

2026 Climate-related Disclosures

SYDNEY (Tuesday, 27 October 2026) – Centuria Capital Group (**ASX: CNI** or “Centuria”) releases its 2026 Climate-related Disclosures.

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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 \$22.2 billion of assets under management (as at 30 June 2026). 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

Centuria



**Centuria
Capital Group**

Climate-related disclosures

For the period ended 30 June 2026

Acknowledgment 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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BROOKLANE, 80 MAFFINA PARADE, ELLENBROOK WA

Introduction



Welcome to this report

In FY26, Centuria Capital Group continued to work towards further incorporating climate-related factors into our operations and investment approach. Our progress is outlined in this report: our voluntary response to certain aspects of the Australian Sustainability Reporting Standard S2, *Climate-related Disclosures (AASB S2)* developed by the Australian Accounting Standards Board (AASB).

These climate-related disclosures are based on Centuria Capital Group, its subsidiaries and the Listed Funds' (Centuria Office REIT (ASX:COF) and Centuria Industrial REIT (ASX:CIP)) climate-related risks and opportunities, including assets managed on behalf of investors, as described in this report, and they contain forward-looking statements, which are subject to risks, uncertainties and assumptions. These forward-looking statements are not, and should not be considered to be guarantees, predictions or forecasts of future climate-related outcomes, financial performance or share prices. These statements are subject to change, known and unknown risks, uncertainties and other factors. Many of these issues are beyond Centuria's control. Readers of these climate-related disclosures should not place undue reliance on forward-looking statements in light of the significant uncertainty in the data and other information, including climate metrics and modelling, that limits the extent to which they are useful for decision-making, and the many underlying risks and assumptions that may cause actual outcomes to differ materially. This important information should be read together with the disclaimer on page 27. Please consider these important disclaimers when reading the forward-looking statements.

Who is Centuria?

Centuria Capital Group (ASX:CNI) is a leading real estate fund manager with \$22.2 billion¹ of assets under management in Australia and New Zealand. The Group manages a range of investment products, with listed and unlisted real estate funds representing 96% of our total assets under management.

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

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

Centuria's purpose

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

1. As at 30 June 2026.

Governance

Objective

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

1231 SANDGATE ROAD, NUNDAH QLD

Board oversight

The Centuria Capital Group (CNI) Board (Board) retains overall accountability for the Group's risk profile and oversight of the management of sustainability risks and opportunities, including those related to climate. The Board meets at least monthly, or as required, and carries out its responsibilities with the support of the committees listed below.

Audit, Risk and Compliance Committee (ARCC)

