

## **2024 Sustainability Report**

**SYDNEY** (Tuesday, 29 October 2024) – Centuria Capital Group (**ASX: CNI**) releases its 2024 Sustainability Report.

**-ENDS-**

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*Authorised for release by Anna Kovarik, Company Secretary.*

### **About Centuria Capital Group**

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with \$21.1 billion of assets under management (as at 30 June 2024). We offer a range of investment opportunities including listed and unlisted real estate funds as well as tax-effective investment bonds. Our drive, allied with our in-depth knowledge of these sectors and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.

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



An aerial photograph of a large, modern commercial building. The building's roof is covered with a dense array of solar panels. A prominent feature is a long, vertical green wall on one side of the building, which is integrated with the architecture. The building is situated near a body of water, with a dock and some boats visible in the background. In the foreground, there is a parking lot with several cars and a row of trees. The overall scene is bright and clear, suggesting a sunny day.

# Centuria

## Centuria Capital Group

# Sustainability report 2024



**Acknowledgement of Country**

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

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13 GARDEN STREET, EVELEIGH NSW



# About us



1 MCNAB AVENUE, FOOTSCRAY VIC





## Welcome

This is Centuria Capital Group's fourth sustainability report, and it covers our operations across both Australia and New Zealand for the financial year ending 30 June 2024.

This report supports the Group's wider reporting efforts encompassing Centuria Capital Group (ASX:CNI). We are pleased to share our progress in the past 12 months and provide an update on how we are tracking against our Environmental, Social and Governance (ESG) initiatives and targets.

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

This report has been prepared in reference to the Global Reporting Initiative (GRI) 2021 Standards. The GRI Index can be found [here](#).

We have referred to the Sustainable Development Goals (SDGs) in this report, highlighting where there is broad thematic alignment between our Sustainability Framework pillars and specific SDGs. The UN SDGs relevant to the Centuria Sustainability Framework pillar have been determined based on an internal assessment of the Framework's focus areas, their related initiatives, and how they broadly align with the principles and targets of the UN SDGs.

Energy, water and waste data disclosed in this report is from assets under Centuria's operational control<sup>1</sup> across listed and unlisted funds, with any data excluded from the data detailed in footnotes. Social and governance data (diversity and training metrics) in the report refers to employees of Centuria. For more information on our reporting boundaries, please see our **ESG Data Summary and Basis of Preparation**.

This Sustainability Report contains climate- and sustainability-related and other forward-looking statements which are subject to risks, uncertainties and assumptions. These forward-looking statements are not, and should not be considered to be, guarantees, predictions or forecasts of future climate- or sustainability-related outcomes, financial performance or share prices. These statements are subject to change, known and unknown risks, uncertainties and other factors, many of which are beyond CNI's control. Readers of this Sustainability Report should not place undue reliance on forward-looking statements in light of the significant uncertainty in the data and other information, including climate modelling, that limit the extent to which they are useful for decision-making, and the many underlying risks and assumptions that may cause actual outcomes to differ materially. This important information should be read together with the disclaimer on page 79. Please consider these important disclaimers when reading the forward-looking statements in this report.

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



If you have any enquiries about this report, please email [contactus@centuria.com.au](mailto:contactus@centuria.com.au).

## Reporting suite

For a more complete understanding of our business context, please refer to our broader reporting suite for FY24, along with our Corporate Governance Statements, Modern Slavery Statement, Board Charters and corporate policies – all of which can be found on our **website**.

### Centuria Capital Group

**2024 Annual Report and Corporate Governance Statement.**



### Centuria Sustainability Report 2024





## Centuria Industrial REIT

2024 Annual Report and Corporate Governance Statement.



## Centuria Office REIT

2024 Annual Report and Corporate Governance Statement.



## FY24 climate-related disclosure report





## FY24 highlights

### Climate change Environment



Centuria New Zealand released its first climate-related disclosures



c. 1,125 kW solar installed during FY24<sup>4</sup>, increasing total installed capacity to c. 9,600 kW<sup>5</sup>



Targeting the elimination of gas and diesel in operations (scope 1) for Centuria and COF where practicable by 2035<sup>1</sup>

Commenced electrification across c. 50,000 sqm of COF net lettable area (2 assets)



All-electric design for CIP developments completed in FY24<sup>6</sup>



**Market leading performance:**  
**6 star**  
NABERS energy rating achieved by 2 Phillip Law Street (Nishi)



Targeting zero scope 2 emissions by 2035 for Centuria, and 2028 for CIP and COF<sup>2</sup>

Our corporate offices across Australia sourced the equivalent of 100% renewable energy<sup>3</sup>



**5 star**  
NABERS Energy Sustainable Portfolio Index rating for COF (increased from 4.9 in FY23)



450 hours volunteered in Australia and New Zealand and over \$112,000 raised for community groups<sup>7</sup>



89% of Centurians surveyed recommended Centuria as a great place to work



43% female representation on CNI Board (up from 29% in FY23) and 45% female staff<sup>8</sup>



50/50 gender balanced CIP Board<sup>9</sup>

- Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Group. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's sustainability target.
- Centuria, CIP and COF will account for zero Scope 2 GHG emissions by being powered by the equivalent of 100% renewable electricity through a combination of onsite solar and large-scale generation certificate deals which match our consumption. See page 42 for further detail.
- Achieved through the purchase of GreenPower and large scale generation certificate deals which match our consumption. See page 42 for further information.
- Total solar capacity installed across assets from CIP, COF and Unlisted funds. This number excludes solar installed by our tenants and divestments in FY24 which had onsite solar.
- Approximately 9,600 kW of solar is installed across assets in COF, CIP and Unlisted Funds, excluding solar installations by our tenants.
- M80 Connect, 90-118 Bolinda Road, Campbellfield Vic and 204 Bannister Road, Canning Vale WA.
- Corporate donations and employee fundraising directed to not-for-profits from Australian and New Zealand activities, including Centuria Bass.
- Includes employees in Australia and New Zealand, as well as contracted personnel employed through a third-party provider in Manila.
- CPF2L is the Responsible Entity Board for CIP.





## Responsible business practices Governance



**Mental health**  
medical and safety support  
platform implemented for  
AU and NZ staff and their  
families



**Centuria  
Sustainability  
Framework**  
revised



All future CIP developments  
targeting 5 star Green Star  
Design and As-Built ratings,  
with  
**c. 58,000 sqm**  
delivered in FY24<sup>1</sup>, pending  
certification



New learning platform with  
**14,000**  
course options for  
employees



**Over 9,000**  
training courses completed  
by Centuria employees across  
cybersecurity, compliance  
competencies, risk and safety



Commenced seeking  
**Green Star  
Performance**  
portfolio ESG rating for all  
COF assets



New agreement with  
**Two Good Co**  
developed to use soap  
products in select assets:  
Two Good Co is a social  
enterprise that employs  
and empowers vulnerable  
women



Strong GRESB  
**4 star**  
rating for COF



M80 Connect awarded  
Urban Taskforce's 2024  
Development Excellence  
Award for  
**Best Industrial  
Development**

1. 5 Star Green Star Design and As Built v1.3 is targeted for M80 Connect, Campbellfield VIC and Green Star Buildings v1.0 is targeted at 204 Bannister Road, Canning Vale WA, and is pending Green Star certification.





1055 NUMURKAH ROAD, KATUNGA VIC



## Introduction statement

When it comes to environmental, social and governance (ESG), the context in which Centuria operates is evolving rapidly. In FY24, we continued to make progress in understanding our ESG impacts, and worked to further incorporate increasingly sustainability-related factors into our business practices across our operations, as described in this report.

### Responding to a changing context

As the world around us changes – particularly with regard to intensifying legislative requirements – it is important to keep Centuria's ESG approach up to date. To address this, FY24 saw us revise our sustainability framework, consolidating and clarifying our material ESG topics. We believe this refresh will strengthen our ability to focus on the areas where we can drive the greatest positive change.

Another key achievement was our response to the incoming climate-related disclosures, which were mandatory in New Zealand this financial year, and will be mandatory for the first group of reporting entities in Australia for financial years commencing on or after 1st January 2025, with mandatory reporting expected for Centuria Capital Group (ASX:CNI) from FY27. Centuria carried out key initiatives to increase our climate resilience, including detailed climate scenario planning. This involved creating three climate scenarios, identifying climate-related risks and opportunities for CNI, the Centuria Industrial REIT (ASX:CIP), the Centuria Office REIT (ASX:COF) and NZ Schemes, and assessing potential business impacts for each of the NZ Schemes that provided mandatory climate-related disclosures in New Zealand. This work was communicated via Centuria NZ's first Climate Statements and is also detailed in our climate-related disclosures.

### A focus on employee health and wellbeing

A silver lining that arose from the pandemic was an emphasis on mental health – and in FY24, Centuria continued to focus on initiatives that are conducive to positive employee health and wellbeing. In addition to providing mental health workshops and meditation sessions, Centuria also refreshed our Employee Assistance Program (EAP) to provide greater support. Through a mobile platform, Sonder, employees and their families now have access to a range of confidential services around the clock, including consultations with medical and mental health professionals, safety support for lone and/or isolated workers, psychological services and safety alerts.

### Systems and cybersecurity

Cybersecurity is another complex and quickly changing area that requires Centuria to proactively build our knowledge and competency, and maintain robust systems and security. To this end, we implemented training programs throughout FY24, with more than 9,000 training courses completed by Centurians across cybersecurity, compliance competencies, risk and safety. We also began developing a new IT and cyber strategy roadmap, which will include implementing a new governance, risk and compliance system to support our readiness for APRA's new Prudential Standard, CPS 230 for Operational Risk Management.

### Corporate citizenship

Along with internal processes, Centuria also focused on our presence within the wider real estate community. Centuria remains an active member of the Green Building Council memberships across Australia and New Zealand, and is actively involved with Property Council of Australia committees and roundtables at both national and state levels. This participation in industry bodies places Centuria at the coalface of industry lobbying activities as well as industry innovations, which helps the Group stay informed about sustainability best practices for the industry.

In this report, we have provided a detailed overview of all the Group's ESG initiatives for FY24. We hope this provides useful insights to our securityholders and key stakeholders, and we look forward to sharing our future progress as our sustainability journey continues.



**Susan Wheeldon**

Independent and Non-Executive Director and Chair, Culture and ESG Committee





## Joint CEOs' letter

Throughout the 2024 financial period (FY24), Centuria maintained assets under management at \$21.1 billion (FY23: \$21 billion), which is a considerable feat against the backdrop of challenging market conditions. This performance is largely attributed to our diversification into alternative real estate sectors, which offers investors a platform with unique points of difference while providing opportunities for stabilised earnings.

However, our focus has not been solely on fiscal outcomes. We are also addressing climate issues, alongside a range of social and stakeholder initiatives.

### A changing climate

During the year, the Group implemented numerous decarbonisation initiatives to assist with meeting our emission reduction targets of eliminating gas and diesel in operations where practicable for Centuria and COF by 2035<sup>1</sup>, and targeting zero scope 2 greenhouse gas emissions by 2035 (Centuria) and 2028 (CIP and COF)<sup>2</sup>. These included:

- Commencing electrification across 50,000 sqm of the COF portfolio<sup>3</sup> to reduce gas and diesel reliance.
- Sourcing the equivalent of 100% renewable energy across our Australian corporate offices<sup>4</sup>, which reduces our scope 2 greenhouse gas emissions.
- Installing 1,125 kW of solar across assets in our funds.<sup>5</sup>
- In addition, the Nishi Building in the ACT earned an impressive 6-star NABERS Energy rating, while COF achieved a 5-star NABERS Energy Sustainable Portfolio Index rating.

1. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Group. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's sustainability target.

2. Centuria, CIP and COF will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of on-site solar and large-scale generation certificate deals which match our consumption.

3. Two assets have commenced electrification including William Square 235 William Street, Northbridge WA and Allendale Square 77 St Georges Terrace, Perth WA.

4. Centuria transitioned its Australian offices where Centuria was the tenant to the equivalent of 100% renewable energy through the purchase of energy through an energy retailer that supplied GreenPower, and for our corporate offices that were not accounted for by retail energy purchases, through the purchase and retirement of large-scale generation certificates equivalent to the total amount of electricity usage at those offices during FY24. See page 44 for further detail.

5. Total solar capacity installed across assets from CIP, COF and Unlisted funds. This number excludes solar installed by our tenants and divestments in FY24 which had onsite solar.



## Valued stakeholders

Throughout FY24, Centuria continued to support the local communities in which we operate, volunteering a collective 450 hours and raising more than \$112,000 for charities. One highlight was a new agreement formed with social enterprise, Two Good Co, which now provides soap products to select Centuria assets. Fifty per cent of Two Good's profits are reinvested into its charitable Two Good Foundation that employs and empowers vulnerable women, making its purpose-driven business one that Centuria is proud to support.

Across our Office portfolio, we stepped up our activations and events, offering tenants a host of opportunities to connect, engage and learn about sustainability-related topics tailored to each asset's local context and tenant base.

Internally, our commitment to promote growth for our people and encourage diversity, equity and inclusion within our business was measured through our annual Engagement Survey. In FY24, Centuria achieved an overall engagement score of 77%, which is a considerable success given overall engagement scores have declined globally (currently 71%) and nationally (70%) since 2023.

