

Appendix 4G

Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity:

Centuria Capital Limited

ABN / ARBN:

22 095 454 336

Financial year ended:

30 June 2015

Our corporate governance statement² for the above period above can be found at:³

These pages of our annual report:

This URL on our website: www.centuria.com.au/about-us

The Corporate Governance Statement is accurate and up to date as at 22 October 2015 and has been approved by the board.

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

Date: 23.10.2015

Name of Director or Secretary authorising lodgement: James Lonie

¹ Under Listing Rule 4.7.3, an entity must lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX.

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

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

² "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

³ Mark whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where the entity's corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

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

ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

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

⁴ If you have followed all of the Council's recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>... the fact that we have a diversity policy that complies with paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> at</p> <p>... and a copy of our diversity policy or a summary of it:</p> <p><input checked="" type="checkbox"/> at www.centuria.com.au/about-us/corporate-governance</p> <p>... and the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with our diversity policy and our progress towards achieving them:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> at</p> <p>... and the information referred to in paragraphs (c)(1) or (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> at</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
<p>1.7 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>... the evaluation process referred to in paragraph (a):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> at</p> <p>... and the information referred to in paragraph (b):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement QR</p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE			
2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a nomination committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.centuria.com.au/about-us/corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input checked="" type="checkbox"/> in the Centuria Capital Limited Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>... our board skills matrix:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> at</p>	<p><input checked="" type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
2.3	A listed entity should disclose: (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director.	... the names of the directors considered by the board to be independent directors: X in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at ... and, where applicable, the information referred to in paragraph (b): X in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at ... and the length of service of each director: <input type="checkbox"/> in our Corporate Governance Statement <u>QR</u> X in the Centuria Capital Limited Annual Report	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
2.4	A majority of the board of a listed entity should be independent directors.	... the fact that we follow this recommendation: X in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at [insert location here]	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	... the fact that we follow this recommendation: X in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	... the fact that we follow this recommendation: X in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY			
3.1	A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	... our code of conduct or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement <u>QR</u> X at www.centuria.com.au/about-us/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

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PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING			
4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have an audit committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.centuria.com.au/about-us/corporate-governance</p> <p>... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> in the Centuria Capital Limited Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>... the fact that we follow this recommendation:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
4.3	A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> we are an externally managed entity that does not hold an annual general meeting and this recommendation is therefore not applicable
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE			
5.1	A listed entity should: (a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and (b) disclose that policy or a summary of it.	... our continuous disclosure compliance policy or a summary of it: <input type="checkbox"/> in our Corporate Governance Statement <u>QR</u> <input checked="" type="checkbox"/> at www.centuria.com.au/about-us/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	... information about us and our governance on our website: <input checked="" type="checkbox"/> at www.centuria.com.au/about-us/corporate-governance	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	... our policies and processes for facilitating and encouraging participation at meetings of security holders: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> we are an externally managed entity that does not hold periodic meetings of security holders and this recommendation is therefore not applicable
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	... the fact that we follow this recommendation: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u> <input type="checkbox"/> at	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK			
7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a committee or committees to oversee risk that comply with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and a copy of the charter of the committee:</p> <p><input checked="" type="checkbox"/> at www.centuria.com.au/about-us/corporate-governance ... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input checked="" type="checkbox"/> in the Centuria Capital Limited Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>... the fact that board or a committee of the board reviews the entity's risk management framework at least annually to satisfy itself that it continues to be sound:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p> <p>... and that such a review has taken place in the reporting period covered by this Appendix 4G:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

	Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>[If the entity complies with paragraph (a):] ... how our internal audit function is structured and what role it performs: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at</p> <p>[If the entity complies with paragraph (b):] ... the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes: <input type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement
7.4	<p>A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>... whether we have any material exposure to economic, environmental and social sustainability risks and, if we do, how we manage or intend to manage those risks: <input checked="" type="checkbox"/> in our Corporate Governance Statement <u>OR</u> <input type="checkbox"/> at</p>	<input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY			
8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>[If the entity complies with paragraph (a):]</p> <p>... the fact that we have a remuneration committee that complies with paragraphs (1) and (2):</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> at ... and a copy of the charter of the committee:</p> <p><input type="checkbox"/> at www.centuria.com.au/about-us/corporate-governance ... and the information referred to in paragraphs (4) and (5):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input checked="" type="checkbox"/> in the Centuria Capital Limited Annual Report</p> <p>[If the entity complies with paragraph (b):]</p> <p>... the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.2	<p>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>... separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input checked="" type="checkbox"/> In the Centuria Capital Limited Annual Report</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>
8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>... our policy on this issue or a summary of it:</p> <p><input checked="" type="checkbox"/> in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement <u>QR</u></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <u>QR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>

Corporate Governance Council recommendation	We have followed the recommendation in full for the whole of the period above. We have disclosed ...	We have NOT followed the recommendation in full for the whole of the period above. We have disclosed ... ⁴	
ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES			
-	<p>Alternative to Recommendation 1.1 for externally managed listed entities: The responsible entity of an externally managed listed entity should disclose:</p> <p>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; (b) the role and responsibility of the board of the responsible entity for overseeing those arrangements.</p>	<p>... the information referred to in paragraphs (a) and (b):</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>
-	<p>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities: An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p>	<p>... the terms governing our remuneration as manager of the entity:</p> <p><input type="checkbox"/> in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> at</p>	<p><input type="checkbox"/> an explanation why that is so in our Corporate Governance Statement</p>

Corporate Governance Council recommendation		Centuria's Corporate Governance Statement
PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT		
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	<p><u>The Role of the Board</u></p> <p>The Board of Directors is responsible for setting the strategic direction and establishing the policies of Centuria. It is responsible for overseeing the financial position, and for monitoring the business and affairs of Centuria on behalf of the shareholders, by whom the directors are elected and to whom they are accountable. It also addresses issues relating to internal controls and approaches to risk management. It ensures that there are processes in place to conform to legal requirements and corporate governance standards and that risk exposures are adequately managed.</p> <p>For full details of the role of the Board please refer to our Board Charter, a link to which is contained under the Corporate Governance page of our website.</p> <p><u>Delegation to Senior Executives</u></p> <p>The role of the Chief Executive Officer (CEO) and Senior Executives is to manage Centuria in accordance with the direction given by the Board. The CEO's responsibilities include:</p> <p>Formulating and reviewing, with the Board, the vision and strategy for Centuria;</p> <p>Developing actions and plans to achieve the vision and implement the strategy and to report to the Board on the progress against those plans;</p> <p>Appointing a management team and negotiating terms and conditions of their employment; and</p> <p>Approving the remuneration levels of all staff.</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	<p>Prior to a person's appointment as a director, or recommendation for appointment, appropriate background checks are undertaken including in relation to the candidate's character, experience, education, criminal record and bankruptcy history.</p> <p>Material provided with the Notice of Centuria's AGM will provide material information relevant to a decision to elect or re-elect a director.</p>
1.3	<p>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>	<p>A letter of appointment is provided to each director and senior executive setting out key terms of the appointment.</p>
1.4	<p>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p>	<p>The company secretary is directly accountable to the Board, through the chair, on all matters to do with the proper functioning of the Board.</p>