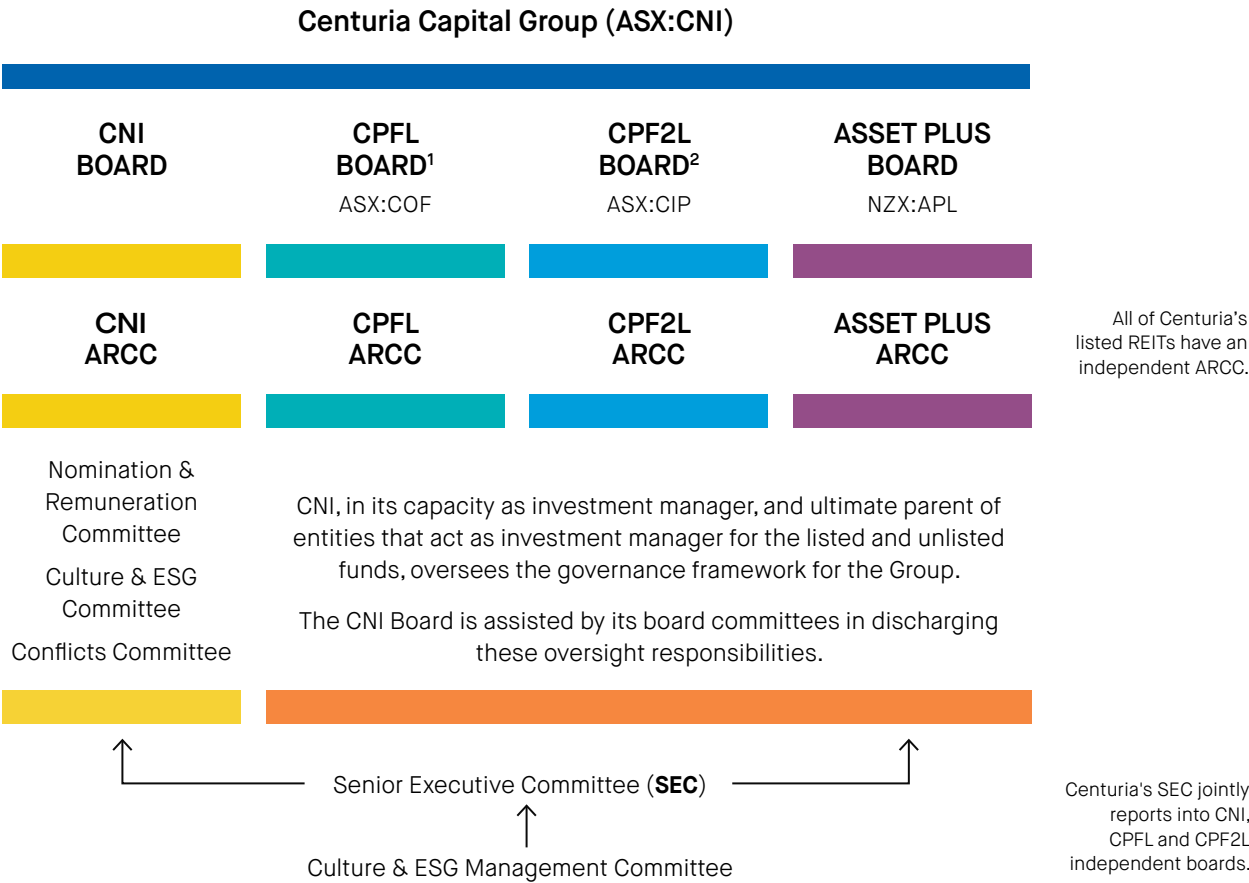
The ARCCs are responsible for tracking and monitoring relevant material risks that may apply to the Group or Listed Funds (including those related to climate-related risks where applicable), along with management's proposed strategies for mitigating or controlling these risks where required.

There is an ARCC for CNI and each of the Listed Funds.

Culture and ESG (CESG) Committee

The CESG Committee is accountable to the CNI Board and works primarily in an advisory capacity. The CESG Committee is tasked with recommending a CESG strategy and Sustainability Framework for endorsement by the Board and overseeing any climate-related targets set and associated performance. The Board is ultimately responsible for approving the ESG strategy and emission reduction targets. The CESG Committee meets quarterly, or more often if needed. Minutes of each meeting are presented at the following Board meeting where applicable.

The CESG Committee receives updates from the Group Manager of Sustainability on Centuria's Climate-related Risks and Opportunities (**CRROs**), and it is also provided with updates on progress against emission reduction targets for Centuria and the Listed Funds.



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.

To ensure the Board has access to the appropriate skills and competencies to oversee climate-related risks and opportunities, internal expertise (such as the Group Sustainability Team) and external specialists (such as climate consultants) are engaged as required.

The Group Sustainability Team also participates in relevant climate-related disclosure working groups facilitated by industry bodies, and both the Group Sustainability Team and the Group Finance Team attend industry committee meetings throughout the year where climate-related disclosures are discussed to maintain and enhance expertise in this area.

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

Achievement of this KPI is reflected in short-term remuneration incentives (STIs). Centuria's Joint CEOs, Jason Huljich and John McBain, ultimately oversee the performance of Centuria's management. Their STIs include specific sustainability requirements as outlined in the **CNI remuneration report**.

The role of management

Senior Executive Committee (SEC)

The SEC holds a specific risk meeting quarterly and it is responsible for providing a senior management review of material risks and key controls across the Group and developing appropriate responses. Quarterly, the Group's Material Risk Register is reviewed, updated and presented to the relevant ARCC.

