General Manager - Sustainability and provide a second Sustainability Report prior to the 2022 annual general meeting (**AGM**).
- To reinforce its commitment to honest, transparent and responsible business practices, Centuria established a Supplier Code of Conduct that sets out the expectation for suppliers when engaged with works either directly or on behalf of the Group.
- Ongoing support of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
- Delivered Centuria's second Modern Slavery Statement.
- Increased engagement with investors, regulators and other key stakeholders.



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The Board

Section 1

1.1 The Board and its role

The main role of the Board is to provide strategic direction for the Centuria Group and it is responsible for overseeing the financial position, and for monitoring the business and affairs of the Group on behalf of the securityholders, by whom the Directors are elected and to whom they are accountable.

The Board also addresses issues relating to internal controls and approaches to risk management. It ensures that there are processes in place to conform to legal requirements and Corporate Governance Standards and that risk exposures are adequately managed.

The Board's specific responsibilities include:

- The appointment and removal of the Chief Executive Officer (**CEO**);
- Participating with management in setting the goals, strategies and performance targets for the enterprise and to monitor their achievement;
- Making available to management the resources to achieve the strategic plan including financial, management, manpower and material resources;
- Ensuring there are processes in place to conform 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 the securityholders as their appointed representatives, and seeking to align the collective interests of securityholders, boards and management.

The Board have delegated certain responsibilities to standing committees which operate in accordance with Charters approved by the Board. The Board have, subject to certain key and strategic decisions, delegated to the Joint CEOs the following responsibilities:

- Formulating and reviewing, with the Board, the vision and strategy for the Group;
- Developing actions and plans to achieve the vision and implement the strategy and reporting to the Board on the progress against those plans;
- Appointing a management team and negotiating terms and conditions of their employment; and
- Approving the remuneration levels of all staff.

The Joint CEOs and senior executives (together, the **Executive Management Team**) (**EMT**) are accountable to the Board through regular reporting, presentations and performance evaluations. The EMT present information at Board meetings in order to provide the Directors with access to all relevant information and the ability to candidly question the EMT in relation to any matter they deem necessary. The EMT are available to the Directors to provide them with information or clarification as required.

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

Performance reviews of senior executives are carried out by the Joint CEOs who report the findings to the NRC. The Joint CEOs conduct the reviews each year by comparing performance against agreed measures during the course of the year and deciding upon targets for the next year.

A performance evaluation of all senior executives, including the Joint CEOs, was undertaken in the 2022 financial year.

The Company Secretary 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 Centuria's corporate registers and apprising the Board on legal and governance issues.

The Board

Section 1

1.2 The composition of the Board

During FY2022, the Board had seven Directors, comprising five Non-Executive Directors and two Executive Directors.

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

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

DIRECTOR	ROLE	APPT. DATE	LENGTH OF SERVICE	COMMITTEE MEMBERSHIPS
Garry Charny	Independent Non-Executive Director/Chair	8 Aug 2016	6 yrs, 1 mth	Nomination & Remuneration Committee Conflicts Committee ¹ Culture and ESG Committee
John McBain	Joint CEO/ Executive Director	8 Aug 2016	6 yrs, 1 mth	None
Jason Huljich	Joint CEO/ Executive Director	8 Aug 2016	6 yrs, 1 mth	Culture and ESG Committee
Peter Done	Independent Non-Executive Director	8 Aug 2016	6 yrs, 1 mth	Audit, Risk & Compliance Committee (Chair) Nomination & Remuneration Committee
John Slater	Independent Non-Executive Director	8 Aug 2016	6 yrs, 1 mth	Audit, Risk & Compliance Committee Nomination & Remuneration Committee
Susan Wheeldon	Independent Non-Executive Director	31 Aug 2016	6 yrs	Culture and ESG Committee (Chair) Nomination & Remuneration Committee (Chair)
Kristie Brown	Independent Non-Executive Director	15 Feb 2021	1 yr, 7 mths	Audit, Risk & Compliance Committee Conflicts Committee

1.3 Director independence

Garry Charny, John Slater, Peter Done, Susan Wheeldon and Kristie Brown 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. Independence is tested by reference to ASIC guidelines on independence and through an external review. Every independent director has had their independence confirmed through that process.

John McBain and Jason Huljich are the Joint CEOs of Centuria and serve as Executive Directors and are not classified as independent.