Corporate Governance Council recommendation	Centuria's Corporate Governance Statement								
<p>1.5 A listed entity should:</p> <p>(a) have a diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them;</p> <p>(b) disclose that policy or a summary of it; and</p> <p>(c) disclose as at the end of each reporting period the measurable objectives for achieving gender diversity set by the board or a relevant committee of the board in accordance with the entity's diversity policy and its progress towards achieving them and either:</p> <p>(1) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</p> <p>(2) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p>	<p>Amendments to the ASX Corporate Governance Principles and Recommendations have focussed the Board's attention on formalising into policy the Company's belief that a diverse workforce with equality of opportunity will achieve strong business results. Whilst ultimately all new appointments, whether of a director or an employee will be made on the basis of merit, meeting the targets will provide evidence of the effectiveness of the policy.</p> <p>The Board has established the following measurable objectives regarding gender diversity and aims to achieve these objectives over the next few years as directors and senior executive positions become available and appropriately qualified candidates come forward:</p> <ul style="list-style-type: none"> • 30% of the Company's employees and consultants be women; • 20% of the Company's senior executives be women; and • One member of the Board be a woman. <p>The table below details the objectives set by the Company during the reporting period for gender diversity and the Company's performance against these objectives:</p> <table border="1" data-bbox="952 678 1982 853"> <thead> <tr> <th>Objective</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>30% of Employees and consultants be women</td> <td>31%</td> </tr> <tr> <td>20% of Senior Executives¹ be women</td> <td>29%</td> </tr> <tr> <td>One female member of the Board</td> <td>0%</td> </tr> </tbody> </table>	Objective	2015	30% of Employees and consultants be women	31%	20% of Senior Executives ¹ be women	29%	One female member of the Board	0%
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<p>1.6 A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>A performance review of the Board and its Committee was not undertaken in the 2014/2015 financial year. However, the Board has conducted a review since 30 June 2015 and will review and assess its performance each financial year going forward. Board performance reviews consider the following areas:</p> <ul style="list-style-type: none"> • The Board's composition; • The operations and effectiveness of the Board and its Committees; • Decision making processes, including agendas, frequency of meetings and content of papers; • Communications between Board and Executives; • Determination of company strategy; and • The Board's policies for Board renewal. <p>Continuing education to update and enhance director knowledge is seen as an important factor in ensuring optimum performance by each director.</p> <p>Clause 5 of the Board Charter gives directors the authority to seek professional advice as considered necessary in the performance of its duties at Centuria's expense. The directors also have full access to the company secretary to assist them to carry out their role.</p>								

¹ For the purpose of this measurement, Senior Executive has been defined as those positions that report directly to the CEO of Centuria Capital Ltd

Corporate Governance Council recommendation		Centuria's Corporate Governance Statement
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	<p>The performance of the CEO is reviewed annually by the Nomination and Remuneration Committee and the Board. This assessment is made against pre-determined criteria including Key Performance Indicators relating to Centuria's performance as determined in Centuria's Strategic Plan.</p> <p>Performance reviews of Senior Executives are carried out by the CEO who reports the findings to the Nomination and Remuneration Committee. The CEO conducts the reviews each year by comparing performance against agreed measures, evaluating any efficiencies or improvements during the course of the year and deciding upon targets for the next year.</p> <p>A performance evaluation of all Senior Executives, including the CEO, was undertaken in the 2014/15 financial year.</p>