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

The CRRs relevant to Centuria and the Listed Funds were identified across three climate-related scenarios. This was done through a risk and opportunity workshop and business impact workshops (see pages 14-15 for details). These were facilitated by the Group Manager of Sustainability, in conjunction with an external specialist consultant. Centuria's SEC and New Zealand's Senior Management Team (SMT), along with senior management representation from the funds management, finance, marketing, investor relations, development, operations and risk teams, were all actively involved in this process.



ERSKINE CENTRAL, 36 WATTEGLEN AVENUE, ERSKINE WA

Strategy

Objective

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

1 INTERNATIONAL DRIVE, WESTMEADOWS VIC

Scenario analysis

Centuria created three future climate scenarios and analysed these to identify and assess CRROs relevant to Centuria and the Listed Funds. These scenarios provided the foundation for identifying CRROs that could reasonably be expected to affect the Group and the Listed Funds and informing our climate-related disclosures.

Centuria acknowledges the uncertainty and limitations inherent in using future climate scenarios and their projected climate-related impacts. Our scenario analysis has been conducted using the best available information at the time of assessment, drawing upon peer-reviewed scientific literature, publicly available climate datasets, and widely recognised frameworks including those published by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).

Despite these efforts, we recognise that inherent uncertainty remains within climate modelling, emissions pathway assumptions and the translation of global scenarios to asset-level impacts. This uncertainty may affect Centuria's projections, risk and opportunity identification, and the estimated magnitude or timing of potential impacts. Climate scenarios are not forecasts or predictions; rather, they represent plausible future states intended to inform strategic decision-making under a range of possible outcomes.

We acknowledge that scenario analysis is an evolving practice and that our methodology, assumptions and analytical approach may be refined over time as data quality improves, methodologies mature and our organisational understanding deepens. We aim to periodically review our scenarios and scenario analysis when new, materially significant information becomes available, such as the release of the next iteration of the IPCC Assessment Report, to ensure our analysis remains relevant and aligned with leading practice.

What is scenario analysis?

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

Centuria's scenario analysis approach

Centuria's CRROs have been determined through the following process:



The IPCC is the peak global body for assessing the science related to climate change and has released Assessment Reports every 5-7 years for the last 20 years. These Assessment Reports, prepared by experts and member governments of the UN or World Meteorological Organization, provide a comprehensive overview of what is known about the drivers, impacts and future risks, and how adaptation and mitigation can reduce those risks. As part of the Assessment Reports, the IPCC releases updated future climate scenarios developed by scientific, economic, technological and policy experts, which set the global standard for climate scenarios. Currently, the scenarios are based on Shared Socioeconomic Pathways (SSPs) and Representative Concentration Pathways (RCPs), which provide socioeconomic and emissions projections, respectively. The IPCC's SSPs are Sustainability (SSP1-1.9), Middle of the Road (SSP2-4.5), Regional Rivalry (SSP3-7), Inequality (SSP4) and Fossil-fuelled Development (SSP5). Centuria has adopted the IPCC's SSP naming conventions for its climate scenarios.

Centuria's scenario analysis has built upon the climate scenarios in the IPCC's Sixth Assessment Report to enable further regional and sectoral specificity. To complement the IPCC scenarios, scenario data was also drawn from other sources, including the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS). These additional sources have utilised the IPCC data and are aligned with the IPCC SSP and RCP scenarios – providing data on topics such as national gross domestic product (GDP), energy efficiency and materials decarbonisation. This approach has enabled Centuria to develop scenarios that provide information relevant to our operating environment, supporting the identification of climate-related risks and opportunities that the business may face in the future.

The three scenarios selected for Centuria's climate-related scenario analysis were chosen to determine and assess CRROs relevant to Centuria's business model:

- 'Sustainability' is intended to test potential exposure to elevated climate-related transition risk, such as potential future mandated carbon taxes (1.5 degrees).
- 'Middle of the Road' is intended to test Centuria's potential exposure to the continuation of existing trends (2-3 degrees).
- 'Regional Rivalry' is intended to test potential exposure to heightened levels of climate-related physical risk, such as sea level rise (>3 degrees).

Centuria's climate scenarios were presented to the CESG Committee in FY24.