Management continues to listen to feedback provided in these surveys and through an anonymous suggestion box. In FY23, employees requested further training and education – so this year, we introduced a new online platform, LinkedIn Learning. This resource is available to all employees, and provides access to a video-based database of c. 16,000 courses extending across business skills, software and creative content. The courses aim to enhance professional development, complementing skills learnt day-to-day.

## Responsible business practices

Supporting our 'ESG benchmarks' focus area from the Centuria Sustainability Framework, COF achieved a strong 4 star GRESB result and has begun a Green Star Performance rating for the portfolio. The two all-electric industrial developments delivered by CIP are targeting a 5 star Green Star rating and CIP's \$116 million M80 Connect development won the Urban Taskforce's 2024 Development Excellence Award for Best Industrial Development.

Within Centuria Capital Group's Board, we now have a 43% female representation (FY23: 29%) and maintained a 50% female representation on CIP's Responsible Entity Board.

All boards and committees seek to minimise modern slavery in our supply chain with key points of our approach outlined in this report. Centuria plans to deliver its 2024 Modern Slavery Report in December 2024.

## Looking forward

Centuria's approach to sustainability remains flexible and adjusts to new requirements, innovations and market changes. We draw on best practice principles and strive to create transparency and accountability towards achieving our sustainability targets.

We thank you for your continued interest in Centuria's sustainability journey and look forward to updating all stakeholders on our progression throughout FY25.



**John McBain**  
Joint CEO



**Jason Huljich**  
Joint CEO

1. Green Building Council of Australia Green Star Performance v1.2 rating underway with results expected during FY25.

2. The GBCA Green Star ratings are pending certification. Green Star Design and As Built v1.3 is the Green Star tool being used for M80 Connect, Campbellfield Vic, and Green Star Buildings v1.0 for 204 Bannister Road, Canning Vale WA.



## About Centuria

Centuria Capital Group (ASX:CNI) is a leading Australasian fund manager with more than \$21 billion of assets under management (as at 30 June 2024). We manage a range of investment products including listed and unlisted real estate funds and our capabilities encompass funds management, property management, development and transactions.



90-118 BOLINDA ROAD, CAMPBELLFIELD VIC



## Our purpose

We seek to transform real estate opportunities into compelling investments, which can create sustainable long-term value for our stakeholders<sup>1</sup> and bring benefits to the communities in which we operate.

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



## Centuria values and capabilities

Since Centuria was established in 1998, our company culture has evolved to meet the changing dynamics of the marketplace and the complexity of operating throughout Australia, New Zealand and the Philippines.

Our core values are the essence of our identity – the principles, beliefs and philosophy of our brand.

Our values and capabilities support our vision and shape our culture to create a sense of belonging and we prioritise strong and lasting relationships within our business and with our investors, tenants and partners. Centuria mobilises to seize opportunities, aiming to make well informed decisions and be transparently accountable.

These are internal values that aim to help guide employees' behaviours and approach. Adoption of our values is reinforced through quarterly internal awards that recognise those who best demonstrate the embodiment of each value. An overall staff winner is announced annually in both New Zealand and Australia.

Further detail on our values and capabilities can be found in our **FY24 Annual Report**.

### Centuria values



#### We value honesty, transparency and respectfulness

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

### Centuria capabilities



#### Transparent cooperation

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





### 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 employee development and support collective growth. We reward and celebrate success and like to promote from within.



### We do what it takes

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



### Transactional velocity

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



### Thorough process

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

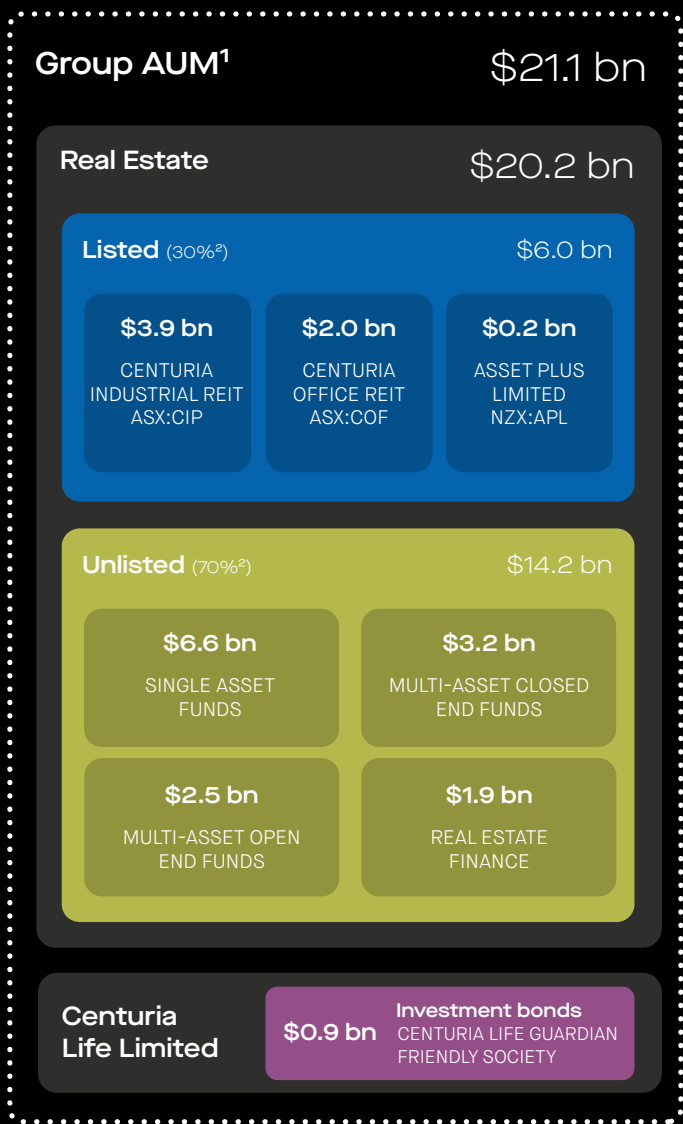


### Personal interaction

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

# Our business structure

Centuria comprises several entities, outlined below. Our activities take place in major cities and regional areas across Australia and New Zealand.



## Listed funds

In FY24, listed real estate investment trusts (REITs) made up approximately 28% of the Group's assets under management.

Australia's largest domestic ASX-listed pure play industrial REIT, focused on delivering income and capital growth to investors from a portfolio of high quality Australian industrial assets. Managed by Centuria Group.

89

assets

\$3.9 bn

funds under management

Note: Assets under management (AUM) as at 30 June 2024. All figures above are in Australian dollars (currency exchange ratio of AU\$1,000:NZ\$1.0927 as at 30 June 2024). Numbers presented may not add up precisely to the totals provided due to rounding.

1. AUM includes assets exchanged to be settled, cash and other assets and the impact of revaluations during the period.

2. Percentage of total real estate AUM.





**Centuria  
Office REIT  
(ASX:COF)**

Australia's largest pure play ASX-listed office REIT, focused on generating sustainable and quality income streams and executing initiatives to create value across a portfolio of quality Australian office assets. Managed by Centuria Group.

**19**

assets

**\$2.0 bn**

funds under management



**Centuria  
Industrial REIT  
(ASX:CIP)**



**Asset Plus  
Limited  
(NZX:APL)**

NZX-listed REIT with a portfolio of retail, industrial and commercial assets, managed by third party Bayleys.

**2**

assets

**\$0.2 bn**

fund under management

## Unlisted funds

In FY24, approximately 67% of Centuria's assets under management were unlisted real estate funds, with \$14.2 billion under management.

These funds are not traded on the Australian Securities Exchange (ASX) or New Zealand Exchange (NZX) – instead, they are property investments managed by Centuria in which investors can acquire (and directly benefit from) units. The Centuria unlisted fund platform includes both unlisted single and multi-asset closed-ended funds and multi-asset open-ended funds (which are represented on major investment platforms used by financial advisers).

In FY24, the Group's unlisted funds expanded by c. 3% year-on-year and now service more than 14,000+ investors across Australia and New Zealand. The diversity of our funds caters to a range of investor profiles and encompasses a wide range of real estate sectors, including:

All figures above are in Australian dollars. Numbers presented may not add up precisely to the totals provided due to rounding. Assets under management include assets exchanged to be settled, cash and other assets.





**Agriculture**



**Office**



**Daily needs  
retail**



**Large format  
retail**



**Industrial**



**Healthcare**



**Real estate  
finance**



## Centuria Life

Centuria Life has a long, proud history in the Australian market helping investors grow their wealth. We provide investors with a diverse investment style and risk catalogue which seeks to satisfy a wide variety of investor goals and profiles. Centuria Life is part of Centuria Capital Group.

**\$0.9 bn**  
funds under management







## Our value creation model

As a Group, we strive to create value for our stakeholders in several ways:

### Purpose

We seek to transform real estate opportunities into compelling investments, which can create sustainable long-term value for our stakeholders<sup>1</sup> and bring benefits to the communities in which we operate.

### Vision, capabilities and values

### Sustainability Framework

## Resources



Financial



Assets



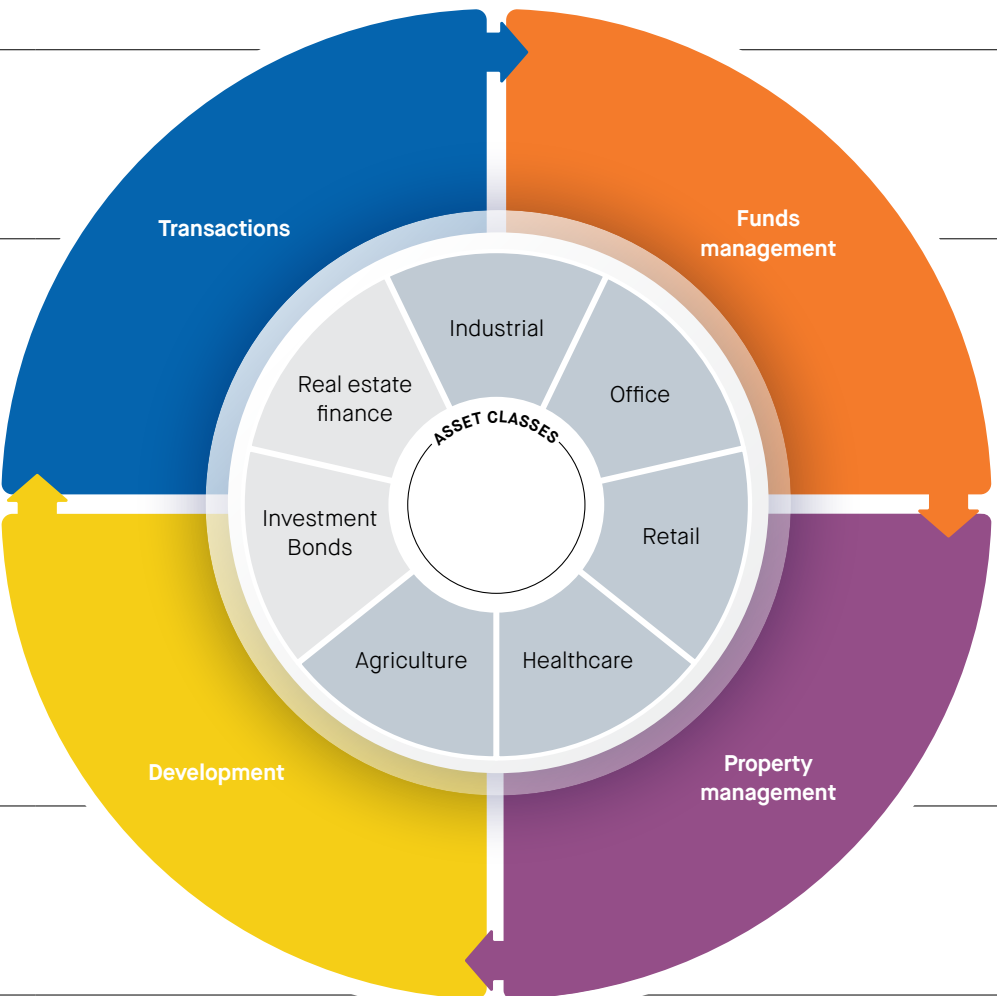
People and culture



Customer and community



Environment



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



## The value we create



We aim to create value for investors through active management of our funds' underlying assets.

- Capital management
- Financial performance



We seek to actively manage and develop quality assets across a diverse range of real estate sectors, with a focus on leasing arrangements for sustained revenue growth.

- Appropriate leasing arrangements
- Development pipeline
- Industry collaboration



We focus on promoting growth for our people and encourage diversity, equity and inclusion.

- Strong corporate governance
- Ongoing learning and development
- Inclusion, diversity, engagement



We have longstanding relationships with local community organisations and we are working to understand how we can create shared value with these groups for our mutual benefit.

- Resilient partnerships
- Positive customer experiences
- Creation of safe places for people to enjoy



We aim to create environmental outcomes that can help to mitigate climate-related risks and enhance opportunities.

- Responding to climate change
- Waste minimisation from our operations
- Reducing our GHG emissions

# Sustainability at Centuria

## Governance

Centuria strives to meet the highest standards of corporate governance, in alignment with our values and capabilities. Our governance approach aligns with the ASX Corporate Governance Principles and Recommendations, the rules and regulations in New Zealand law and the New Zealand Exchange (NZX) Listing Rules.