Corporate Governance Council recommendation	Centuria's Corporate Governance Statement
PRINCIPLE 2 - STRUCTURE THE BOARD TO ADD VALUE	
<p>2.1 The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	<p>The Nomination and Remuneration Committee formulates criteria for appointment of directors to the Board, identifies potential candidates and recommends remuneration of directors and senior management. A link to the charter of the Nomination and Remuneration Committee can be found on the Corporate Governance page of our website. Specific activities of the Nomination and Remuneration Committee include:</p> <ul style="list-style-type: none"> • Annual review of Board composition to ensure that the necessary skills are represented, together with the appropriate continuity and balance; • Assessment of the effectiveness and composition of Board committees; • Regular evaluation of the performance of the CEO; • Recommending remuneration for Non-Executive Directors; • Recommending a competitive remuneration and reward program for the CEO and other senior management; and • Ensuring that other human resource management programs, including performance assessment programs, are in place. <p>The Nomination and Remuneration Committee consists of the three independent non-executive directors, Roger Dobson (Chairman), Peter Done and John Slater.</p>
<p>2.2 A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	<p>The Board regularly reviews the skills, knowledge and experience represented on the Board against the skills and experience needed to deliver the Group's strategy. The Board is preparing a skills matrix to assist with the review and to comply with ASX's requirements. The experience and skills of directors in the key areas below will be recorded in the matrix to identify any gaps or weaknesses in the Board skills to be addressed when filling any Board vacancies or by recruitment of additional directors.</p> <p><u>Qualifications</u></p> <p>Finance / accounting / legal / insurance / AICD / Other</p> <p><u>Experience</u></p> <p>Finance and Investment / Accounting / Legal / Investment management / Product development / Marketing / Distribution / Investor and Public relations / Funds administration / Regulatory / Risk Management / Human Resources / Information technology / Strategic planning and leadership / shareholder management / director experience / executive management / ethical issues management.</p> <p>The Board considers that the above skills areas are appropriately represented in the Board.</p> <p>The Directors' Report in the Annual Report contains details of the directors' skills, experience and qualifications. It also states the date the individual director was appointed to the board, their status as non-executive or executive directors and the committees on which they sit. The directors seek to ensure the Board consists of directors with an appropriate range of experience, skills, knowledge and vision to enable it to operate Centuria's business with excellence. The number of directors is limited by Centuria's constitution to a minimum of 5 and a maximum of 13. The Board considers that the ideal size is 5 to 8 directors.</p>

Corporate Governance Council recommendation		Centuria's Corporate Governance Statement
2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the Corporate Governance Council Recommendations but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	<p>Currently the Board consists of 6 directors. Three of the six directors, namely Roger Dobson, Peter Done and John Slater are considered to be independent as per independence criteria set out in the Board Charter. The three independent directors do not have relationships with Centuria which affect their independent status, such as substantial shareholdings or direct employment. They do not provide material professional consultancy services, they are not a material supplier or customer and they do not have a material contractual relationship with Centuria or other group member except as a director. Centuria's CEO, John McBain and Jason Huljich and Nicholas Collishaw are executive directors. Directors are required to disclose at each Board meeting any interests that may affect their independence. Independent directors reconfirm their independent status to the Board by way of a written confirmation on an annual basis.</p> <p>The Annual Report provides detail of the length of service of each director.</p> <p>The Company's constitution stipulates that a number of directors not exceeding one-third of their number should retire by rotation at each annual general meeting (AGM). A director must offer themselves for re-election at the third AGM since their election or re-election. The CEO, if also a director, is not subject to the retirement by rotation process, and is not included when calculating the number of directors required to retire by rotation.</p>
2.4	<p>A majority of the board of a listed entity should be independent directors.</p>	<p>The Corporate Governance Council recommends that a majority of the Board should be independent Directors. The Board does not currently consist of a majority of independent directors. The Board currently has an equal number of independent and executive directors. The Board recognises the importance of it being comprised of a majority of independent Directors and, although this may be desirable over the longer term, the Board believes that the current interests of shareholders and Centuria are best served by the present Directors who have been sanctioned by shareholders and who will act in the best interests of shareholders as a whole. As the Directors have significant relevant interest in Centuria, they are well placed to act on behalf of Centuria shareholders and in their best interests.</p>
2.5	<p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>	<p>Centuria's chairman, Roger Dobson, is considered to be an independent director for the reasons given above. There is a clear division of responsibility at the head of the Company as the roles of chairman and the CEO are not performed by the same person. The Board Charter also provides that the chairman shall be an independent non-executive director. A Statement of Position Authority is in place for the CEO which details the responsibilities and authorities for that position.</p>
2.6	<p>A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.</p>	<p>Directors are selected and appointed in accordance with documented procedures. For full details on the procedures for the selection and appointment of directors please see our policy, a link to which is contained under the Corporate Governance page of Centuria's website www.centuria.com.au.</p>
PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY		
3.1	<p>A listed entity should:-</p> <p>(a) have a code of conduct for its directors, senior executives and employees; and</p> <p>(b) disclose that code or a summary of it.</p>	<p>The Board has established a Directors and Employee Code of Conduct that sets the standard by which all officers and employees of the company are to conduct themselves in the course of their duties. Potential breaches of the Code of Conduct can be reported to management, the Audit, Risk Management & Compliance Committee or an external auditor in accordance with procedures outlined in a Whistleblower Policy, implemented by the Board.</p> <p>A link to the Code of Conduct can be found under the Corporate Governance page of Centuria's website</p>