Centuria's climate scenarios

The three scenarios developed are long-term scenarios:

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

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

Business model and value chain

CRRO identification

Centuria’s scenario analysis workshop involved senior and middle management from across all business units and funds, including the full SEC and representation from the Listed Funds. Following a structured process, participants identified potential risks and opportunities for Centuria and its Listed Funds between now and 2050 across the three Centuria climate scenarios.

The outputs from the scenario analysis workshop were then used in a series of business impact workshops held to determine the CRROs that could reasonably be expected to affect Centuria and the Listed Funds. These workshops were based on the approach in ISO 31050 Risk Management guidelines for managing an emerging risk to enhance resilience.

Facilitated by the Group Manager of Sustainability and our technical climate consultant, the business impact workshops were attended by senior leaders across the Australian business. Sessions were sector-specific to ensure the assessment reflected the distinct risk profiles, occupier markets and operational characteristics of each part of the managed portfolio, rather than treating CRROs as uniform across the platform.

Time horizons – CRROs

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

In each workshop, the following approach was taken to assess potential business impacts for each CRRO:

1

Mapping

Prior to the workshop, Centuria’s business models and value chains were mapped as inputs, activities and outputs. Inputs and outputs were broken into 3 groups: financial, goods and services, and stakeholders, while activities were specific to each fund or business unit.

2

CRRO prioritisation

Participants ranked the CRROs identified during the scenario analysis workshop based on the extent to which they could reasonably be expected to impact their business unit over the short, medium and long term. The two to three highest-ranked CRROs were then assessed for their potential business impacts.

3

Business impact

Participants identified which core inputs, activities and outputs (specific to their business unit or fund) were most likely to be impacted, along with the expected quantum of the impact, potential mitigation measures, the effectiveness of proposed mitigants and the likely timing for those impacts (short, medium or long term), in line with Centuria’s risk management framework.

4

Risk assessment

Following the business impact workshop, the Centuria risk framework was used to assess risk for each CRRO.



95-105 SOUTH GIPPSLAND HIGHWAY, DANDENONG SOUTH VIC

Centuria's CRROs

Through the process outlined above, Centuria identified the CRROs that could reasonably be expected to affect the Group. These CRROs reflect the Group's current understanding of those risks and opportunities.

Centuria has identified Access to Capital, Changing Regulatory Requirements and Physical Climate Change Impacts as climate-related risks that could reasonably be expected to affect the entity's prospects. Of these, Access to Capital and Physical Climate Change Impacts were also identified as climate-related opportunities.

The CRROs may evolve when future IPCC Assessment Reports are released. Current and anticipated effects on Centuria's business model, value chain, strategy, decision-making, and mitigation and adaptation efforts will be discussed in future reporting.

Risks

CRRO	Risk statement	Category	Time horizon
Access to capital	Misalignment with the changing expectations of investors and capital partners, resulting in reduced access to and increased cost of capital.	Transition	Medium-term (3–10 years)
Changing regulatory requirements	Increasing regulatory obligations amid shifting climate policies increase compliance obligations, operational requirements and costs.	Transition	Medium-term (3–10 years)
Physical climate change impacts	Physical climate change impacts on assets, operations and markets increase adaptation and mitigation costs and affect insurance availability.	Physical (acute and chronic)	Long-term (10+ years)

Asset-specific climate risk assessments are planned to take place during FY27, with an update to be provided on this work in future reporting.

Opportunities

CRRO	Opportunity statement	Category	Time horizon
Access to capital	Alignment with the changing expectations of investors and capital partners, supporting enhanced access to, and reduced cost of, capital.	Transition	Medium-term (3–10 years)
Physical climate change impacts	Management of physical climate risks across assets, operations and markets supports asset value and portfolio resilience.	Physical (acute and chronic)	Long-term (10+ years)



6 COULTHARDS AVENUE, STRATHPINE QLD

Risk management

Objective

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

52-74 QUARRY ROAD, ERSKINE PARK NSW

Identifying, assessing and managing climate-related risks

Centuria recognises that effective risk management can not only help us to avoid undesirable outcomes but can also enable us to achieve our strategic objectives and goals.