We strive to foster a workplace environment that is safe, open, ethical, transparent and free from corruption. Governance policies and principles are regularly reviewed by the Board and all employees are required to understand and follow our Code of Conduct, which reflects our expectations as a Group.

The Centuria Board (Board) bears the ultimate accountability for overseeing the management of sustainability risks and opportunities across the Group, including those related to climate. In addition, the Board retains overall accountability for the Group's risk profile. The Board meets six times a year and discharges its duties with the support of the following Committees:



## Culture and ESG (CESG) Committee

Accountable to the Board and works primarily in an advisory capacity. The CESG Committee is required to recommend a CESG strategy and Sustainability Framework for endorsement by the Board and oversee any climate-related targets set. The CESG Committee meets quarterly, or more often if needed, with minutes presented at each Board meeting. In FY24, a revised CESG Charter was approved, updating the Committee's responsibilities to include an explicit reference to climate-related risks and opportunities.

## Audit, Risk and Compliance Committees (ARCCs)

Quarterly meetings to consider relevant material risks that may apply to the Group or REITs (including those related to sustainability and climate), along with management's proposed strategies for mitigating or controlling these risks. There is an ARCC for each of Centuria's Boards (CNI, COF, CIP and Centuria New Zealand).

## The role of management



### Senior Executive Committee (SEC)

The SEC is responsible for day-to-day management of the Group's business and affairs, other than those matters specifically reserved for the Board. The Joint CEOs and Senior Executive Team (together, the Senior Executive Committee) are accountable to the Board through regular reporting, presentations and performance evaluations. The SEC is responsible for reviewing and approving sustainability-related initiatives and strategy, prior to the recommendation being made to the CESG Committee.



### Culture and ESG Management Committee

Together with the Joint CEO John McBain and the Group Manager of Sustainability, this management committee is responsible for overseeing and monitoring the Group's progress and performance against the CESG strategy, converting the approved CESG strategy into management plans and providing recommendations to the Senior Executive Committee and CESG Committee for review and decision. The Culture and ESG Management Committee meets monthly, with outcomes communicated to the Senior Executive Committee.

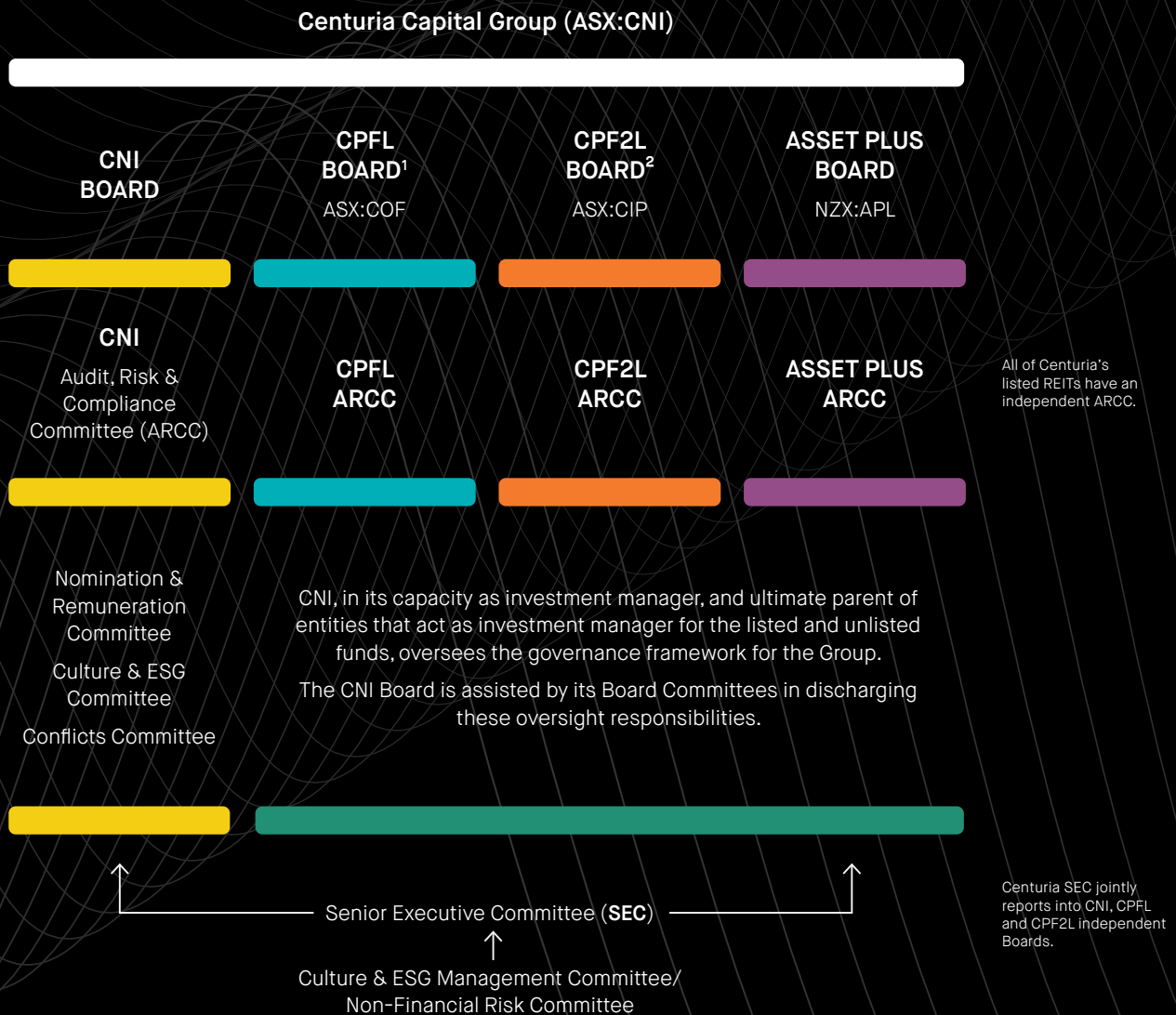


### Responsible Entity (RE) Boards

In addition to the Centuria Capital Group (CNI) Board, there are Responsible Entity (RE) Boards that oversee the management of sustainability-related risks and opportunities for each of the Group's listed REITs (including COF, CIP and APL) and unlisted funds. Each RE Board has its own ARCC, which functions the same way as the Group ARCC.

## Corporate governance structure

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



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





2 LAKE ST, VARSITY LAKES OLD



## Our stakeholders

Understanding the ever-changing needs, perceptions and concerns of our stakeholders is an important part of our sustainability approach.

In the table to the right, we have outlined our key stakeholder groups, and an overview of our engagement with each group, together with the relevant ESG focus areas from our Sustainability Framework for each. The definition of stakeholders in the table below differs from that included in the Centuria purpose statement given the breadth of stakeholders related to ESG matters.

### Industry associations and memberships

Centuria supports and actively participates in several associations and industry groups, which aim to assist real estate and funds management across Australia and New Zealand. Memberships are regularly reviewed to align with the business and its corporate values.

### Affiliations

#### Australia:



#### New Zealand:



#### Stakeholder



##### Investors

By engaging via multiple touchpoints throughout the year, we aim to give investors information to help inform their investment decisions with the Group.



##### Employees

We aim to transparently share information on the Group's strategies with employees and provide a safe and engaging workplace that intends to support their development.



##### Tenant customers

Understanding and responding to tenants is an important element of our leasing success.



##### Government and industry

We aim to monitor and manage regulatory changes and remain active within the industry to ensure we are aware of and engaged in industry developments.



##### Community

We value the importance of supporting and contributing towards the local communities in which we operate.



Engagement approach		Relevant ESG focus areas
<b>Listed investors and securityholders:</b> <ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Full year and interim results and reports</li> <li>One-on-one engagement meetings</li> <li>Engagements with key ESG indices and proxy advisors</li> <li>ESG topic survey</li> </ul>	<b>Unlisted investors:</b> <ul style="list-style-type: none"> <li>Quarterly reports</li> <li>Webinars (including half-year fund updates)</li> <li>The Property Circle (annual unlisted investor roadshow)</li> </ul>	<ul style="list-style-type: none"> <li>Climate resilience</li> <li>Energy and emissions</li> <li>Investment approach</li> <li>Modern slavery</li> <li>ESG benchmarks</li> <li>Customer and community</li> </ul>
<ul style="list-style-type: none"> <li>Annual and half year engagement survey</li> <li>Quarterly team building events</li> <li>Internal communications via email and the intranet</li> <li>Staff workshops and briefings</li> </ul>	<ul style="list-style-type: none"> <li>ESG topic survey</li> <li>Mental health and wellbeing briefings</li> <li>Sonder</li> </ul>	<ul style="list-style-type: none"> <li>Customer and community</li> <li>People and equity</li> <li>Health and wellbeing</li> <li>ESG benchmarks</li> <li>Investment approach</li> <li>Modern slavery</li> <li>Climate resilience</li> <li>Energy and emissions</li> <li>Resource and waste</li> </ul>
<ul style="list-style-type: none"> <li>Annual tenant engagement survey</li> <li>Tenant mobile app</li> <li>On-site activations (see pages 51-53)</li> </ul>		<ul style="list-style-type: none"> <li>Customer and community</li> <li>ESG benchmarks</li> <li>Energy and emissions</li> <li>Resource and waste</li> <li>Climate resilience</li> <li>People and equity</li> <li>Health and wellbeing</li> </ul>
<b>Policymakers:</b> <ul style="list-style-type: none"> <li>Meetings and consultation</li> <li>Submissions regarding regulations</li> </ul>	<b>Industry:</b> <ul style="list-style-type: none"> <li>Participation in industry initiatives, roundtables and conferences (carried out on an as-needed basis)</li> <li>Active participation in the Property Council of Australia's committees</li> </ul>	<ul style="list-style-type: none"> <li>Climate resilience</li> <li>Energy and emissions</li> <li>Investment approach</li> <li>ESG benchmarks</li> <li>Modern slavery</li> <li>Customer and community</li> </ul>
<ul style="list-style-type: none"> <li>Fundraising events at a corporate level</li> <li>Volunteering</li> <li>Community engagement initiatives held at an asset level</li> <li>Social procurement</li> </ul>		<ul style="list-style-type: none"> <li>Customer and community</li> </ul>

## Our Sustainability Framework

We have developed the Centuria Sustainability Framework to help us better understand the ESG impacts of our activities and to assist with driving improvements in those impacts through the focus areas in our ESG strategy. The Sustainability Framework is based on an assessment of our material topics – that is, the ESG topics most relevant to our internal and external stakeholders, based on their impact on the environment, people and the economy.



1055 NUMURKAH ROAD, KATUNGA VIC



## Materiality

In FY24, as per Global Reporting Initiative (GRI) recommendations, we reviewed and revised our Sustainability Framework and material topics to ensure their relevance within our rapidly changing context.

### Our review considered several key factors:



#### Centuria's purpose and vision

This was developed in FY23 and adopted for the revised Sustainability Framework.



#### Desktop assessment

Including an internal desktop assessment of the CSIRO Global Megatrends research<sup>1</sup> and research from the World Green Building Council<sup>2</sup> to ensure our Sustainability Framework focus areas aligned with third-party identified ESG topics (such as health, equity and wellbeing and climate change adaptation).



#### Stakeholder engagement

- ESG topic materiality assessment: this included high-level engagement with investors to understand the ESG topics they considered to be of greatest importance and an internal survey of senior Centuria staff seeking their input on the importance of ESG topics.
- Industry and peer assessment: we used the knowledge and insights gained from our engagement with industry bodies including the Property Council of Australia and the Green Building Council of Australia, along with a peer review, to assess the material ESG topics expected to be relevant to our industry and to Centuria.

Through our materiality assessment, we identified the ESG focus areas that were the most relevant to Centuria to assist us with progressing our ESG journey and to help address our stakeholders' expectations. The revised Sustainability Framework was then reviewed by the ESG Management team, before being further refined and approved by the Senior Executive Committee, C ESG Committee and Board. We are excited to launch the refreshed Sustainability Framework in this report.

1. CSIRO. 2022. "Seven Megatrends That Will Shape the next 20 Years." [csiro.au](https://www.csiro.au), 27 July 2022.  
2. Green Building Council of Australia, Australian Sustainable Finance Institute. 2023. Unlocking the Value: A Practical Guide for Sustainable Finance in the Australian Real Estate Sector.

## Centuria's revised Sustainability Framework


























The revised Sustainability Framework simplifies and strengthens our approach to ESG. The new Framework will help guide our ESG strategic initiatives and approach moving forward.

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



## The Sustainability Framework focus areas

Our Sustainability Framework focus areas have been informed by the materiality assessment as discussed on page 33 and are shown below, together with the objective and overview for each of the sustainability pillars.