Corporate Governance Council recommendation	Centuria's Corporate Governance Statement
PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING	
<p>4.1 The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	<p>Centuria has established an Audit, Risk Management & Compliance Committee (ARMCC). The ARMCC consists of three independent directors and is chaired by an independent chair who is not the chair of Centuria's Board. All members are financially literate either holding financial or accounting qualifications and/or having professional experience in a financial or accounting related field. The Committee chairman, Peter Done is a chartered accountant with over 40 years of experience. John Slater has 25 years' experience in the financial services and investment management industry. The third member of the committee, Roger Dobson, is a senior partner in the banking and finance practice at the legal firm in which he is a partner. The Committee meets at least six times per year. The external and internal auditors of the Group attend on a regular basis. Detail of the Audit, Risk Management & Compliance Committee member's names, appointment date, status, qualifications and meeting attendance is set out in the Directors' report of Centuria's Annual Report.</p> <p>A link to the ARMCC charter is contained under the Corporate Governance page of Centuria's website.</p>
<p>4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>	<p>The CEO and CFO have declared in writing to the Board for both the half-year and full-year financial statements that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.</p>
<p>4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.</p>	<p>Centuria's external audit partner attends the AGM and is available to answer questions from security holders.</p>

Corporate Governance Council recommendation		Centuria's Corporate Governance Statement
PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE		
5.1	<p>A listed entity should:</p> <p>(a) have a written policy for complying with its continuous disclosure obligations under the Listing Rules; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>The Company has policies and procedures on information disclosure. The focus of these policies and procedures is to effect Centuria's commitment to:</p> <ul style="list-style-type: none"> • Comply with the general and continuous disclosure principles contained in the ASX Listing Rules and the Corporations Act; • Prevent the selective or inadvertent disclosure of price sensitive information; • Ensure that shareholders and the market are provided with full and timely information about its activities; and • Ensure that all market participants have equal opportunity to receive externally available information issued by Centuria. <p>A summary of our Continuous Disclosure Policy can be found under the Corporate Governance page of Centuria's website.</p> <p>Responsibility for compliance with Centuria's continuous disclosure obligations rests with the Company Secretary. Price sensitive information is publicly released through the ASX before disclosing it to analysts or others outside the company. Information is posted on Centuria's website as soon as reasonably practicable after the stock exchange confirms an announcement has been made, with the aim of making the information accessible to the widest audience.</p>
PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS		
6.1	<p>A listed entity should provide information about itself and its governance to investors via its website.</p>	<p>Centuria aims to provide prompt, accurate and accessible information to its shareholders. It has established a Communications Policy detailing steps to be taken to achieve this objective, a copy of which can be viewed under the Corporate Governance page of our website.</p> <p>Centuria's website forms an important part of the strategy for communicating with shareholders. Centuria's website has a shareholders' page which includes share details, company reports, company announcements and press releases (including copies of any significant presentations made to analysts), and items relating to Annual General Meetings.</p>