Our Risk Management Framework has been implemented across Centuria and the Listed Funds to assist us in identifying and managing material risks, including climate-related risks, managing capital and ensuring risk-informed decision-making. By adhering to this framework, we seek to ensure that material risks can be understood, measured and reported against, and that management manages risk to remain within the boards' set parameters.

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

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

The above approach has been applied to assess the CRROs identified through the business impact workshops, as outlined on page 16.

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

Ongoing review of material risks

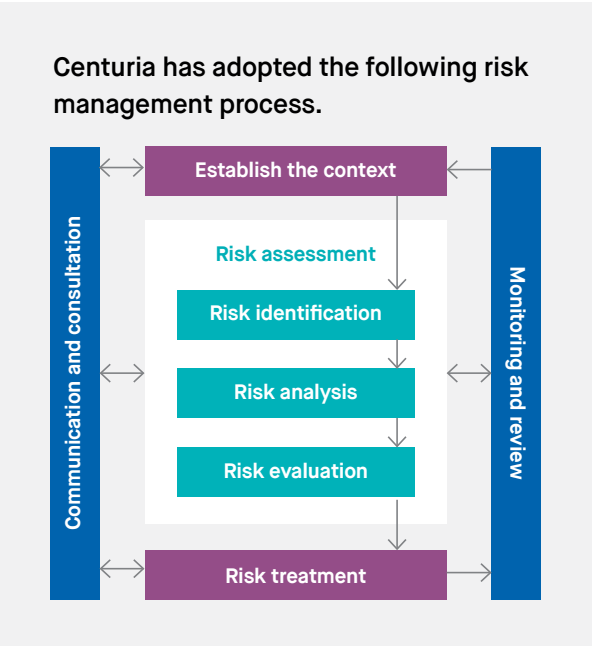
Risk and the effectiveness of control measures to manage risk need to be monitored on an ongoing basis to ensure changing circumstances do not alter the risk evaluation profiles and adequacy assessments. New risks or opportunities to improve mitigation strategies for existing risks may be identified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

These include:

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

Role of the ARCCs

As discussed in the Governance section of this report, the Centuria and Responsible Entity ARCCs assist the relevant board in meeting its responsibilities regarding risk management. The ARCCs are responsible for agreeing what risks are material to Centuria and the Listed Funds, monitoring those risks, and considering and monitoring appropriate mitigation strategies. This is done via quarterly risk reports provided to the board by the ARCC.



Physical risk assessments

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



River flood



Extreme rainfall



Sea level rise



Water scarcity



Wildfire



Heat stress



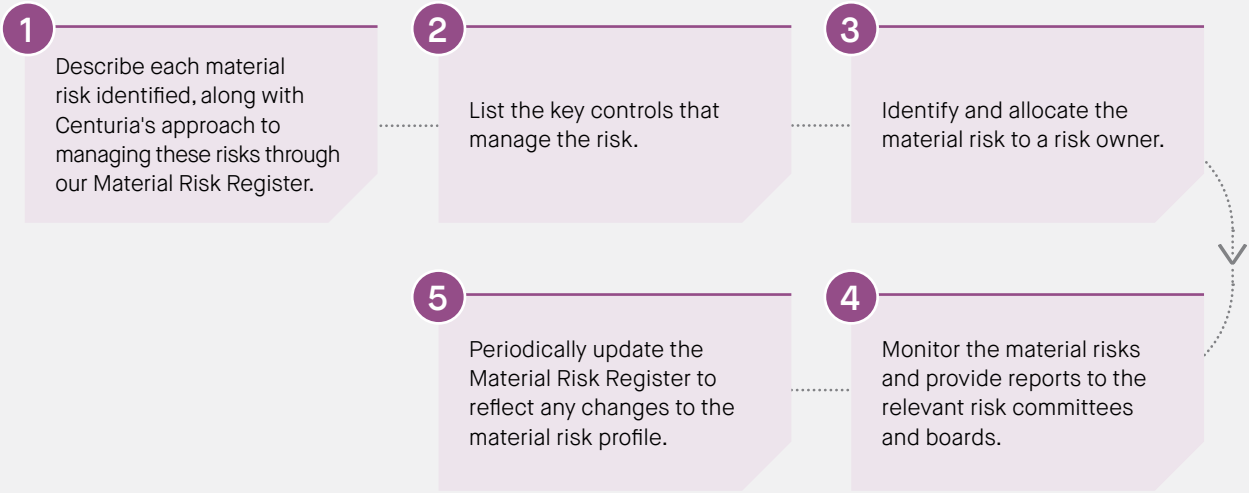
Cold spell



Windstorm

Risk management process

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



Separately, risk awareness training is provided to all Centuria employees to assist with awareness of the Centuria Risk Management Framework.