	Climate change	Valued stakeholders	Responsible business practices
<b>Objective</b>	Environmental outcomes that can help to mitigate climate-related risks and enhance opportunities	Create shared value with our stakeholders	Maintain honest, transparent and respectful business practices
<b>Overview</b>	<p>Increasing severity in weather patterns have the potential to impact both Centuria's business and the communities in which we operate.</p> <p>In response, we are striving to build strategic resilience into our operations and reduce the impact of future potential climate-related risks, both physical and transitional, in assets we manage.</p>	<p>For the purpose of the Valued Stakeholders pillar, we define valued stakeholders as customers, tenants, investors, suppliers, government, industry bodies, employees and communities in which we operate.</p> <p>As an asset and fund manager, we are working to understand how we can create shared value with these groups for our mutual benefit.</p>	<p>Centuria seeks to achieve honest, transparent and responsible business practices by investing in both our processes and people.</p> <p>By integrating ESG measures into our governance framework – including our Sustainability Framework – we aim to continue building an ethical and collaborative culture.</p>
<b>Focus areas</b>	 <p><b>Climate resilience</b> Build strategic resilience to potential future impacts of climate change.</p>  <p><b>Energy and emissions</b> Monitor and reduce energy consumption and GHG emissions in line with Centuria's targets.</p>  <p><b>Resources and waste</b> Manage natural resources and minimise waste.</p>	 <p><b>Customer and community</b> Engage our customers and community to create shared value.</p>  <p><b>People and equity</b> Focus on promoting growth for our people and encourage diversity, equity and inclusion.</p>  <p><b>Health and wellbeing</b> Prioritise the health and wellbeing of our staff and customers.</p>	 <p><b>Investment approach</b> Embedding ESG considerations into our asset acquisition processes.</p>  <p><b>Modern slavery</b> Seek to minimise modern slavery in our supply chain.</p>  <p><b>ESG benchmarks</b> Where appropriate, assess assets and portfolios against relevant ESG benchmarks and explore third party sustainability certifications such as Green Star.</p>
<b>Relevant UN SDG<sup>1</sup></b>	   	     	   

1. See page 5. The UN SDGs relevant to the Centuria Sustainability Framework pillar have been determined based on an internal assessment of the Framework's focus areas, their related initiatives, and how they broadly align with the principles and targets of the UN SDGs.



# Climate change

Environmental outcomes that can help to mitigate climate-related risks and enhance opportunities.



78 TIDAL ROAD, MĀNGERE, AUCKLAND



## Introduction

Under this strategic pillar, Centuria's objective is to achieve environmental outcomes that can help to mitigate climate-related risks and enhance opportunities.

This year, we have seen the effects of severe weather events in both Australia and New Zealand, including the Auckland Anniversary floods and Tropical Cyclone Jasper in Queensland. Conscious of the potential impact of climate on our business and the communities where we operate, Centuria continued striving to build strategic resilience into our business.

### Relevant UN SDGs:



## Highlights



Centuria New Zealand released its first climate-related disclosures



c. 1,125 kW solar installed during FY24<sup>4</sup>, increasing total installed capacity to c. 9,600 kW<sup>5</sup>



Targeting the elimination of gas and diesel in operations (scope 1) for Centuria and COF where practicable by 2035<sup>1</sup>

Commenced electrification across c. 50,000 sqm of COF net lettable area (2 assets)



All-electric design for CIP developments completed in FY24<sup>6</sup>



Market leading performance:

6 star

NABERS Energy rating achieved by 2 Phillip Law Street (Nishi)



Targeting zero scope 2 emissions by 2035 for Centuria, and 2028 for CIP and COF<sup>2</sup>

Our corporate offices across Australia sourced the equivalent of 100% renewable energy<sup>3</sup>



5 star

NABERS Energy Sustainable Portfolio Index rating for COF (increased from 4.9 in FY23)

1. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Group. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's sustainability target.
2. Centuria, CIP and COF will account for zero scope 2 GHG emissions by being powered by the equivalent of 100% renewable electricity through a combination of on-site solar and large-scale generation certificate deals which match our consumption. See page 44 for further detail.
3. Achieved through the purchase of GreenPower and large scale generation certificate deals which match our consumption. See page 44 for further information.
4. Total solar capacity installed across assets from CIP, COF and Unlisted funds. This number excludes solar installed by our tenants and divestments in FY24 which had onsite solar.
5. Approximately 9,600 kW of solar is installed across assets in COF, CIP and Unlisted Funds, excluding solar installations by our tenants.
6. M80 Connect, Campbellfield VIC and 204 Bannister Road, Canning Vale WA.



## Climate resilience

As the manager of multiple property assets, Centuria's role includes the management of potential climate-related risks (both physical and transitional) across our portfolio. Our focus: building strategic resilience to potential future impacts of climate change.

### Bringing greater rigour to our scenario planning

Over the past 12 months, climate resilience preparedness has been a focus area for Centuria, and we have made clear progress in our climate-related scenario planning work. This included the creation of three climate scenarios that utilise the latest climate science from the sixth Assessment Report (AR6) from the Intergovernmental Panel on Climate Change (IPCC), the identification of climate-related risks and opportunities for CNI, CIP, COF and NZ Schemes and business impact workshops for Centuria New Zealand. For further detail on our climate resilience work in Australia, please see our **FY24 Climate-related Disclosures**.

### Meeting mandatory climate reporting requirements

In New Zealand, mandatory climate reporting came into effect within this reporting year and FY24 marked our first year of compliance with the Aotearoa New Zealand Climate Standards (the reports can be found [here](#)).

In Australia, the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures Bill [2024]) received Royal Assent on 17 September 2024, and on 20 September 2024 the AASB voted to finalise the Australian Sustainability Reporting Standards (comprised of AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information [AASB S1] and AASB S2 Climate-related Disclosures [AASB S2]). We have been preparing for this new phase of reporting by reviewing the reporting and we continue to voluntarily respond to certain aspects of AASB S2 and provide information on Centuria's current approach to climate-related governance, strategy, risk management and metrics and targets, with the FY24 disclosures for CNI found [here](#).







76 QUINNS HILL ROAD EAST, STAPYLTON QLD





## Energy and emissions

Understanding our energy use and reducing our reliance on fossil fuels remain priorities for us at Centuria and in FY24, we continued to focus on key initiatives to support our decarbonisation journey.

Our focus: monitoring and reducing energy consumption and GHG emissions in line with the Centuria emission reduction targets.

### Centuria emission reduction targets

In FY23, Centuria set the following emission reduction targets:



**Targeting the elimination of gas and diesel in operations (scope 1) for Centuria and COF where practicable by 2035<sup>1</sup>**



**Targeting zero scope 2 emissions by 2035 for Centuria, and 2028 for CIP and COF<sup>2</sup>**

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



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



**SCOPE**



### Source of scope 1 emissions

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

### Source of scope 2 emissions

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



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

## Business unit targets

Centuria's scope 1 and 2 targets are intended to be implemented throughout Centuria as follows:



### Leased assets by Centuria (as a tenant)



**Powered by the equivalent of 100% renewable energy**

from FY24 (The target was achieved in FY24 for Australian tenancies through the purchase of GreenPower and large scale generation certificate deals which match our consumption)



### Centuria Office REIT (COF)



**Install onsite solar**  
where feasible



**Targeting the elimination of gas and diesel in operations**  
where practicable by 2035<sup>2</sup>



**Targeting zero scope 2 GHG emissions**  
by 2028<sup>3</sup>



### Centuria Industrial REIT (CIP)



**Targeting zero scope 2 GHG emissions**  
by 2028<sup>3</sup>

1. 100% renewable energy for Australian corporate offices. New Zealand offices are currently powered by the national grid (approximately 82% renewable).  
2. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Group. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's sustainability target.  
3. Centuria, CIP and COF will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of on-site solar and large-scale generation certificate deals which match our consumption.



## CHERMSIDE MEDICAL CENTRE, 956 GYMPIE ROAD, CHERMSIDE QLD



## Unlisted funds



Install onsite solar  
where feasible



Targeting the  
elimination of  
gas and diesel in  
operations  
where practicable by 2035<sup>1</sup>



Targeting zero  
scope 2  
by 2035<sup>2</sup>



## Development



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



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



Targeting Green  
Star certification  
for new developments  
from FY24



## Centuria New Zealand



Targeting zero  
scope 2  
emissions by 2035<sup>3</sup>



Targeting the  
elimination of  
gas and diesel  
in operations where  
practicable by 2035<sup>4</sup>

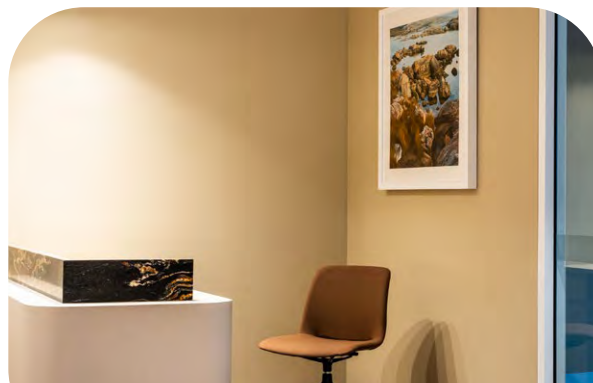
1. Centuria and COF will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Group. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's sustainability target.
2. Centuria, CIP and COF will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of on-site solar and large-scale generation certificate deals which match our consumption.
3. Centuria NZ will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity. While Centuria NZ receives electricity from the national grid, by 2035 Centuria NZ expects to purchase all its electricity from a supplier who matches our consumption on an annualised basis to power from hydro, wind or solar sources.
4. Centuria NZ will focus on eliminating gas and diesel where practicable, from equipment owned and operated by the Scheme. Gas and diesel equipment owned and operated by our tenants, and diesel used in back-up generators, are excluded from Centuria NZ's emission reduction target.



1 WILLIAM ST, PERTH WA



111 ST GEORGES TERRACE, PERTH WA



77 ST GEORGES TERRACE, PERTH WA

## Progress against our emission reduction targets

### Switching our corporate offices to the equivalent of 100% renewable electricity

One key achievement in FY24 was transitioning all of Centuria's offices (i.e. where Centuria is the tenant) in Australia to the equivalent of 100% renewable energy. This was done by progressively moving our tenancies to an energy retailer that supplies GreenPower, a program that enables businesses to purchase energy sourced from 100% renewable sources. Emissions generated from our corporate offices that were not accounted for by retail energy purchases were offset through the purchase and retirement of large-scale generation certificates (LGCs) equivalent to the total amount of electricity during the financial year.

### Our electrification journey

Electrification of Centuria's commercial assets is another strategy we are pursuing to reduce our scope 1 GHG emissions and to move towards our scope 1 target. Having completed a feasibility study on the electrification of COF's office portfolio, Centuria has gained a better understanding of the capital expenditure required to electrify COF's buildings. This will enable us to integrate the required upgrades into future capital expenditure plans. We have also developed electrification roadmaps for a number of Centuria's office assets in our unlisted portfolio including 111 and 140 St Georges Terrace, Allendale Square, and 15-17 William Street. Supporting our target to eliminate gas and diesel in operations

for Centuria and COF where practicable, our inhouse Development team is working towards designing fully electric developments where practicable which, when powered by the equivalent of 100% renewable electricity<sup>1</sup>, would be expected to have limited scope 1 emissions and zero scope 2 GHG emissions in operation.

One of our Perth office assets has made particularly strong progress towards electrification this year: William Square at 235 William Street, Northbridge. We take care to engineer the best electrification solution for each building, considering the age and layout of the building and existing plant equipment. At William Square, electrification is expected to be achieved by removing the boilers (which will be recycled) and replacing them with air-cooled heat pumps. Once the replacement is implemented, we will then fine-tune operational energy efficiency. William Square has also had a 99 kW solar system installed to assist with supplying the base building energy with the equivalent of 100% renewable energy to help make progress against our scope 2 target. We will also be leveraging this solar generation to preheat the building, thanks to the installation of buffer tanks to enable storage.

Other electrification exercises are more complex; however, this hasn't reduced our appetite for progress. Allendale Square is an older 1970s building designed around a central plant room. Here, we are removing diesel as part of an overall repositioning exercise and have had to relocate the heating plant to the roof and build a new central 'backbone' to allow for the electrical supply upgrades required to operate the heat pumps. All of this work is being done outside of working hours to avoid disruption to our tenants.

1. Through renewable energy procured directly with an energy retailer and/or large-scale generation certificate deals which match our consumption.



## Rolling out solar

Throughout FY24, c. 1,125 kW of rooftop solar has been installed across Centuria's CIP, COF and unlisted portfolios, with 1,270 kW of solar became operational following the completion of commissioning for the equipment. All office buildings across Centuria's Australian assets have now been assessed, and solar has been installed across all but three assets that have been shown to be suitable for solar, with the final three assets expected to be commissioned and operational in FY25. We have identified potential for further solar installations across our retail and healthcare assets and continue to explore options to install solar generation for our industrial portfolio.

## NABERS

Centuria works closely with the National Australian Built Environmental Rating System (NABERS) in relation to energy efficiency. NABERS Energy ratings are based on real energy data and they can be used to help understand a building's energy efficiency, identify potential savings and track progress. In FY24, Centuria continued to assess the energy and water performance ratings of our office assets annually using the NABERS tool.

