

FY24 Corporate Governance Statement

Introduction

The Board is responsible for, and committed to, ensuring the Company maintains best practice corporate governance and the highest ethical standards and integrity.

The Board is committed to undertaking this role in accordance with best practice. Accordingly, the Company's corporate governance framework draws on principles, guidelines, recommendations and requirements from a range of sources including the NZX Listing Rules, and the NZX Corporate Governance Code (the NZX Code).

The overarching purpose of the NZX Code is to promote good corporate governance. The NZX Code contains corporate governance principles and recommendations. These are set out below. The Company has followed the recommendations set out in the NZX Code for the year ended 31 March 2024 except, and to the extent, set out in this statement.

In addition, the Board has approved policies and practices that aim to reflect best practice corporate governance. The corporate governance policies, practices and processes that the Company adopted or followed for the year ended 31 March 2024 are summarised or referred to in this statement.

This statement is current as at 31 March 2024 and has been approved by the Board.

Further information is available in our FY24 annual report, which is available on our website: kp.co.nz/investor-centre.

Principle 1 – Ethical standards

Directors should set high standards of ethical behaviour, model this behaviour and hold management accountable for these standards being followed throughout the organisation.

Recommendation 1.1 – The board should document minimum standards of ethical behaviour to which the issuer's directors and employees are expected to adhere (a code of ethics). The code of ethics and where to find it should be communicated to the issuer's employees. Training should be provided regularly. The standards may be contained in a single policy document or more than one policy. The code of ethics should outline internal reporting procedures for any breach of ethics, and describe the issuer's expectations about behaviour, namely that every director and employee:

- (a) acts honestly and with personal integrity in all actions;
- (b) declares conflicts of interest and proactively advises of any potential conflicts;
- (c) undertakes proper receipt and use of corporate information, assets and property;
- (d) in the case of directors, gives proper attention to the matters before them;
- (e) acts honestly and in the best interests of the issuer, as required by law, and takes account of interests of shareholders and other stakeholders;
- (f) adheres to any procedures around giving and receiving gifts (for example, where gifts are given that are of value in order to influence employees and directors, such gifts should not be accepted);



- (g) adheres to any procedures about whistle blowing (for example, where actions of a whistle blower have complied with the issuer's procedures, an issuer should protect and support them, whether or not action is taken); and**
- (h) manages breaches of the code.**

The Board is committed to maintaining high ethical standards and an ethical culture based on trust, transparency, integrity and absolute honesty.

Code of ethics

Our Code of Ethics underpins our employment contracts and our consultancy agreements. It's so important to us that failure to comply with the Code of Ethics could result in disciplinary action, including dismissal.

Our Code of Ethics requires our directors, employees and consultants to, amongst other things:

- act properly, lawfully, efficiently and in accordance with the Company's values in pursuing the objectives of the Company
- be absolutely honest, act truthfully and transparently and honor commitments
- be respectful and fair at all times, promote a culture of inclusivity and consideration, and, in particular, not engage in bullying, harassment or discriminatory conduct
- not retaliate against anyone who has reported a breach of the Code or illegal or unethical activities
- respect and protect the Company's assets, including the Company's information systems and intellectual property, and will only use them in accordance with any applicable Company policies, and
- compete vigorously, but honestly, not seek to damage the reputation of a competitor, and not attempt to acquire information regarding a competitor's business by disreputable or illegal means.

The Code of Ethics and our Fraud and Corruption Policy set out our procedures for reporting and managing any breach of ethics, including unethical behaviour.

Our people can access our Code of Ethics and all of our other policies via our knowledge management system. This is communicated to our people.

Our people undertake regular training to help maintain high ethical standards and an ethical culture. During the year ended 31 March 2024 this included training on insider trading, business continuity management, privacy, and risk management.

Our responsible business practices

We are committed to transparency and fairness in dealing with all of our stakeholders and ensuring adherence to applicable laws and regulations.

Compliance: Under our Compliance Policy, the Company is committed to ensuring that it conducts its business in a lawful manner while also complying with the Company's values, Code of Ethics and other policies.

Confidential information: Under our Confidential Information Policy, all our people have a responsibility to ensure that all confidential information is properly protected and secured.

Conflicts of interest: The Company has in place a Conflicts of Interest Policy to ensure that all actual, apparent and potential conflicts of interest between the Company and any of its



directors, employees and contractors are identified and managed appropriately. The Company recognises the importance of identifying and managing appropriately conflicts of interest to demonstrate its commitment to conducting its business ethically and with integrity.

Fraud and Corruption: The Company's Fraud and Corruption Policy encourages, enables and protects our people to report fraud, corruption, unethical behaviour, auditing and accounting irregularities, maladministration, false expense claims and substantial waste of the Company's funds or resources.