Integration into risk management processes

The processes detailed above are applicable to all material risks identified and considered by management, with risks prioritised depending on their materiality. Centuria has a process for assessing the environmental and climate-related physical risks for asset acquisitions as mentioned on page 9.



Case study: Importance of climate modelling in acquisition due diligence

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



1 WILLIAM STREET, PERTH WA

Metrics and targets

Objective

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

30 THOMAS NEAL CRESCENT, AUCKLAND NZ

Metrics

GHG emissions and reporting boundary

In FY26, scope 1 and 2 location-based GHG emissions have been measured and reported through the application of the standards applicable to Centuria and set under the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)* and its definition of operational control: a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

Centuria calculates emissions by collecting energy consumption data for scope 1 and 2 sources in accordance with Centuria's 2026 Basis of Preparation. KPMG has provided limited assurance over scope 1 and scope 2 figures.

The GHG emission consolidation approach used is operational control, with GHG emissions calculated by multiplying energy consumed by the appropriate emissions factors from the Australian National Greenhouse Accounts Factors 2025 and the New Zealand Ministry for the Environment Measuring Emissions Guide 2026.

In FY26, Centuria has used metered electricity data where available when reporting scope 1 and 2 location-based GHG emissions across our assets and operations.

CNI FY26 GHG emissions data¹

	FY25	FY26 ^{2,3}
Scope 1 ⁴ (tCO2e)	4,012	4,440
Scope 2 (location based) (tCO2e)	23,592	22,765
Total	27,604	27,205

Internal carbon price

CNI, as investment manager, is not expected to be impacted by a carbon price. If a carbon price is introduced, the cost would be materially recovered from tenants via outgoings. We therefore do not expect an internal carbon price to be relevant for Centuria and the Listed Funds.

Remuneration

As mentioned on page 8, performance against climate-related metrics and targets is not expressly incorporated into employee remuneration, except for Key Management Personnel. However, all employees have a specific KPI requiring compliance with any policies and procedures applicable to their role and duties, including the ESG Policy. Achievement of this KPI is reflected in STIs.

Climate-related considerations are factored into executive remuneration. The percentage of executive remuneration recognised in the current period linked to climate-related considerations is 10% and is detailed in the **FY26 Centuria remuneration report**.

1. Emissions values represent Australian and New Zealand assets under operational control (across listed and unlisted funds) and Centuria's corporate offices.
2. Data included in KPMG's limited assurance (excluding total scope 1 and scope 2 emissions). See assurance report on **sustainability landing page**.
3. The FY26 reporting boundary has been determined in accordance with the FY26 Basis of Preparation. This has resulted in certain tightly held assets being excluded from the FY26 reporting boundary. FY25 comparatives have not been updated to reflect this change. See the Basis of Preparation for further information on **sustainability landing page**.
4. FY25 scope 1 emissions included estimated GHG emissions associated with refrigerant leakage from equipment owned and maintained by Centuria. In FY26, refrigerant emissions were calculated using refrigerant top-up volumes measured by contractors onsite.

Emission reduction targets

Centuria’s emission reduction targets include:

 Centuria and COF are targeting the elimination of gas and diesel in operations where practicable (scope 1) by 2035.¹

 Centuria is targeting zero scope 2 emissions by 2035, with CIP and COF targeting 2028.²

Centuria and the Listed Funds do not have a scope 3 target.

CIP has not adopted the scope 1 target given the fund has limited equipment captured by the operational boundary of the target. The diesel and gas consumption from equipment owned and operated by CIP is therefore not expected to result in material carbon emissions.