In 2024, the NABERS Sustainability Portfolio Index Energy rating for COF increased to 5 stars, compared to its FY23 4.9 star rating. Newly rated NABERS buildings include 57 Wyatt Street (5 star NABERS energy and 4 star NABERS water) and 818 Bourke Street (4 star NABERS energy and 3.5 star NABERS water). We have more 6 star NABERS rated buildings than ever before, with Prime House & Joondalup House, 8A & 8B Davidson Terrace, Joondalup, and 20 Parkland Road, Herdsman improving to 6 stars, and 2 Phillip Law Street and 13 Garden Street retaining their ratings. This is a reflection of our ongoing efforts to improve building energy and water efficiency through the fine-tuning of plant and equipment. Government tenants are increasingly favouring buildings with higher NABERS ratings, which is an added motivator to improve our buildings' performance. This year, we were also asked by the NABERS team to participate in a project to develop a NABERS retail rating and have supplied data for a nominated asset to assist with the process.

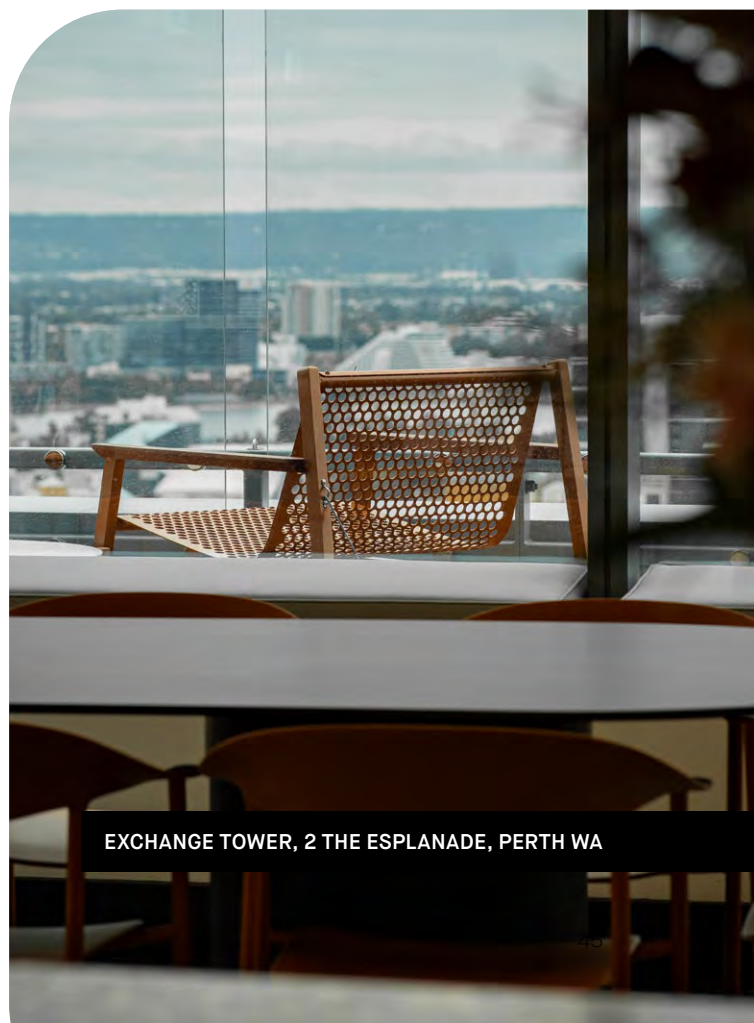
## Green Star

Please see page 66 for progress against the Green Star targets.

## Tenant metering underway in New Zealand

Across the past 12 months, tenant utility submetering for water and energy has been rolled out across 37 of our New Zealand assets (all those captured by XRB reporting and those in our industrial fund). We obtained permission from all tenants prior to installation, and they were generally very supportive of the submetering.

Having this data on hand has been useful in several ways. Firstly, it allows us to more accurately understand building energy consumption and tenant usage patterns so we can work to improve both. Having access to verified energy data is also important as the NZ business moves towards scope 3 GHG emission reporting in FY25. The new submetering systems also send out alerts when abnormal activity occurs, allowing us to quickly identify issues like water leaks and unusual spikes in tenant energy consumption.



EXCHANGE TOWER, 2 THE ESPLANADE, PERTH WA

1. Total solar capacity installed across assets from CIP, COF and Unlisted funds. This number excludes solar installed by our tenants and divestments in FY24 which had onsite solar.

FY24 energy and emissions data<sup>1</sup>

	FY23	FY24
EMISSIONS	<b>Scope 1<sup>2</sup></b> (tCO <sub>2</sub> e)	2,332
	<b>Scope 2</b> (location based) (tCO <sub>2</sub> e)	24,921
	<b>Total</b>	27,253
ENERGY	<b>Total consumption<sup>3</sup></b> (MWh)	56,598
	<b>Total renewable energy procured<sup>4</sup></b> (MWh)	1,654
	<b>Solar generated across assets<sup>5</sup></b> (MWh)	7,196
	<b>Capacity of solar installed</b> (MW)	2.2
		1.1

1. Emissions and energy values represent Australian and New Zealand assets under operational control (across listed and unlisted funds), and Centuria's corporate offices.

2. FY24 scope 1 value includes estimates for greenhouse gas emissions associated with refrigerant leakage on equipment Centuria owns and maintains.

3. Energy consumed represents onsite fuel combustion, energy purchased (grid and renewable), and onsite solar consumed.

4. FY23 data not collected.

5. New onsite solar installations and improvements in record-keeping have contributed to an increase.



### Nishi achieves 6.0 star NABERS energy rating

A standout achievement for Centuria this year was seeing one of our Canberra office buildings, Nishi, achieve Australia's highest available NABERS accreditation for energy: a 6.0 star NABERS Energy rating, representing market leading performance. The building, located at 2 Phillip Law Street, New Acton, recently underwent significant upgrades to improve its sustainability infrastructure, including the installation and activation of a c. 400 kW solar system. This generates enough renewable energy to power the base building services, with surplus energy exported back to the grid.

Nishi's Building Management System (BMS) was also upgraded to deliver improved energy efficiency through targeted maintenance programs and recalibration of its Air Handling Units (AHUs). Energy consumption is further reduced by the reuse of pre-chilled and pre-heated recirculated water from the mechanical system for heating and cooling. Tenants also benefited from the recent works, which included upgraded end-of-trip facilities and refurbished lobbies.

The building is iconic in design, with commercial tenancies wrapped in more than 40 kilometres of Australian blackbutt timber louvres – assisting to mitigate unwanted solar heat gain and glare.



### Energy efficiencies in agriculture

Centuria Agriculture Fund has continued to invest in certain assets that can deliver emission reduction outcomes in FY24, particularly through the use of technology. In Port Augusta, SA, our Sundrop Farms asset (acquired in FY23) benefits from the 'Sundrop System': an innovative climate control and irrigation system that utilises solar energy and sea water drawn from the nearby Spencer Gulf. The system features an integrated 1 ML desalination plant and 12.5 ha of solar mirror technology, enabling it to produce energy, heat and fresh water for the farm's plants, which are farmed in a protected greenhouse environment. For more information on the benefits of greenhouse agriculture, see page 74.

### Exchange Tower welcomes an EV courtesy car

Centuria's premium-grade Perth office building, Exchange Tower, is taking a step beyond its 5.5 star NABERS Energy rating by providing a complimentary electric vehicle (EV) for its tenants to use free of charge during business hours (and even after hours at a competitive rate). The Fiat500e will travel for 275-300km before it needs to be recharged.





## Resources and waste

We know that efficient water management and reducing operational waste are practices that are in the best interests of our stakeholders and the planet. This year, we made positive progress via several initiatives focused on managing natural resources and minimising waste.

### SUMS water metering

FY24 saw Centuria introduce water metering across across 226 Australian commercial assets (office and industrial) with the goal of gaining better visibility and control over our water consumption. Given our assets are located across a broad range of locations, having access to this data is intended to help us more effectively notice any spikes and address issues like leaks and unusual increases in water consumption. Centuria has also developed a water efficiency checklist that we provide to our operators in Western Australia, setting out possible measures to improve water efficiency, such as more efficient pumps or water-wise gardens. We intend to roll out this checklist nationally from FY25.



## Waterwise achievements in Western Australia

This year, two of Centuria's office assets were recognised by the Western Australian government's Waterwise scheme: 111 and 140 St Georges Terrace, Perth. A Gold Award went to 111 St Georges Terrace, achieved through waterwise pathway examples, smart metering and outpost data logging. Meanwhile, 140 St Georges Terrace (which earned Gold last year) achieved Platinum Waterwise status with the addition of new measures such as tap flow restrictors, bathroom audits, new power-efficient water pumps and tenant education.

**Centuria Office (COF) has improved its NABERS Water Sustainable Portfolio Index rating to**

# 4.1 stars

(from 3.9 stars in FY23) and we continue looking at ways to improve this score.

## Bintracker initiative

As part of Centuria's commitment to actively managing waste streams, we completed the rollout of the Bintracker waste management system in FY24. The system has been introduced to provide tenants with more waste streams, enabling rubbish to be recycled more effectively and be diverted from landfill.

Bintracker has been provided to all of Centuria's Australian office buildings (approximately 42 assets, with around 1,000 tenants) and provides four waste streams: general waste, mixed recyclables, paper recyclables and organics (compost). Its rollout has included new bins being supplied to tenancies where needed and the installation of scales at each property to effectively measure and record the waste volume per stream for each tenancy. Engagement is a big part of the program, with education and advice delivered to facility managers and communications materials issued to tenants.

Throughout the financial year, the Bintracker system measured an average 40% recycling rate, with 185 tonnes of waste diverted from landfill – a promising start. We intend to share this type of data with tenants as we continue to use Bintracker to assist tenants with their own waste initiatives as well as our own.

## Water and waste metrics<sup>1</sup>

	FY23	FY24
<b>Total water consumption<sup>2</sup></b> (kL)	651,590	732,019
<b>Total waste<sup>3</sup></b> (tCO2e)	6,983	5,980
<b>Waste to landfill</b> (t)	5,184	4,219
<b>Waste diverted</b> (t)	1,799	1,760
<b>Waste diverted<sup>4</sup></b> (%)	26%	29%

1. Water and waste values represent Australian and New Zealand assets under operational control (across listed and unlisted funds), and Centuria's corporate offices.

2. Increase has been driven by the inclusion of additional asset classes, and more accurate reporting through a metering initiative.

3. Decrease is driven by a more accurate onsite weighing system implemented throughout commercial assets.

4. Implementation of the weighing system and education on recycling has seen an increase in diversion.



2 KENDALL STREET, WILLIAMS LANDING VIC



# Valued stakeholders

Create shared value with our stakeholders

## Introduction

Under this strategic pillar, Centuria's objective is to create shared value with our stakeholders. By engaging with tenants, suppliers, employees, investors, government, industry and community groups, we are working to understand how we can create shared value for our mutual benefit.

## Highlights



**450 hours** volunteered in Australia and New Zealand and over \$112,000 raised for community groups<sup>1</sup>



**Mental health** medical and safety support platform implemented for AU and NZ staff and their families



**89%** of Centurians surveyed recommended Centuria as a great place to work



**New learning platform with 14,000** course options for employees



**43%** female representation on CNI Board (up from 29% in FY23) and 45% female staff<sup>2</sup>



**New agreement with Two Good Co** developed to use soap products in select assets: Two Good Co is a social enterprise that employs and empowers vulnerable women



**50/50** gender balanced CIP Board<sup>3</sup>

### Relevant UN SDGs:



1. Corporate donations and employee fundraising directed to not-for-profits from Australian and New Zealand activities.

2. Includes employees in Australia and New Zealand, as well as contracted personnel employed through a third-party provider in Manila.

3. CPF2L is the Responsible Entity Board for CIP.



## CIRQUE OPENING MORNING TEA



## Customer and community



Centuria's values and quality standards are reflected in the places and services we provide. We want people who use our places to have positive experiences, whether they're a tenant or a member of a local community where we operate. Our focus: engaging our customers and community to create mutually shared value.