Corporate Governance Council recommendation		Centuria's Corporate Governance Statement
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>Centuria recognises the importance of providing its shareholders and the broader investment community with facilities to provide avenues for two-way communication between Centuria, the Board and shareholders. Centuria has developed a program on investor engagement for engaging with shareholders, the media and the broader investment community. In addition, Centuria's shareholders have the ability to elect to receive communications and other shareholding information electronically.</p> <p>The main mechanisms through which Centuria provides avenues for two-way investor engagement include:</p> <ul style="list-style-type: none"> • Centuria's Annual General Meeting, generally held in November, where shareholders are given the opportunity to ask questions; • the release of Centuria's Notices and Explanatory Memoranda for Annual General Meetings; • the release of Centuria's Annual Report, and half and full-year financial reports; • the release of announcements made to the Australian Stock Exchange; • maintenance of Centuria's website, at www.centuria.com.au, which contains up-to-date information on the operations of Centuria, its Board, management and corporate governance structure, Australian Stock Exchange announcements, share price, debt investment, and other relevant information; and • maintenance of various telephone lines where shareholders are able to contact Centuria or the share registry to ask questions directly.
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	<p>In designing notices and explanatory statements / memoranda of AGMs, Centuria gives consideration to the guidelines given by the ASX Corporate Governance Council in its Corporate Governance Principles and Recommendations.</p> <p>At the time of providing a notice of meeting and explanatory memoranda for the AGM a form is provided for shareholders to mail back to Centuria if they wish to raise any issues.</p> <p>At the AGM, the Company will, where appropriate, endeavour to address issues raised by shareholders in these forms. During the course of the AGM the floor is opened for questions.</p>
6.4	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Centuria, through its registry service provider, Computershare, provide security holders the option to receive communications and send communications to the security registry electronically. Security holder may communicate with Centuria through contact details provided on Centuria's website.

Corporate Governance Council recommendation	Centuria's Corporate Governance Statement
PRINCIPLE 7 – RECOGNISE AND MANAGE RISK	
<p>7.1 The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	<p>Centuria has established an Audit, Risk Management & Compliance Committee (ARMCC). The ARMCC consists of three independent directors and is chaired by an independent chair who is not the chair of Centuria's Board. All members are financially literate either holding financial or accounting qualifications and/or having professional experience in a financial or accounting related field. The Committee chairman, Peter Done is a chartered accountant with over 40 years of experience. John Slater has 25 years' experience in the financial services and investment management industry. The third member of the committee, Roger Dobson, is a senior partner in the banking and finance practice at the legal firm in which he is a partner. The Committee meets at least six times per year. The external and internal auditors of the Group attend on a regular basis. Detail of the Audit, Risk Management & Compliance Committee member's names, appointment date, status, qualifications and meeting attendance is set out in the Directors' report of Centuria's Annual Report.</p> <p>A link to the ARMCC charter is contained under the Corporate Governance page of Centuria's website.</p>

Corporate Governance Council recommendation	Centuria's Corporate Governance Statement
<p>7.2 The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	<p>The Centuria Board has established a Risk Management Framework for the Group, a summary of which can be viewed under the Corporate Governance page of our website. Risk management is an integral part of the governance of Centuria and is one of the main responsibilities of the Board and Senior Management. The Board is ultimately responsible for approving and reviewing Centuria's Risk Management Framework. The monitoring and management of risk on an ongoing basis is the responsibility of management as represented by the heads of the respective business units of Centuria.</p> <p>At Centuria, managing risk is a continuous process for both Management and the Board. Centuria's comprehensive risk management framework requires a detailed annual business risk review, which seeks to define all the major risks that could prevent or impact the Company from achieving its objectives. This review has been completed for this financial year and the Board has accepted management's report that material business risks have been managed effectively.</p> <p>The management of risk is continually addressed during the year at the business unit level. Periodically, a review of the effectiveness of Centuria's risk management framework is undertaken. Combined with this, is an embedded compliance culture to ensure Centuria meets the requirements of the Australian Securities and Investments Commission for conducting a financial services business and operating managed investment schemes. A robust compliance framework has been implemented which requires the business to monitor its activities and those of its outsourced service providers. The compliance function at Centuria reports directly to the Audit, Risk Management & Compliance Committee and the Board.</p> <p>The Audit, Risk Management & Compliance Committee has the following risk management responsibilities:</p> <ul style="list-style-type: none"> • Assessing risks arising from the Group's operations and ensuring the adequacy of measures taken to moderate those risks; • Reviewing and assessing the effectiveness of the Group's Risk Management Framework and internal control practices and ensure there is a continuous process for the management of significant risks throughout the Group; and • Monitoring compliance with the Company's Risk Management Framework. <p>Quarterly risk management reporting is provided to the Audit, Risk Management and Compliance Committee by management.</p>
<p>7.3 A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</p>	<p>A co-sourced internal audit function has been established with a focus on Centuria's control environment. The annual internal audit plan is determined having regard to the risk profile of the business arising from the annual business risk review.</p>
<p>7.4 A listed entity should disclose whether it has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.</p>	<p>Centuria does not have direct material exposure to sustainability risks. However, subsidiary companies within the Group act as manager of commercial and development properties that can have exposure to environmental sustainability risks, for example, meeting environmental rating standards or remediating sites affected by environmental liabilities. These risks are managed in accordance with Centuria's risk management framework and with the assistance of specialist professionals where required.</p>