Centuria New Zealand (NZ) has adopted the Centuria emission reduction targets, with changes to the scope 1 target parameters and the approach to achieve zero scope 2 emissions.

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

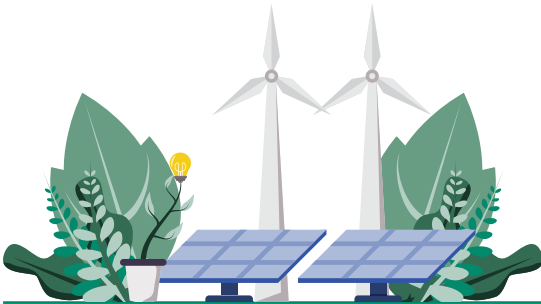
At this time, Centuria has not sought independent assessment or validation as to how our emission reduction targets contribute to limiting global warming to 1.5°C.

What do our emission reduction targets include?



Source of scope 1 emissions

Includes natural gas and diesel used during the operation of our buildings. Gas and diesel-related emissions cover whole buildings where Centuria or COF owns and operates the equipment. 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 have 'operational control',³ which may include electricity consumed for base and common areas across the fund's assets.

How we expect to achieve our targets

Scope 1

The scope 1 target requires us to phase out diesel and gas for equipment owned and operated by 2035 (where gas and diesel equipment is within the boundary of the scope 1 target as outlined on page 24) through electrification of equipment, where practicable.

Centuria and COF are taking the approach outlined below with the aim to achieve the scope 1 target by 2035:

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

Scope 2

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

Significant progress has been made towards achieving the scope 2 emission reduction target as outlined in the progress to date section below. However, the scope 2 target is yet to be achieved in respect of the assets managed by Centuria and the Listed Funds.

Centuria does not expect to use carbon credits to achieve its scope 2 target in the future, as Large-scale Generation Certificates (LGCs) are renewable electricity certificates rather than carbon credits.

Progress to date

Scope 1 – Electrification

The COF portfolio has electrified nine of its 18 assets, with electrification studies and roadmaps in place for the assets yet to be electrified.

The feasibility studies completed have considered space constraints, as well as commercial and technical viability. These studies were undertaken against a national electrification standard to ensure a consistent technical approach to plant, enabling the development of an electrification program across both listed and unlisted assets.

Progress against our emission reduction targets is tracked internally each quarter as we continue to work towards our target dates.

Scope 2 – Operational efficiency

Centuria's Operations team has focused heavily on fine-tuning and managing building energy throughout FY26. Our goal has been to standardise our approach to optimising energy performance so that consistent practice is applied across all assets – such as ensuring the asset is operating within the appropriate business hours and that any alerts are responded to promptly. We delivered training to the entire Operations team on our Asset Performance Standards, uplifting the team's competency so that every member knows what gaps to look for in terms of asset performance and how to address issues without needing an external consultant.

Scope 2 – Corporate offices

From FY24, we have purchased the equivalent of 100% renewable electricity for all Centuria's Australian corporate tenancies. For the Sydney and Melbourne offices, this has been achieved through 100% GreenPower. For the Brisbane and Perth offices, which operate within an embedded network, LGCs have been purchased and retired for the FY26 period.

1. Centuria and COF will focus on eliminating gas and diesel, where practicable, from equipment owned and operated by Centuria and COF. Gas and diesel equipment owned and operated by our tenants is excluded from Centuria's emission reduction target.
2. As described in the FY26 Basis of Preparation, Centuria, CIP and COF will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of onsite solar and large-scale generation certificate deals that match our consumption. The zero scope 2 target applies to scope 2 emissions for existing assets that fall under the operational control of CNI, CIP and COF.
3. In FY26, scope 1 and 2 location-based GHG emissions have been measured and reported through the application of the standards applicable to Centuria and set under the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and its definition of operational control: a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

Scope 2 – Australia's largest landlord renewable electricity deal¹

Renewable electricity procurement is a key strategy that is intended to support Centuria to meet our scope 2 emission reduction targets. In FY26, the Group made demonstrable progress in this area, finalising one of the market-leading renewable electricity procurement deals with Energy Bay; the largest of its type to be executed among domestic commercial property landlords in Australia.¹

The rollout of c. 70 MW of new solar infrastructure and 300 MWh of Battery Energy Storage Systems (BESS) across selected assets within Centuria’s office, industrial, retail and healthcare portfolios will commence this month on up to 240 properties.² The infrastructure will be installed in a staged process throughout a seven-year period starting with properties that have existing infrastructure.