## Enriching tenant experiences

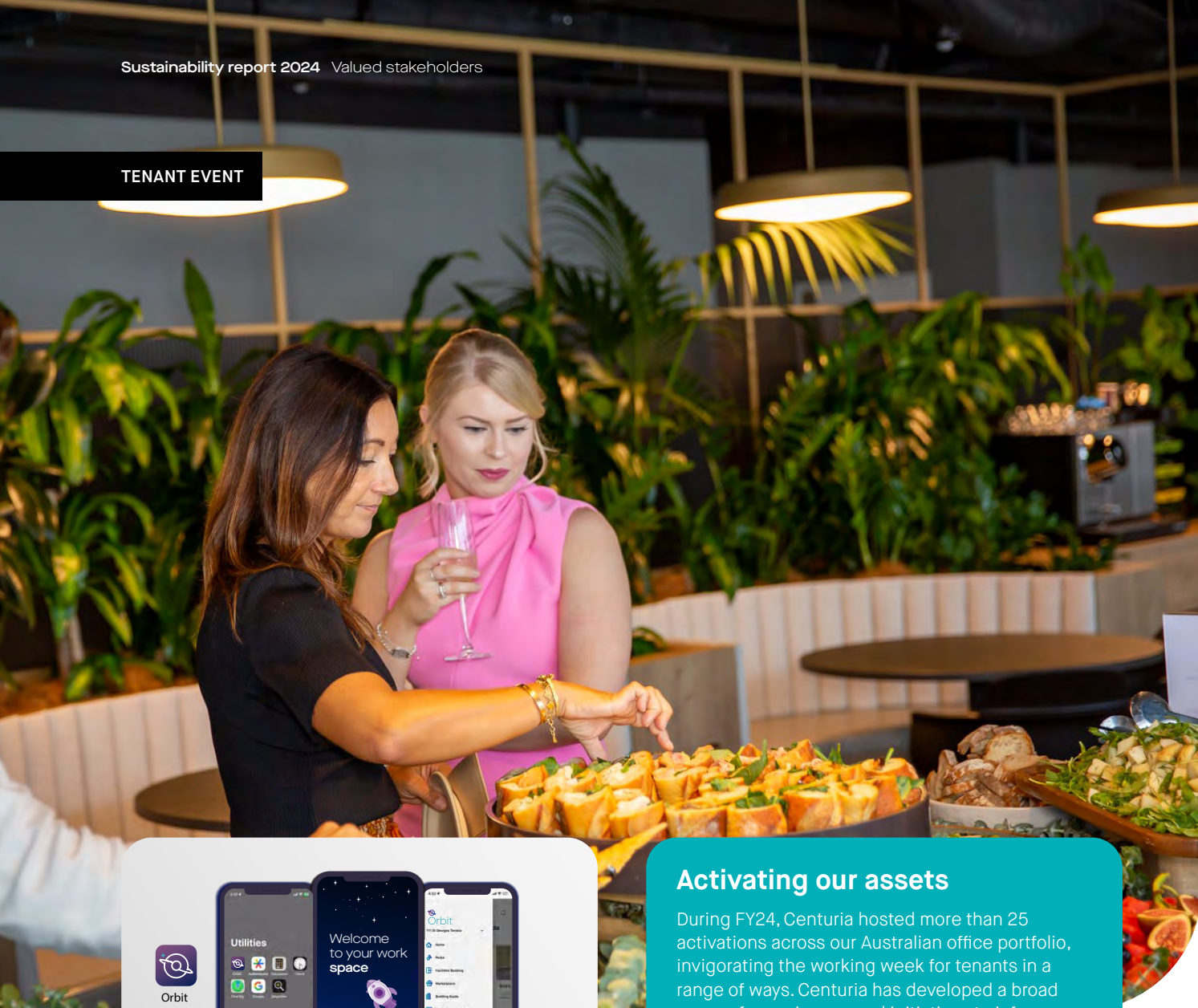
At Centuria, we are placing more and more emphasis on understanding the customer experience from a tenant's perspective. This process has been driven by our National Tenant Experience Manager, who works across all our assets in Australia.

In FY24, a key focus was improving the tenant onboarding process, which begins following the signing of the lease and goes through until the tenant departs the building. This year, we finalised new collateral that supports this process including information packs that act as a welcome guide and source of information for new tenants. Not only does this resource help to enhance tenants' initial experience, but it also answers a lot of commonly asked questions, to support building managers. The information packs have been rolled out across all Centuria's office assets and are being adopted across our industrial and healthcare portfolio.





## TENANT EVENT



Orbit



## From the portal to in-person

Tenant engagement is also facilitated by the Orbit app: a digital information platform available at eight A-grade office assets (five assets were added to the Portal in FY24). Through Orbit, tenants can access the building guide, book amenities and receive communication from the building management team (for example, about any activations – see breakout box). The technology also allows us to customise the experience for each asset, making for a more personalised connection.

In the physical sense, tenant experience is also being considered via in-person site events where we are exploring opportunities to utilise unleased area to enhance user experience and create a sense of belonging and community for our tenants. This approach has brought new life into the shared amenities offered to our occupiers such as new end of trip facilities, activation of the foyer space with the inclusion of casual workspaces and lobby cafes and an expansion of our concierge services and flexible workspaces.

## Activating our assets

During FY24, Centuria hosted more than 25 activations across our Australian office portfolio, invigorating the working week for tenants in a range of ways. Centuria has developed a broad range of experiences and initiatives to inform a bespoke activation program for our assets. This meant that activations could be rolled out to suit each building budget, the tenant demographic and their business interests. The activation events ranged from the celebration of NAIDOC week, mental health awareness and local producers' food and wine tasting sessions. Our activation program has focussed on a deeper connection with our tenants and the local community.





## Satisfaction surveys

Customer satisfaction is important to Centuria, and we track our performance with an annual tenant engagement survey. In FY24, we conducted this survey across our office, industrial, healthcare and large format retail portfolios. Overall survey scores are shared with the Senior Executive Committee and major stakeholders.

The survey scores and helpful insights provided by respondents are reviewed by the property management team at the asset level, who use the feedback to create asset specific actions.

**TWO  
GOOD  
CO.**

### Working with social enterprise

FY24 saw Centuria enter into an agreement with registered social enterprise and not for profit, Two Good Co. Through a range of programs and products, Two Good Co works to support, empower and employ women who have experienced homelessness, domestic violence and complex trauma. Part of Two Good Co's offering is the creation of high-quality wholesale washroom consumables, including anti-bacterial handwash and sanitiser. Through our partnership with Two Good Co, Centuria has committed to rolling out these products across select Australian assets, integrating them into common areas such as end of trip facilities.

Another social enterprise we partnered with this year was GreenChairTM, a furniture and goods repurposing program helping Australian businesses to transfer furniture and other unwanted items to not-for-profits, charities and community groups. As part of our de-fit process in certain Western Australian assets (Allendale Square, 235 William Street, Northbridge, 111 St Georges Terrace), we have worked with GreenChairTM to divert materials from waste and reduce our carbon footprint – and our goal is to make this a consideration for all de-fits moving forward.



**CORPORATE SNUGGLE EVENT**



**AUSTRALIA PLACE 15-17 WILLIAM STREET, PERTH WA  
NEW FOYER OPENING**



**57 WYATT STREET, ADELAIDE SA  
OPENING EVENT**

## Contributing to our communities

With operations in many locations across Australia and New Zealand, Centuria has built longstanding relationships with a wide range of community partners and local organisations. Our community initiatives are coordinated by our offices in each Australian state, New Zealand and in Manila, with committees in each office established to lead fundraising.



Total number of hours volunteered

452



Number of volunteers

64

Values above reflect Australia and New Zealand employees.



### St Lucy's School, Sydney

In Sydney, Centuria employees have volunteered at St Lucy's School for more than 10 years. This is a primary and secondary school focused on inclusive education for students with disabilities. Through our quarterly employee volunteering program, staff members assist with a wide range of maintenance and administration tasks, including coordinating students at swimming carnivals and the annual photo day.



### Very Special Kids, Melbourne

In May 2024, team members took part in the Very Special Kids 24-Hour Treadmill Challenge, a day-long relay raising money to provide holistic palliative care to young people with life-limiting conditions. Together with funds raised from our VSK Golf Day and Lawn Bowls events, Centuria raised c. \$16,000.



### Blood Drive, Perth

In Western Australia, Centuria formed a team of 29 employees committed to making lifesaving blood donations. In FY24, the team, known as 'Centuria RED WA' made c. 16 donations of blood and plasma combined, saving up to 48 lives. The team plans to participate in quarterly blood donations moving forward.



## Teaming up with RUAH

In FY24, Centuria continued our charity partnership with Ruah Community Services: supporting vulnerable and disadvantaged people throughout Greater Perth for more than 60 years. Ruah operates over 20 different programs to provide wrap-around support for clients. Its service delivery is integrated across four core support areas: Housing and Homelessness, Family Services (women and children escaping domestic violence), Mental Health and Wellness and Specialist Legal Services.

Already, Centuria's Perth team has supported Ruah through several volunteering and fundraising activities. We have made 250+ meals, engaged in meaningful conversation with those attending the Ruah drop-in centre and organised donations. In May 2024, 12 members of Centuria took part in HBF's Run for a Reason event, raising \$1,375. Centuria matched the remainder to reach a \$5,000 target.

**RUAH**  
COMMUNITY SERVICES



## Starlight Children's Foundation, Brisbane

In FY24, Centuria's Brisbane team participated in several Starlight Children's Foundation initiatives including donating gifts and money to the charity's Christmas appeal, joining the '10K Steps a Day' challenge, and providing volunteering for an annual Starlight Foundation fundraising event.



## Donations and volunteering in New Zealand

Once again, the NZ team supported children with chronic kidney disease via a Corporate Partnership with Kidney Kids, donating AUD c. \$4,500. A donation of AUD c. \$13,000 was also made to fund scholarships from the Keystone Trust, which helps disadvantaged young people move into successful property careers.

Centuria NZ also donated AUD c. \$9,000 to the NZ Sport Collective, which will help give students at New Plymouth Boys and New Plymouth High Schools the chance to be involved in sports that they may have been otherwise unable to access. Finally, the NZ office participated in a volunteer day to help preserve Motuihe Island in Auckland's beautiful Hauraki Gulf.



## Local fundraising in Manila

The Manila team held two fundraising activities for local charities in FY24. The first, a bingo night attended by more than 80 people, raised PHP 33,400 (AUD \$919) for the Children's Joy Foundation, which is dedicated to disadvantaged, neglected and poor children in the Philippines. The second was a Mobile Legends Tournament, which raised PHP 60,000 (AUD \$1,570) for The San Lorenzo Ruiz Home for the Elderly.



## People and equity

We know that Centuria's success hinges on our employees, and we invest in their development and engagement. Our focus: promoting equity and growth for our people, including diversity, equity and inclusion.

### Employees

Centuria has a large workforce of around 348 employees working across our Australian and New Zealand offices, as well as 101 contracted personnel employed through a third-party provider in Manila, who are responsible for key administrative functions, such as accounts payable and property services. We have a decentralised human resource structure, with managers taking an active role in the welfare and development of employees within their teams. The Board has ultimate oversight of the management of employee engagement, development and wellbeing.

Both Centuria Industrial REIT and Centuria Office REIT are externally managed by Centuria Capital Group. By a REIT's nature, CIP and COF have no staff and are solely a portfolio of assets.

### Bringing new structure to learning

During FY24, we reviewed our approach to staff learning and development with the aim of supporting our team's professional development. This year, Centuria introduced a platform, LinkedIn Learning, which was selected due to its accessibility, credibility and breadth of content. There are c. 16,000 learning programs and courses available online through the LinkedIn Learning platform, all from excellent facilitators and regularly rated by users. LinkedIn Learning provides a strong support system for users and meaningful metrics for corporations.

FY24 marked the first year of Centuria's three-year contract with LinkedIn Learning. To ensure adoption, we introduced supporting governance in the form of a new annual KPI, which is regularly reviewed by managers.

All employees are required to complete a minimum of LinkedIn Learning courses each year: two selected by their manager and two self-selected. We believe that this approach will help support our people to achieve their best at Centuria and encourage more frequent and structured developmental conversations.

Employees also engaged in over 1,750 hours of mandatory compliance training on governance and risk management policies including the Group's Code of Conduct, cyber security and risk and safety.

### Centuria Leadership Program

Like last year, FY24 saw 11 employees take part in the Centuria Leadership Program. This is a full-year top talent development program that runs twice a year with candidates nominated and selected through the Senior Executive Committee. Participants receive mentoring from a Centuria executive, participate in a full 360 leadership survey and attend monthly cohort meetings and full-day workshops focusing on themselves, their team and the wider organisation. They are also invited to work on special projects with executive sponsorship, presenting their achievements to the senior executive committee at the end of the year. The program has provided valuable opportunities for Centuria employees to progress with 60% of former participants having been promoted into more senior roles.



## Centuria's team<sup>1</sup>

### Australia

313

284 in FY23

### New Zealand

35

39 in FY23

### Philippines

101

92 in FY23

### Total (up 8%)

449

415 in FY23

## Employee training (compliance and cybersecurity)<sup>2</sup>



9,216

Total number of  
training courses



1,772

Total number of  
training hours (approximate)



~4

Total number of training  
hours per employee

1. Headcount as at June 30 2024.

2. Total number of compliance and cybersecurity courses completed during the financial period of 2024 by employees.

## Employee engagement

All Centuria permanent employees were invited to participate in the FY24 employee engagement survey. A 90% participation rate was achieved ensuring the results obtained accurately represent Centuria's workforce. The engagement score took into consideration the strongly agree and agree data points. We achieved a positive engagement score of 77%, which is consistent with last year. Feedback gained from the survey will be used to establish initiatives that build capability and shape the culture of the workplace.

## Introducing new interns

FY24 was the fifth year of Centuria's Internship Program. This year involved formal partnerships with the University of Technology Sydney (UTS) and Curtin University (WA). The year-long Internship Program involves a rotation between departments, giving final year university students well-rounded exposure to Centuria's business along with mentoring and the opportunity to take part in special projects. This year's projects focused on onboarding, tenant engagement and the use of big data. During FY24, three new interns are completing the program.





## Diversity, equity and inclusion

Centuria promotes a corporate culture where diverse experiences, perspectives and backgrounds of employees are embraced and valued.

The Group's commitment and approach to diversity and inclusion are set out in its Diversity Policy and Code of Conduct, both of which are monitored and overseen by the Board.

During FY24, the Board established measurable objectives regarding gender diversity as outlined in the Corporate Governance Statement. Below are its objectives, along with our progress in FY24.