Corporate Governance Council recommendation	Centuria's Corporate Governance Statement
PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY	
<p>8.1 The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	<p>The Nomination and Remuneration Committee consists of three Directors, all of whom are independent and is chaired by an independent Director. Detail of membership of the Nomination and Remuneration Committee including meeting attendance is set out at the end of this Corporate Governance Statement.</p> <p>Remuneration related responsibilities of the Nomination and Remuneration Committee include:</p> <ul style="list-style-type: none"> • Recommending fees for Directors; • Recommending a competitive remuneration and reward program for the CEO and other senior management; and • Ensuring that other human resource management programs, including performance assessment programs and incentive schemes, are in place. <p>Centuria recognises the important role people play in the achievement of its long-term objectives and as a key determinant of competitive advantage. To grow and be successful, Centuria must be able to attract, motivate and retain capable individuals.</p>

Corporate Governance Council recommendation	Centuria's Corporate Governance Statement
<p>8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p>	<p>Senior Executive remuneration structure</p> <p>The key principles that underpin Centuria's Senior Executive Remuneration Policy are:</p> <ul style="list-style-type: none"> • Competitive rewards are provided to attract and retain executive talent; • Remuneration is linked to performance so that higher levels of performance attract higher rewards; • Rewards to all staff but particularly executives are linked to the creation of value to shareholders; • The criteria used to assess and reward staff include financial and non-financial measures of performance; • The overall cost of remuneration is managed and linked to the ability of the company to pay; and • Severance payments due to the CEO on termination are limited to pre-established contractual arrangements which do not commit the Group to making any unjustified payments in the event of non-performance. <p>The remuneration policy assists Centuria to achieve its business strategy and objectives. Centuria recognises that, while remuneration is a key factor in recruiting the right people, it is not the only factor. Centuria's values and its ability to provide interesting and challenging career opportunities, also play an important role.</p> <p>Non-Executive Director remuneration structure</p> <p>The Board has established a policy relating to the remuneration of Non-Executive Directors. Centuria pays Non-Executive Directors fees at a level which is sufficient to attract individuals with the appropriate skills, and to fairly reimburse those Directors for services provided. Non-Executive Directors' remuneration does not include incentive schemes or performance related payments.</p> <p>Executive Directors are paid a salary commensurate with their position and responsibilities and at a level which attracts high calibre executives with appropriate skills and experience. Executive Directors also participate in Centuria's long-term and short term incentive plans.</p> <p>Further information regarding Director and senior executive remuneration can be found in the Remuneration Report in the Annual Report.</p>
<p>8.3 A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	<p>Centuria has a remuneration policy that is applicable to directors, senior executives and employees and that includes both monetary and equity based remuneration as summarised in 8.2 above. The remuneration policy does not place any restrictions on whether participants of equity based-remuneration are permitted to enter into transactions which limit the economic risk of participating in the scheme.</p>