Knowledge of fraud, corruption, error, breach of law, compliance failure, concealed practice or unethical behaviour, which may be detrimental to the interests of the Company, can be reported to the Company's anonymous and independent Whistle-Blower hotline. Alternatively, it can be reported to any layer of management, any member of the People Team, the Chair of the Board, the Chair of the Audit and Risk Committee, or to a dedicated internal 'fraud' email address.

Furthermore, our policy provides that no person who, in good faith, reports fraudulent, corrupt or unethical behaviour shall suffer harassment, retaliation or adverse employment consequences. Any person who retaliates against someone who has reported a violation in good faith will be subject to disciplinary action which may include dismissal.

Gifts and Entertainment: Our Gifts and Entertainment Policy sets out the principles, process, roles and responsibilities for accepting, declining, giving, seeking approval for and reporting gifts and entertainment. The objectives of this policy include providing fair, consistent and transparent guidelines in relation to gifts and entertainment and maintaining a culture of trust, transparency, integrity and honesty.

Recommendation 1.2 – An issuer should have a financial product dealing policy which applies to employees and directors.

Our Securities Trading Policy sets out the principles and process to be followed in relation to trading shares and other financial products of the Company. The policy provides that our people must not use their knowledge of the Company or its business to engage in trading financial products of the Company for their benefit or the benefit of anyone else. The policy applies to the Company's directors and employees. Our people are required to obtain consent before trading financial products of the Company.

Principle 2 – Board Composition and Performance

To ensure an effective board, there should be a balance of independence, skills, knowledge, experience and perspectives.

Recommendation 2.1 – The board of an issuer should operate under a written charter which sets out the roles and responsibilities of the board. The board charter should clearly distinguish and disclose the respective roles and responsibilities of the board and management.

The Board Charter sets out the roles, responsibilities, composition, structure and approach of the Board. The Charter provides that the Board's responsibilities include:

- overseeing the business and affairs of the Company
- establishing, alongside the executive team, the Company's strategic direction and financial and non-financial objectives



- ensuring accountability to shareholders through appropriate reporting and regulatory compliance
- managing the appointment and succession of the Chief Executive Officer, and reviewing the remuneration and performance of the Chief Executive Officer
- monitoring the appointment, performance and remuneration of the direct reports to the Chief Executive Officer, and
- reviewing its own contribution to the Company's performance.

The Board Charter also provides that responsibility for the implementation of strategic objectives for the Company and the day-to-day management of operations is delegated to the Chief Executive Officer. The Chief Executive Officer may delegate functions and authorities to others. Specific delegations of authority to the Chief Executive Officer and others are set out in the Company's Delegation of Authority Policy.

Recommendation 2.2 – Every issuer should have a procedure for the nomination and appointment of directors to the board.

Selection and appointment

The Remuneration and Nominations Committee assists the Board with identifying potential candidates for appointment as directors of the Company. The Remuneration and Nominations Committee Charter outlines the process to be followed by the Committee in identifying and recommending potential candidates for appointment. Independent search firms may be retained to identify suitable candidates for directorships.

Shareholders are notified each year by an NZX notice of their right to nominate a candidate for election as a director at that year's annual meeting of the Company. The notice is also published on the Company's website.

All directors are elected by shareholders or appointed by the Board. Pursuant to the Company's Constitution, any director appointed by the Board retires at the next annual meeting of the Company but is then eligible for election by shareholders.

The number of directors is determined in accordance with the Company's Constitution. The Constitution provides that the minimum number of directors is three and the maximum is eight.

The Company's Constitution also provides that the minimum number of independent directors (as defined in the NZX Listing Rules) shall be two or such other minimum number as is specified by the NZX Listing Rules from time to time.

Retirement and rotation

In each year, a director must retire from office if that director would (without re-election) hold office past the third annual meeting following that director's appointment or three years, whichever is longer. Those directors who must retire may offer themselves for re-election at the annual meeting of shareholders.

Recommendation 2.3 – An issuer should enter into written agreements with each newly appointed director establishing the terms of their appointment.

The Company has a written agreement with each director setting out the terms and conditions of their appointment.

Recommendation 2.4 – Every issuer should disclose information about each director in its annual report or on its website, including a profile of experience, length of service,



independence, ownership interests, the director's attendance at board meetings and the board's assessment of the director's independence, including a description as to why the board has determined the director to be independent if one of the factors listed in table 2.4 applies to the director, along with a description of the interest, relationship or position that triggers the application of the relevant factor.

Our Board is structured in such a way that, as a group, it has the skills, knowledge, experience, expertise and diversity to meet and discharge its roles and responsibilities.