The Group continued to support the Property Council of Australia's (PCA) 500 Women in Property initiative, which aims to accelerate more women into leadership positions in the property industry through sponsorship of high-potential talent. This year, the PCA accepted all five Centuria nominees for its program. The program involves a personal commitment from sponsors at Centuria, to help build their nominees' network and profile, leading to positive developmental outcomes.

### Age diversity

23%	61%	16%
<30	30-50	>50
24 in FY23	59 in FY23	16 in FY23

### Percentage of employees identify as female<sup>1</sup>

>30%

Group target



45%

45% in FY23

### Percentage of senior executives<sup>2</sup> identify as female

>20%

Group target



29%

27% in FY23

### Percentage of directors who identify as female on the board

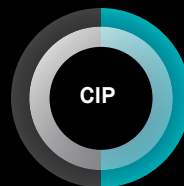
>30%

Group target



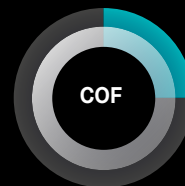
43%

29% in FY23



50%

50% in FY23



25%

25% in FY23



33%

17% in FY23

1. Includes employees in Australia and New Zealand, as well as contracted personnel employed through a third-party provider in Manila.

2. Represents female senior executives: all members of the Senior Executive Committee, Heads of Business and other senior executives within the company.



M80 CONNECT, 90-118 BOLINDA ROAD, CAMPBELLFIELD VIC

## International Women's Day

On Friday 8 March, we celebrated International Women's Day (IWD) with a morning tea across all our offices. This year, the International Women's Day theme was 'Inspire Inclusion'. When we inspire others to understand and value women's inclusion, we forge a better world.

At the company-wide IWD Day event, we were fortunate to host a guest speaker who is a leader and trailblazer in our industry: Davina Rooney. Now CEO of the Green Building Council of Australia, Davina started out in the male-dominated field of engineering and her career has taken her across the world – with highlights including helping to build an award-winning school in Ladakh in the Indian Himalayas. Davina's passion for sustainability was reflected in her speech and she shared personal experiences and insights that made a great impact on our team. Attendance at the Sydney event was high and many team members from other offices tuned in via live stream – with emphatic positive feedback from attendees of all genders, ages and levels of seniority.





## M80 Connect opening ceremony

In April 2024, Centuria opened a \$116 million industrial estate in north Melbourne: M80 Connect. The super-prime warehouses are equipped with sustainability features such as electric vehicle charging stations, a 350 kW solar system, rainwater harvesting for estate irrigation, water efficient fixtures and fittings, and energy efficient lighting – and the development is targeting a 5 star Green Star rating. When fully occupied, it's expected that M80 Connect will create c. 280 new jobs for the Campbellfield community.

The opening ceremony for M80 was attended by prominent figures including Maria Vamvakinou (Federal MP for Calwell), Tim Pallas (Treasurer of Victoria, Minister for Industrial Relations and Minister for Trade and Investment), Kathleen Matthews-Ward (State Member for Broadmeadows) and Cr Naim Kurt (Hume City Council Mayor). To pay our respect to the Traditional Owners of the land, a Welcome to Country and Smoking Ceremony were conducted by Thane Garvey-Gannaway, Indigenous Educator at the Wurundjeri Tribe Land Corp.

**\$116 million**  
industrial estate

**350 kW**  
solar system

Targeting  
**5 Star**  
Green Star Design and As Built v1.3



## Health and wellbeing

At Centuria, our focus is to prioritise the health and wellbeing of our staff and customers. In FY24, we have continued to step up our effort in this area, particularly in relation to mental health.



## Switching to Sonder

While Centuria has had an Employee Assistance Program (EAP) for many years, uptake has been low – and we believe this has been due to the format of the service (telephone counselling by appointment only). After researching options, in FY24 we were pleased to announce a new health and wellbeing provider for Australia and New Zealand employees: Sonder.

Sonder is a complete employee care platform that provides a range of health, wellbeing and safety services available on demand via a smart phone app as well as telephone.

### These include:



Mental health support via phone or an instant text chat – the latter caters to those who feel more comfortable typing than talking about their issues.



24/7 access to a registered nurse for non-emergencies – users can even send photos.



Remote safety via Track My Journey, helpful for when colleagues need to work alone onsite or when they are coming home from a function.



Push notifications sent to users on safety matters, such as severe weather events and crisis support.

With support available via messaging, phone and in person, Sonder is flexible enough to cater to all communication preferences, especially the digital native younger employees. Sonder is available to all Centuria employees as well as their family members across Australia and New Zealand. Sonder's average uptake rate is around 65% and we expect it will be far more actively utilised by our people than the previous service.

For our team in the Philippines, human resources is outsourced to a local provider, Diversify Offshore Staffing Solutions (now HGS OSS), as they are able to contextualise our employees' experiences with local and culture-specific knowledge.





38-44 GAP ROAD, SUNBURY VIC

## Active on mental health and mindfulness

Throughout FY23 and FY24, Centuria ran a series of 17 mental health workshops across Australia, New Zealand and the Philippines. There were two formats: one geared to employees and one for managers, both with mandatory attendance. During each session, we shared practical tips on mental health self-care and how to be aware of the mental health of those around you. Two of our senior leaders shared their own experiences via video. The mental health workshops also gave us a chance to engage with the team about their awareness of Centuria's EAP – this was low, providing support for our decision to switch to Sonder.

In March 2024, we also ran three meditation workshops, which were offered to all employees. Sessions were delivered by an external professional in person to the Sydney team and via video link to all other offices.

Other healthcare benefits include access to free fitness classes for those in our Australian offices, and for those in New Zealand, twice weekly HIIT classes and summer touch football and football tournaments. All Centuria employees benefit from our Flexible Working Policy, which stipulates employees can work one day of the week from home.

## Safety at Centuria

Centuria has a documented approach for managing the safety of our employees, the people working within our assets (including contractors) and our tenants. This is outlined in our Work Health and Safety handbook, which provides direction across areas such as operational control, contractor management and hazards. The handbook, along with associated policies and procedures, are reviewed regularly with the assistance of Risktech, a specialist external provider that also carries out safety audits at our assets.

To understand the risks that may be present within our portfolio, we follow risk management practices, such as carrying out Property Risk Assessments (PRAs), site inspections and risk profiling. We obtain relevant permits for high risk works, track risk and safety measures that we have in place and conduct safety training for employees and vendors via the Acorn platform. Internal surveys are also conducted on risk management to assess the effectiveness of our approach and employees' level of knowledge.

We have an incident reporting system that reports on damages, incidents (with and without injuries) and near misses. In FY24, we also launched a new Health and Safety intranet page and ticketing system (Jira), which will enable us to report additional safety-related metrics in the future.





# Responsible business practices

Maintain honest, transparent and respectful business practices



607 BOURKE STREET, MELBOURNE VIC



## Introduction

Under this strategic pillar, Centuria's objective is to maintain honest, transparent and respectful business practices. We seek to achieve honest, transparent and responsible business practices by investing in both our processes and people – and by integrating ESG measures into our governance framework. We aim to build a culture that is ethical and effective.

## Highlights



**Centuria Sustainability Framework**  
revised



All future CIP developments targeting 5 star Green Star Design and As-Built ratings, with  
**c. 58,000 sqm** delivered in FY24<sup>1</sup>, pending certification



**Over 9,000** training courses completed by Centuria employees across cybersecurity, compliance competencies, risk and safety



Commenced seeking **Green Star Performance** portfolio ESG rating for all COF assets

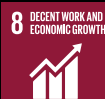


**Strong GRESB 4 star** rating for COF



M80 Connect awarded Urban Taskforce's 2024 Development Excellence Award for **Best Industrial Development**

### Relevant UN SDGs:



1. 5 Star Green Star Design and As Built v1.3 is targeted for M80 Connect, Campbellfield VIC and and Green Star Buildings V1.0 is targeted at 204 Bannister Road, Canning Vale WA.



## ESG benchmarks

Centuria utilises, where appropriate, ESG benchmarks, including green building certifications. These benchmarks allow us to assess and showcase the green credentials of our buildings and help to inform our approach in both developing increasingly efficient buildings and operating existing ones to improve their performance.

Our focus: to assess assets and portfolios against relevant ESG benchmarks and explore third party sustainability certifications such as Green Star.

### Kicking Green Star goals

In FY24, Centuria continued to remain a member of the Green Building Council of Australia (GBCA) and New Zealand Green Building Council (NZGBC) and actively used the GBCA's Green Star rating and certification tools. These tools have been developed in close consultation with industry and Government and are recognised as one of the largest quality management certification tools for sustainable development in the built environment, assessing projects across a broad mix of criteria, from energy and waste to indoor environment quality and material use.

This year, we began our Green Star Performance rating journey with initial certification in progress across our entire Centuria Office REIT (COF) portfolio, and the Centuria Prime Partnership (CPP) portfolios. CPP is a joint venture between Centuria and an investment vehicle sponsored by Morgan Stanley Real Estate Investing (MSREI) with two portfolios that include healthcare (between CNI and MSREI) and industrial (between CIP and MSREI) assets. All new buildings we develop in Australia for our REITs will be designed to a minimum 5 star Green Star rating standard. Examples completed this financial year include industrial facilities in Bannister Road, Canning Vale, Western Australia, M80 in Campbellfield, Victoria, and an A-Grade office building at 6-8 Munroe Lane, Auckland (see page 69), which are targeting or have achieved a 5 Star Design & As-Built rating under their respective Green Star schemes.

### GRESB

FY24 was the third year Centuria Office REIT's portfolio was assessed by GRESB with a strong **4 star** performance achieved.







95-105 SOUTH GIPPSLAND HIGHWAY,  
DANDENONG SOUTH VIC ('SOUTHSIDE')

## Green Building certification targets



Asset type

Industrial



Targeting

5 Star

Green Star – Design & As Built v1.3 rating



204 BANNISTER ROAD, CANNING VALE WA



Asset type

Industrial



Targeting

5 star

Green Star Buildings v1.0 rating





6 MUNROE LANE, ALBANY, AUCKLAND



## Hawiti, 6-8 Munroe Lane, Auckland

Completed in July 2023, Hawiti is a newly crowned office building situated on Munroe Lane in Albany, Auckland. Staff wellness, energy efficiency and sustainability have been key considerations in the development's design, which have helped it achieve a 5 star Green Star Design and As-Built NZv1.0 rating and target a 5 star NABERS NZ Energy rating (standards that have become mandatory for Crown tenants in New Zealand).

Together with the contractor, Icon, a number of sustainability outcomes were achieved in the construction phase of the project, including:

100%

recycling of steel waste from the site.

80%

of the sheet piles (which equates to 250 tonnes of material) has been re-used from gold mine sites in the South Island.

81.7%

of the total construction waste diverted from landfill, directly recycling 65 tonnes of steel, 56 tonnes of timber, 1.5 tonnes of cardboard and 269 tonnes of clean hard fill.



All materials excavated from the site have been tested and cleared of contaminants and reassigned as bulk fill materials for future sites and projects within the local area.

The A-Grade building is anchored by Auckland City Council, which occupies around two-thirds of the campus-style hub. All tenants benefit from end of trip facilities and an in-house café, as well as high quality indoor environment quality. Select aspects of the design for Hawiti were informed by Te Aranga principles, in particular the celebration and portrayal of Te Tō Waka, the canoe portage.

Hawiti received a Merit at the Property Council of New Zealand's 34th Property Industry Awards in June 2024 for both the Commercial Office Building and Sustainable Building categories. In May 2024, the development received the 2024 Master Builders New Zealand Commercial Project Awards' Gold Award.



## Modern slavery

In the property industry, supply chains are typically complex and include certain services and materials that carry a higher than average risk of modern slavery.

For this reason, Centuria is taking proactive steps towards identifying and mitigating modern slavery risk across our operations.

In FY24, we continued working to mature our approach to modern slavery and our most recent progress is detailed in our Modern Slavery Statement (published December 2023). Key points from the statement have been summarised on the next page.

Centuria's Modern Slavery Working Group (established in 2022) continued to meet monthly to discuss and assess our modern slavery response. Meetings are chaired by the Group Manager of Sustainability, who provides updates on modern slavery to the CESC Committee as required. Each quarter, any material risks, updates or modern slavery cases are reported to the ARCC of each Board (CNI, COF and CIP), with no material risks reported in FY24.



### Spotlight on the Philippines

Centuria has a centralised finance and accounting function located in Manila. This team is susceptible to modern slavery risks due to weaker socioeconomic conditions and government intervention in the Philippines. The team is recruited by a third-party provider to assist with the administration tasks such as accounts payable and property services for the Australian and New Zealand teams.

To manage modern slavery risk and help protect the human rights of these employees, our third-party provider has developed a suite of policies, including a Modern Slavery Policy, Grievance Policy, Harassment-free Workplace Policy, Conditions of Work Policy, Compensation and Benefits Policy, Timekeeping and Attendance Policy and Employee Code of Conduct.



## Our approach to assessing modern slavery risks includes:



Annual assessment of supplier expenditure to identify and categorise supplier spend across the business, based on material spend.



Quarterly communication through review of results from their Informed 365 assessment with suppliers in categories where modern slavery risk is typically higher (such as cleaning, security and landscaping labour providers).



Assessments undertaken by a third party for immediate suppliers in geographic locations where modern slavery risk is higher, with summaries of their operations and on-ground standards provided.