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

Each Board Committee has an Independent Director as its Chair, with a majority of Independent Directors as members.

1.4 Managing conflicts of interests

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.

In 2017, the Board established a Conflicts Committee to assist the boards of Centuria Entities when they are considering matters involving conflicts of interests. This committee is currently 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, Kristie Brown 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, 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 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 2001* (Cth), 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 should not receive the relevant Board paper and not be present at the Board meeting during discussion of the matter.

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

The Board

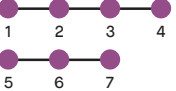
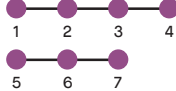
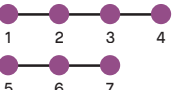
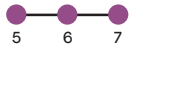
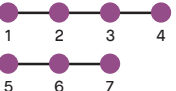
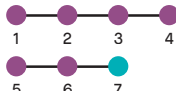
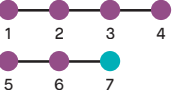
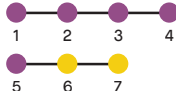
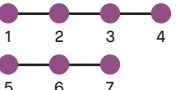
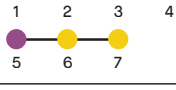
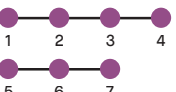
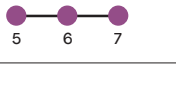
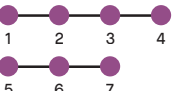
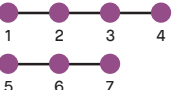
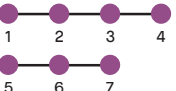
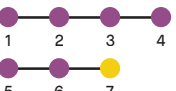
Section 1




1.5 Board skills and experience

The Board 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 their skills and experience are 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 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
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.		Mergers and Acquisitions	Knowledge and experience in Mergers & Acquisitions specific to the property fund and investment bond sector.	
Leadership	Success at senior executive level.		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	
Risk	Ability to identify key business risks and experience at monitoring risks and compliance frameworks.		Asia Pacific Market Experience	Experience of the property fund and investment bond sector within the Asia Pacific Market.	
Information Technology	Knowledge and experience in the use of critical information technology systems and applications or use of digital technology.		Environmental Sustainability	Ability to identify and manage the organisation's impacts on the greater environment.	
Strategy and Development	Experience in identifying and critically assessing strategic opportunities or threats and executing or overseeing strategy implementations.		Social Sustainability	Ability to identify and manage the organisation's impacts on the greater community.	
Project Management	Experience in the coordination of projects from start to finish.		Stakeholder Engagement	Ability to effectively communicate and maintain sustainable relationships with the organisation's stakeholders.	
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.				

 High competence/Practiced
 Moderate
 Aware

The Board

Section 1

1.6 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 a policy to review and assess the performance of its Board, Committees and Directors each year. An external review of the Board, its Committees and Directors was undertaken by an independent third party in 2022 in accordance with the Group's policy.

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 Chairman's performance;
- The performance of relevant Board committees; and
- Appropriate succession planning.

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

1.7 Director appointments

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.

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.

A letter of appointment is provided to each Director setting out the terms of their appointment.

Directors are selected and appointed in accordance with documented procedures. For full details on the procedures for the selection and appointment of Directors, please see our Procedures for the Appointment and Selection of New Directors which is accessible on the Corporate Governance page of our website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

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

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.

1.9 Board committees

To help them carry out their responsibilities, the Board has established four standing Board Committees:

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

Each Committee works within its Board approved Committee Charters, which sets out the roles, responsibilities, membership requirements and meeting procedures.

Copies of the Board Committee Charters are accessible on our website: <https://centuria.com.au/centuria-capital/corporate/sustainability/governance/>.