Information about each director (including information regarding their length of service) is included in our FY24 annual report and on our website: kp.co.nz/about-us/board-of-directors. Information about each director's independence is set out below in the section regarding recommendation 2.8.

We are required to disclose each director's ownership interests regarding shares and other financial products of the Company as at 31 March 2024 in our FY24 annual report, which is available on the Company's website: kp.co.nz/investor-centre.

Director meeting attendance

The table below sets out the attendance details for each Board and committee meeting held during the year. In addition to attending Board and committee meetings held during the year, various directors provided additional support through detailed reviews on strategic and new business initiatives, for example.

	Board	Audit and Risk Committee	Remuneration and Nominations Committee	Environmental, Social and Governance Committee
Number of meetings	9	7	7	4
Chris Aiken	6	-	4	4
Peter Alexander ¹	7	-	-	3
Mary Jane Daly	9	7	-	-
Carlie Eve ²	7	5	-	-
Mark Ford ³	2	1	3	1
Jane Freeman	8	-	7	-
Mark Powell ⁴	2	-	-	1

¹ Peter Alexander attended the 7 Board and the 3 ESG Committee meetings that occurred following his appointment on 23 May 2023.

² Carlie Eve attended the 7 Board and the 5 Audit and Risk Committee meetings that occurred following her appointment on 23 May 2023.

³ Mark Ford attended the 2 Board, 1 of the 2 Audit and Risk Committee, the 3 Remuneration and Nominations Committee meetings and the 1 ESG Committee meeting that occurred prior to his resignation on 28 June 2023.

⁴ Mark Powell attended the 2 Board meetings and the 1 ESG Committee meeting that occurred prior to his resignation on 19 May 2023.



	Board	Audit and Risk Committee	Remuneration and Nominations Committee	Environmental, Social and Governance Committee
Simon Shakesheff ⁵	9	7	4	4

Recommendation 2.5 – An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity’s progress in achieving them. An issuer within the S&P/NZX 20 Index at the commencement of its reporting period should have a measurable objective for achieving gender diversity in relation to the composition of its board, that is to have not less than 30% of its directors being male, and not less than 30% of its directors being female, within a specified period. The issuer should disclose the policy or a summary of it.

Building a diverse workforce and culture is integral to achieving exceptional outcomes for our people, our customers, investors and stakeholders.

The Company was an issuer within the S&P/NZX 20 Index at the commencement of its reporting period and at 31 March 2024 not less than 30% of its directors were male (50%), and not less than 30% of its directors were female (50%).

The Company’s Diversity, Equity and Inclusion Policy recognises that diversity, equity and inclusion (DEI) help us to:

- connect with, reflect and understand the communities and markets in which we operate, including tangata whenua and te ao Māori, allowing us to better meet the needs of our tenants, customers and investors
- attract, develop and retain employees from a wide range of backgrounds which in turn broadens the Company’s perspective, thinking and decision making as well as our innovative capability as a Company
- improve employee engagement and productivity by harnessing each individual’s uniqueness
- achieve a competitive advantage by optimising Company performance and improving our reputation, and
- Thereby, successfully and sustainably achieve our goals.

To ensure continued focus, transparency and accountability on the Company’s diversity aims, each year the Board will:

- Establish, approve, review and, if necessary, reset measurable objectives for achieving and promoting diversity, equity and inclusion. This will take the form of the Company’s DEI Strategy.
- Report on progress against the measurable objectives in the annual report to the extent it deems appropriate.

⁵ Simon Shakesheff attended the 4 Remuneration and Nominations Committee meetings that occurred following his appointment to that committee on 29 June 2023.



- Review the Diversity, Equity and Inclusion Policy no less frequently than every 2 years.

The Board has evaluated the performance of the Company against its Diversity, Equity and Inclusion Policy and considers that the Company has complied with the policy.

Diversity, equity and inclusion objectives

The current objectives are:

Build diverse teams	<p>We are committed to attracting, recruiting and developing our people in a way that ensures equal opportunity and achieves our diversity goals while bringing the best talent to our team.</p> <p>We will ensure interviewer panels are appropriately diverse to help combat unconscious bias. This includes appointments at Board and Executive level.</p>
Enhance an inclusive culture	<p>We recognise the importance of educating People Leaders about the business benefits of DEI, how to recognise discrimination and bias and know what action to take and we are committed to creating and implementing sound policies, strategies and interventions to make Kiwi Property an inclusive place where all employees can be productive, engaged and satisfied with their jobs.</p>
Gender diversity	<p>We actively support and promote women in leadership at all levels of the organisation.</p> <p>We are committed to creating an inclusive culture for women to succeed, having a 40:40:20 target at senior leadership levels and ensuring equity through all our people processes.</p>
Enhance culture diversity	<p>By 2030 we aspire to have a workforce that more closely reflects the ethnic makeup of NZ, actively welcoming and celebrating our diversity within Kiwi Property and our communities.</p>
Respect te ao Māori: build cultural competence	<p>We are culturally competent to connect with, reflect and understand the communities and markets in which we operate, including tangata whenua and te ao Māori, allowing us to better meet the needs of our tenants, customers and investors.</p>

Gender diversity

The FY24 annual report; which is available on the Company's website, contains tables that provide a breakdown of the gender composition of the directors and officers of the Company together with all employees as at the current and prior balance dates.