## Key Group-wide actions in 2023 included:



### Training

Training is delivered by specialist provider, Safetrac, to all Facilities Managers, all members of the Modern Slavery Working Group and key members of New Zealand key personnel. Training is focused on building a general understanding of modern slavery, as well as compliance and reporting obligations.



### Governance

Suppliers are expected to comply with the Group's operating policies, including the Whistleblower Policy and the Supplier Code of Conduct, with the latter being a minimum requirement when tendering for contracts.



### Monitoring and reporting

On time payments to suppliers are monitored during monthly finance meetings to mitigate the risk of late payment for contractors and sub contractors.

Regular meetings are held by the Modern Slavery Working Group to monitor and report any material risks, updates or modern slavery cases to the relevant Boards and Committees.



### Grievance testing

The Whistleblower process was tested, trialling a fictional modern slavery scenario to identify areas for potential improvement.

## Supplier-specific actions included:



### Screening via Informed 365 for all new and existing suppliers and principal contractors

(upon contract renewal). In instances where a score indicates room for improvement for material suppliers or principal contractors, Centuria aims to engage with the supplier or contractor to help ensure they are aware of the risks that have been identified and are working towards strengthening their approach to modern slavery.



**Introduction of Rapid Global**, a vendor management software system that retains each vendor's appropriate insurances, qualifications, workplace health and safety (WHS) requirements and modern slavery policies. This helps to ensure mandatory and regulatory obligations are met, including compliance with Centuria's Building Services Agreement and associated modern slavery requirements.



### Working collaboratively with Agile Energy

to develop new mechanisms to identify and mitigate modern slavery risk (such as a Code of Business Ethics and Conduct and training support structure).



**Engagement with our property management contractors** (Colliers International and Cygnet West in Australia, and Bayleys in NZ) to enhance their approach to modern slavery.

For further detail, please refer to our **2023 Modern Slavery Statement** ([centuria.com.au](https://centuria.com.au)).



## Investment approach

At Centuria, we seek to integrate ESG themes into our investment approach, through the application of our ESG Policy.

Updated in FY24, this policy sets the expectation for the Group to consider material ESG themes as part of its investment approach and day to day operations and it has been refreshed to now include an explicit reference to climate-related risks and opportunities.

To align with new ESG expectations following its implementation, climate-related risks and opportunities, including an asset's resilience to the future potential impacts of climate change, third-party green building certifications and on-site fossil fuel use, are considerations in due diligence undertaken for new property acquisitions made by Centuria. Any climate-related risks and opportunities identified will be described in the papers seeking approval for the acquisition, for review by the Senior Executive Committee (SEC) and the Board. In FY24, this process was completed as part of the acquisition of Halls Head Central, a retail centre in WA, and no material climate-related risks were identified.

Having considered the ESG Policy and Sustainability Framework endorsed by Centuria, CIP and COF have identified ways to embed ESG themes into their own ESG investment approaches, approved by their respective Responsible Entity Boards. The ESG investment approaches for CIP and COF can be found [here](#).







69 STUDLEY COURT, DERRIMUT VIC



## Growth in agriculture

Established in 2022, Centuria's Agriculture Fund (CAF) has grown significantly in the last 12 months with the acquisition of two new assets: a 12 ha facility in Riverlea Park SA and a 21 ha facility in Katunga, Victoria. As a result, CAF now has a total of five assets, 111.50 ha of protected agriculture assets and approximately \$441 million in assets under management.

CAF aims to appeal to investors wanting access to high quality agricultural investments, leased to reputable operators. Both the new acquisitions come with significant glasshouse and greenhouse infrastructure and are operated by reputable vegetable producers (P'Petual in Riverlea Park and Katunga Fresh in Katunga). Investing in this type of food production has been a deliberate strategy for CAF as it's inherently lower risk as less exposed to weather variability and less resource intensive than conventional paddock farming. In the controlled environment of a glasshouse or greenhouse, produce is less vulnerable to severe weather events and pests, meaning crop yields can be greater and more reliable all year round. There is little need for pesticides, water consumption is optimised for plant growth with

approximately an 80% reduction compared to field farming (116L/kg of produce vs 22L/kg in controlled environments) and facilities can incorporate sustainable features such as renewable energy and rooftop rainwater harvesting. All of this means that protected cropping can be more efficient and higher in revenue on a per hectare basis.

At Katunga, low-cost clean energy is supplied through QuadGen technology, which captures carbon dioxide that is then pumped into the glasshouse to promote photosynthesis and plant growth. Together with high-tech glasshouse technology and UV lighting, this enables the year-round production of tomatoes and capsicums. Meanwhile, at Riverlea Park, sustainability credentials extend to robust water management through recycled rainwater, use of recycled carbon emissions to enhance plant growth rates and less integrated pest management via the introduction of 'good insects' into the greenhouse facilities to combat unwanted insects. Katunga Fresh is also partnering with AgTech innovators, Rainbow Bee Eater, to develop an onsite system that uses organic waste to create hydrogen-rich Syngas and Biochar.



709 PORT AUGUSTA HIGHWAY, PORT AUGUSTA SA



## Fit-out guide

Developed in 2021, Centuria's Sustainable Fitout Guide for the industrial assets seeks to drive greater sustainability outcomes by setting out specific fit-out requirements for tenants – both in the products and materials used and the way in which works are carried out. In FY24, the Guide was utilised for new CIP developments including M80 Connect, 90-118 Bolinda Road, Campbellfield, Victoria and 204 Bannister Road, Western Australia. Industrial tenants are also required to comply with Centuria's Sustainable Operations Policy, which outlines procedures for energy, water and waste management, cleaning, groundskeeping and procurement. In addition, tenants are required to either provide consumption data, or permit Centuria to implement tracking devices to gather this data.



90-118 BOLINDA ROAD, CAMPBELLFIELD VIC



## Cybersecurity snapshot

To protect information held by Centuria, the Group has established stringent cybersecurity practices that are compliant with the Australian Prudential Regulation Authority (APRA) Prudential Standard CPS 234 – Information Security. Cybersecurity is a key focus for our Information Technology area and we are continuing to strive for higher standards of security. When new cybersecurity policies or governance practices are introduced to meet regulatory requirements, we introduce them to raise standards across the Group.

Centuria's Cyber Security Framework is the key way in which we manage risks and drive action, and our Group's Head of Operations (HO) is responsible for its application and management. All data that outlines material security risks and severity is reported to the Board through the ARCC (which oversees and is ultimately accountable for the appropriateness of data privacy and cybersecurity frameworks).

In FY24, we began developing a new IT and cyber strategy roadmap, which we plan to finalise and deliver during the next reporting period. This includes implementing a new governance, risk and compliance system, Protech, which was selected to support readiness for APRA's new Prudential Standard, CPS 230 for Operational Risk Management. The new system will allow us to input obligations, assign tasks to vendors or suppliers and monitor compliance. This is expected to not only enhance cyber security, but it will also provide data to assist us with reporting and make contract management easier. Our cyber security efforts continue to align with the Essential Eight (strategies recommended to businesses by the Australian Cyber Security Centre), which include enhancing device security, multi-factor authentication or single sign on and regular back-ups.

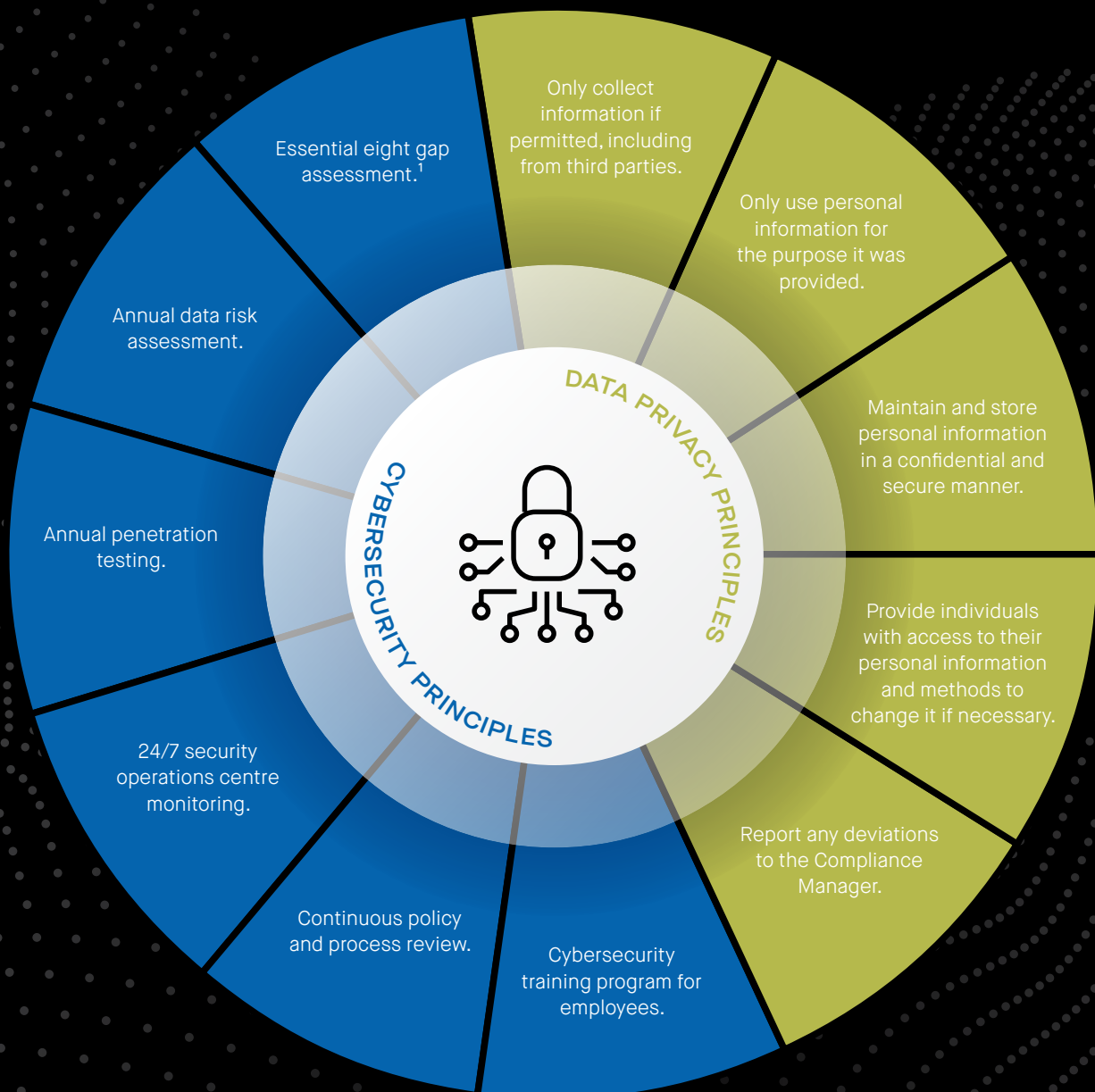


## Data privacy

Centuria is committed to complying with the Australian Privacy Principles (found in the Privacy Act 1988) and the New Zealand Privacy Act 2020. Our Privacy Policy, found [here](#), details the procedures to be followed in the event of a data breach, including assessment, escalation and reporting.



The below principles provide a framework to assist with managing and protecting data effectively at Centuria. This framework includes, but is not limited to, continuous monitoring, annual testing, and the application of recommended external security frameworks at Centuria. By implementing these principles, Centuria aims to protect sensitive information, maintain regulatory compliance, and foster a culture of security and trust.



1. The 'essential eight' are strategies recommended by the **Australian Cyber Security Centre (ACSC)** to be implemented by organisations as essential strategies to mitigate cybersecurity incidents as a baseline, these include (1) application control, (2) patch application, (3) configure Microsoft Office macro settings, (4) user application hardening, (5) restrict administrative privileges, (6) patch operating systems, (7) multi-factor authentication and (8) regular back-ups.

## Exploring applications of AI

In FY24, Centuria held a workshop focused on Artificial Intelligence (AI), facilitated by a third-party specialist, which explored ways in which AI could potentially benefit our business. We also established an AI Steering Committee with representatives from across the business, which now sits alongside the ICT Steering Committee and reports into the Senior Executive Committee. We are developing an AI Policy for employees and are running a trial of 'Microsoft Copilot' technology: a chatbot that plugs into our existing Microsoft 365 tenancy. Approximately 21 employees are participating in the trial, which is designed to guide broader practical application of this technology in future.

## Assurance

FY24 is the second reporting period in which Centuria has had limited assurance for select ESG metrics including the following:

### Environmental metrics

- Scope 1 emissions
- Scope 2 emissions (location based)
- Energy consumed
- Onsite solar generated
- Water consumed
- Waste generated (waste directed and waste diverted).

Environmental metrics reflect our operational control boundaries, which include assets within listed and unlisted funds, as well as Centuria's operational footprint as an organisation.

### Social and Governance metrics

- Total no. of employee training courses completed
- No. of employee training hours
- No. of training hours per employee
- Employees undertaking performance reviews
- Employment status
- Headcount by location
- Absenteeism
- Gender diversity
- Age diversity
- Women in executive management

Social and governance metrics are based on Centuria's employee headcount.

The limited assurance opinion is located on our **sustainability landing page**.











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Centuria

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