Importantly, the transaction is expected to result in a reduction in GHG emissions through the generation of c. 85,000 MWh³ of renewable electricity each year at these properties, which will create associated LGCs. Under the Renewable Energy (Electricity) Act 2000, LGCs verify the generation of renewable electricity and can be used by corporations to reduce or eliminate their reported market-based scope 2 emissions.

The LGCs are expected to be retired to achieve the Listed Funds' zero scope 2 emission targets by 2028, and to support the achievement of Centuria Capital Group's zero scope 2 emission reduction target by 2035.⁴

The deal will see Energy Bay lease roof space and operate embedded networks across Centuria’s assets over a 30-year period. The lease structure provides Centuria with additional revenue contributions generated from the Group’s real estate assets. This additional income will increase the participating properties' Net Operating Income (NOI) and potentially support valuations and generate income streams for Centuria through management fees.

Additionally, tenants who choose to procure energy from Energy Bay are expected to benefit from lower-cost electricity, which will be delivered by the onsite solar and battery infrastructure.

Approximately 18% of the identified assets already contain embedded network infrastructure and are expected to transition into the Energy Bay program shortly, subject to conditions and implementation requirements. Rental flows from these assets are anticipated to commence during the first half of FY27.

Remaining assets identified for new embedded networks and solar and battery infrastructure are subject to tenant consents, planning approvals and detailed due diligence prior to the commencement of rollout.

Energy Bay is responsible for the capital expenditure works required to install solar panels, batteries and infrastructure upgrades, meaning there is no capital requirement from either Centuria or its tenants. It will invest approximately A\$430 million of its own capital to deploy infrastructure across a seven-year period.

Scope 3

In FY26, Centuria continued to assess our scope 3 boundaries. Given the complexity of Centuria's business model, it has been necessary to consider how the Greenhouse Gas Protocol can be applied across different parts of the business. Working with specialist consultants, our focus was to identify which carbon emissions are included within our reporting boundary to establish the foundation of our scope 3 reporting ahead of the commencement of mandatory reporting requirements. Scope 3 emissions are not expected to be reported in Australia for CNI or the Listed Funds until required under AASB S2.

1. The largest renewable electricity transaction by the expected quantity of solar and BESS to be installed across Centuria’s identified portfolio and the largest by the number of real estate assets that have agreements executed upfront to facilitate the rollout of solar and BESS.
2. Values based on completion of infrastructure works across c. 78% of identified suitable assets, which are also subject to development approvals and other due diligence processes.
3. Based on forecast annual electricity generation from the planned solar PV rollout, assuming infrastructure works are completed across c. 78% of identified suitable assets and subject to development approvals, due diligence and actual system performance.
4. Centuria, COF and CIP will account for zero scope 2 emissions by being powered by the equivalent of 100% renewable electricity through a combination of onsite solar and LGC deals which match their consumption. The zero scope 2 target applies to scope 2 emissions for existing assets that fall under the operational control of Centuria, COF and CIP.

Disclaimer

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

This report contains statements that are, or may be deemed to be, forward-looking statements, including climate-related goals, targets, pathways, ambitions, guidance, forecasts, estimates, prospects and climate-related risks and opportunities, as well as Centuria's current planning to address climate-related risks.

Forward-looking statements can generally be identified by the use of forward-looking words such as 'anticipates', 'estimates', 'will', 'should', 'could', 'may', 'expects', 'plans', 'forecasts', 'targets' or similar expressions. The nature of forward-looking statements requires us to make assumptions that are subject to inherent risks and uncertainties, many of which are beyond our control and give rise to the possibility that our predictions, expectations or conclusions will not prove to be accurate, that our assumptions may not be correct, and that our objectives, targets and strategies to mitigate and adapt to climate-related risks and opportunities will not be achieved. These forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

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