The Board

Section 1

Audit, Risk & Compliance Committee

COMMITTEE MEMBERSHIP	COMPOSITION REQUIREMENTS	RESPONSIBILITIES INCLUDE
Peter Done (Chair) John Slater Kristie Brown	<ul style="list-style-type: none"> Only Non-Executive Directors; A minimum of three members; A majority of independent Directors, including an independent Director as Chair; and All members are financially literate, either holding financial or accounting qualifications and/or having professional experience in a financial or accounting related field 	<ul style="list-style-type: none"> To oversee the Group's accounting policies and financial reporting, including reviewing the annual financial statements; To review the effectiveness of the Group's administrative, operating and accounting controls; 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; 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; To review the audit plan proposed by the internal and external auditors, and suggest potential improvements or changes in coverage; 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; To oversee the Company's compliance with regulatory requirements; To establish a system for the reporting of compliance issues to the Group and subsidiary Boards; To receive regular compliance sign-offs from Management, through the Compliance Manager; To monitor emerging issues relevant to compliance matters; 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; To monitor compliance with the Company's Risk Management Policy; and To monitor any related party transactions.

Nomination & Remuneration Committee

COMMITTEE MEMBERSHIP	COMPOSITION REQUIREMENTS	RESPONSIBILITIES INCLUDE
Susan Wheeldon (Chair) (from 22 February 2022) Garry Charny Peter Done John Slater	<ul style="list-style-type: none"> Only Non-Executive Directors; A minimum of three members; and A majority of independent Directors, including an independent Director as Chair 	<ul style="list-style-type: none"> Annual review of Board composition to ensure that the necessary skills are represented, together with the appropriate continuity and balance; Assessment of the effectiveness and composition of the Board and Board Committees; Regular evaluation of the performance of the Joint CEOs; Recommending remuneration for non-executive Directors; Annual review of the remuneration frameworks and incentive programs for the Joint CEOs and other senior management; and Ensuring that other human resource management programs, including performance assessment programs, are in place.

The Board

Section 1

Culture and ESG Committee

COMMITTEE MEMBERSHIP	COMPOSITION REQUIREMENTS	RESPONSIBILITIES INCLUDE
Susan Wheeldon (Chair) Natalie Collins (member of Centuria Life Limited and Over Fifty Guardian Friendly Society Limited) Jason Huljich Garry Charny	<ul style="list-style-type: none"> Directors, including one Executive Director with an independent Director as Chair (who is not the Chair of the Board); and A minimum of three members. 	<ul style="list-style-type: none"> To review, monitor and/or make recommendations to the Board in relation to Cultural matters, including: <ul style="list-style-type: none"> Processes and frameworks used for measuring and assessing culture and values alignment (including in relation to diversity and inclusion); and Management's approach to the identification and management of risks associated with the Company's culture. To review, monitor and/or make recommendations to the Board in relation to Environmental matters, including: <ul style="list-style-type: none"> The ongoing implementation and delivery of environmental initiatives and commitments in a staged and planned manner; and The adequacy of Management's approach to the identification and management of environmental risks and opportunities. To review, monitor and/or make recommendations to the Board in relation to Social matters, including: <ul style="list-style-type: none"> The implementation and delivery of social sustainability initiatives and commitments; and The effectiveness of the group's initiatives and policies (including human rights and modern slavery) in the Company's supply chain. To review, monitor and/or make recommendations to the Board in relation to Governance matters, including: <ul style="list-style-type: none"> Any reputational impact of the Group's business strategies and practices; In collaboration with the Audit, Risk & Compliance Committee, any material issues relevant to the Company's ESG strategy and reporting; and The Company's Corporate Governance Statement, sustainability report and the Group's ESG achievements and future commitments.

Conflicts Committee

COMMITTEE MEMBERSHIP	COMPOSITION REQUIREMENTS	RESPONSIBILITIES INCLUDE
Simon Rice AO (Chair) (externally appointed member) Garry Charny (member of CNI) Kristie Brown (appointed 22 February 2022 and member of CNI) Roger Dobson (member of Centuria Property Funds No.2 Limited)	If possible, members will consist of: <ul style="list-style-type: none"> A director of CNI who is not a director Centuria Property Funds Limited or Centuria Property Funds No. 2 Limited; one or more directors of the Centuria Group who are not directors of CNI; and An external member or the Chair of CNI. A minimum of three members. 	<ul style="list-style-type: none"> To provide assistance to the boards of Centuria Entities when they are considering matters involving conflicts of interest; 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. To assess the adequacy of the procedures and processes adopted to address Conflict of Interest issues

The Board

Section 1

1.10 Board and committee meeting attendance

Details of meeting attendance of the Board and Committees for FY2022 are in the following table:

DIRECTOR	BOARD MEETINGS		AUDIT, RISK & COMPLIANCE COMMITTEE MEETINGS		NOMINATION & REMUNERATION COMMITTEE MEETINGS		CONFLICTS COMMITTEE MEETINGS		CULTURE AND ESG COMMITTEE MEETINGS	
			Number of meetings held during the time the Director held office during the year	Number of meetings held during the time the Director held office during the year	Number of meetings held during the time the Director held office during the year	Number of meetings held during the time the Director held office during the year	Number of meetings held during the time the Director held office during the year	Number of meetings held during the time the Director held office during the year	Number of meetings held during the time the Director held office during the year	Number of meetings held during the time the Director held office during the year
	Number of meetings attended	Number of meetings held during the year								
Mr Garry S. Charny¹	25	25	3	4	4	4	16	16	4	4
Mr Peter J. Done	25	25	6	6	4	4	# ²	# ²	# ²	# ²
Mr John R. Slater	23	25	5	6	4	4	# ²	# ²	# ²	# ²
Ms Susan L. Wheeldon³	22	25	# ²	# ²	2	2	11	12	4	4
Mr Nicholas R. Collishaw⁴	5	5	# ²	# ²	# ²	# ²	# ²	# ²	# ²	# ²
Mr John E. McBain	24	25	# ²	# ²	# ²	# ²	# ²	# ²	# ²	# ²
Mr Jason C. Huljich	25	25	# ²	# ²	# ²	# ²	# ²	# ²	4	4
Ms Kristie R. Brown⁵	25	25	2	2	# ²	# ²	4	4	# ²	# ²

1. Garry Charny resigned as the Chair of NRC effective 22 February 2022.

2. # not a member of the Committee.

3. Susan Wheeldon was appointed the Chair of NRC and resigned as a member of the Conflicts Committee effective 22 February 2022.

4. Nicholas Collishaw resigned from the Board as a NED on 30 August 2021.

5. Kristie Brown became a member of the Conflicts Committee on 22 February 2022.

Remuneration

Section 2

2.1 Executive remuneration

The Group recognises the important role people play in the achievement of its business strategy and long-term objectives and as a key source of competitive advantage. To grow and be successful across these two areas, the Group must be able to attract, motivate and retain capable individuals with exceptional talent, expertise, experience and relationships.

The Group is able to achieve this goal by following the principles of:

1. Delivering value for securityholders in the most efficient manner – which is reflective in the Joint CEO structure that minimises the size of the executive committee to be leaner and more agile than our peers. Overall cost of remuneration is managed and linked to operating performance of the Group.
2. Ensuring competitive, at-risk rewards are provided to attract and retain the best executive talent, with a focus on rewarding outperformance and retention.
3. Including all staff in equity plans to provide a sense of ownership and alignment.

The main objective in rewarding the Group's senior management for their performance is to ensure that securityholders' wealth is maximised through the Group's continued growth.

Executive Directors are paid a salary commensurate with their position and responsibilities and at a level which attracts high calibre executives with appropriate skills and experience.

Executive Directors also participate in the Group's long-term and short-term incentive plans.

Further information regarding executive director remuneration can be found in the Remuneration Report in the FY2022 Financial Statement and the Annual Report.

2.2 Non-executive director remuneration

The Board has established a policy relating to the remuneration of NEDs. The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to securityholders. The underlying principles in setting NEDs' remuneration are as follows:

1. NEDs 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 NEDs with investors, not providing any disincentive to take independent action.

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

In the interests of good governance and transparency, the Remuneration Report discloses a Directors' fees schedule which recognises the complexity of the Group, by covering the multiple entities that Directors sit on within the Group.

Risk framework

Section 3

3.1 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 our website: <https://centuria.com.au/centuria-capital/corporate/sustainability/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. The Risk Management Framework was last reviewed in September 2021 with the objective of identifying material business risks so that they can be managed effectively.

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 Executive Management Team. 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 compliance function of the Group reports directly to the Audit, Risk & Compliance Committee (**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; and
- Monitoring compliance with the Group's Risk Management Framework.

Quarterly risk management reporting is provided to the ARCC by management. 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 st Line of defence	2 nd Line of defence	3 rd Line of defence
	Business Units/Operational Management/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 Audit, Risk & Compliance Committee.	The Group internal audit function is independently performed by Ernst & Young (EY) and is overseen by the ARCC. EY report directly to the ARCC at least on a quarterly basis.
	Material risks are escalated to the NFRC that has responsibility and oversight of the management of, and controls around, these risks.	The Compliance and Risk team is responsible for overseeing the implementation of CNI's Risk Management and Compliance Framework, providing effective challenge to the business in respect of the management of risks. The Chief Risk Officer – Financial Services also has an independent reporting line to the ARCC. The Compliance and Risk Team reports into the Group Chief Risk Officer and Company Secretary.	

Risk framework

Section 3

3.3 Internal audit function

An internal audit function has been established with a focus on the Group's control environment. The annual internal audit plan is determined having regard to the risk profile of the business arising from the annual business risk review.

3.4 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 and is available to answer questions from security holders.

The AGM of shareholders of the Company and a general meeting of unitholders of the Fund are held concurrently each year.

3.5 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.

3.6 Economic, environmental and social sustainability risks

Subsidiary companies within the Group 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 our risk management approach and initiatives are outlined in the Sustainability Report, which is updated annually. This report is available under the Sustainability section of our website: <https://centuria.com.au/centuria-capital/corporate/sustainability/>.

Governance codes and policies

Section 4

4.1 Code of Conduct

The Group has a Code of Conduct, which is available on its 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, senior executive and employee of Centuria Capital Limited 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.

Centuria 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 company's shareholders, employees, customers, regulators and the community and is committed to good corporate governance, compliance and ethical behaviour generally.

Accordingly, Centuria has implemented a Whistleblower Policy that sets out a clear process by which 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 approves this Policy and all material incidents and issues reported under the Whistleblower Policy are reported to the 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 Centuria is able to minimise the risk of fraud and corruption occurring across the organisation, including subsidiaries. Fraud and corruption prevention strategies demonstrate sound management practice and governance and assist Centuria in deterring unethical behaviour.

Effective fraud and corruption control require the commitment and involvement of all employees, contractors, customers and external service providers. It is therefore imperative that Centuria is aware of what within Centuria 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 and the ASX Listing Rules. The focus of these policies and procedures is to affect the Group's commitment to:

- Comply with the general and continuous disclosure principles contained in the ASX Listing Rules and the Corporations Act;
- 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.

Governance codes and policies

Section 4

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 Company. 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; and
- To have not less than 30% of directors of each gender on Centuria Capital Group Board.

As at 30 June 2022, female representation on CNI's workforce at various management levels was as follows:

LEVEL	2022 Outcome	2021 Outcome	2020 Outcome
Board of Directors	29%	25%¹	14%
Non-Executive Directors	40%	33%²	20%
Senior Executives³	31%	31%	33%
All employees	41%	37%	36%

4.6 Modern Slavery Statement

In 2019, Centuria 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 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, Centuria 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, which is available on its website: <https://centuria.com.au/centuria-capital/corporate/sustainability/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 resignation of Nicholas Collishaw on 30 August 2021, this became 29%.

2. Following the resignation of Nicholas Collishaw on 30 August 2021, this became 40%.

3. For the purposes of this measurement, Senior Executive has been defined as those positions that report directly to the Joint CEOs of the Group.

Shareholder communication

Section 5

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: <https://centuria.com.au/centuria-capital/corporate/sustainability/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 AGMs or other general meetings of the Group's securityholders.

The Group recognises the importance of providing its securityholders and the broader investment community with facilities to provide avenues for two-way communication between the Group, the Board and securityholders. The Group has developed a program on securityholder engagement for engaging with securityholders, the media and the broader investment community. In addition, the Group's securityholders 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 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 Group's Annual Report, and half and full-year financial reports;
- The release of announcements made to the ASX;
- Maintenance of the Group's website, at 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 AGMs and other securityholder meetings, the Group gives consideration to the guidelines given by the ASX Corporate Governance Council in its Corporate Governance Principles and Recommendations.

A notice of meeting and explanatory memorandum in respect of the resolutions to be voted on by securityholders 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, and lodged with the ASX.

In accordance with the Company's constitution, securityholders who are not able to attend the meeting are able to vote by proxy.

To further encourage securityholder participation at meetings, securityholders approved amendments to the Constitution of the Company and the Fund in 2020 to allow for virtual meetings to be held where securityholders can vote on resolutions and ask questions online.

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



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