Ethnic diversity

Our ethnic diversity as at the current and prior balance dates was as follows:



	2024	2023
European	72%	72%
Asian	22%	17%
Māori	6%	5%
Pacific Peoples	6%	6%
Middle Eastern, Latin American, African	3%	5%
Other ethnicity	2%	1%
Not disclosed	0%	2%

The statistics add to greater than 100% as some employees identified with more than one ethnic group.

Recommendation 2.6 – Directors should undertake appropriate training to remain current on how to best perform their duties as directors of an issuer.

The Board Charter requires our directors to undertake regular training to educate and update themselves on how to appropriately and effectively perform their duties as directors.

New directors take part in a comprehensive Company induction programme.

During the year ended 31 March 2024, our directors undertook training and attended workshops regarding the Company's operations. In addition, each director undertakes their own learning and development initiatives to help them appropriately and effectively perform their duties as directors.

Recommendation 2.7 – The board should have a procedure to regularly assess director, board and committee performance.

We have a formal procedure in place setting out the basis on which director, Board and committee performance is regularly assessed (with the assistance of an external facilitator, where the Board considers such external input would be appropriate).

Recommendation 2.8 – A majority of the board should be independent directors.

Director independence is determined in accordance with the requirements of the NZX Listing Rules. The Board has determined that, as at 31 March 2024, all directors were independent: Chris Aiken, Peter Alexander, Mary Jane Daly, Carlie Eve, Jane Freeman, and Simon Shakesheff.

The FY24 annual report; which is available on the Company's website, contains more information on director independence.

Recommendation 2.9 – An issuer should have an independent chair of the board.

The Board has determined that, as at 31 March 2024, the Chair was an independent director.

In recognition of the importance of independent views and the Board's role in supervising management, the Company's Board Charter prohibits the Chair from also holding the position of Chief Executive Officer.

Recommendation 2.10 – The chair and the CEO should be different people.

The Chair was Mark Ford until 28 June 2023. Simon Shakesheff succeeded Mark Ford as Chair. The CEO was Clive Mackenzie.



Principle 3 – Board Committees

The board should use committees where this will enhance its effectiveness in key areas, while still retaining board responsibility.

To assist in the execution of its duties and consider complex issues, our Board has three standing committees. On behalf of the Board and, subject to the terms of each committee's charter, these committees review matters and make recommendations to the Board for decision.

Recommendation 3.1 – An issuer's audit committee should operate under a written charter. Membership on the audit committee should be majority independent and comprise solely of non-executive directors of the issuer. The chair of the audit committee should be an independent director and not the chair of the board.

Recommendation 3.2 – Employees should only attend audit committee meetings at the invitation of the audit committee.

The Audit and Risk Committee (ARC) has a written charter approved by the Board which is reviewed every two years.

The principal purpose of the ARC is to assist the Board to exercise due care, diligence and skill in relation to the oversight of:

- the integrity of external financial reporting
- the appointment and performance of external and internal auditors
- financial management and internal control systems
- accounting policy and practice
- the risk management framework and the monitoring of compliance within that framework
- compliance with applicable laws, regulations, standards, codes of practice and the NZX Listing Rules, and
- related party transactions.

The ARC Chair and membership of the ARC is determined by the Board. The ARC must have a minimum of three directors, with a majority comprising independent directors. The ARC must also be comprised solely of non-executive directors. The ARC Chair cannot also be Chair of the Board.

At least one member must have an accounting or financial background, and all other members should be financially literate and have an understanding of risk and compliance management activities, given the specialised functions of the ARC.

As at 31 March 2024 the members of the ARC were Mary Jane Daly (Chair), Carlie Eve, and Simon Shakesheff. All members are non-executive directors and the Chair of the ARC is an independent director who is not the Chair of the Board.

At the invitation of the ARC, management and other employees may attend an ARC meeting.

Recommendation 3.3 – An issuer should have a remuneration committee which operates under a written charter (unless this is carried out by the whole board). At least a majority of



the remuneration committee should be independent directors. Management should only attend remuneration committee meetings at the invitation of the remuneration committee.

Recommendation 3.4 – An issuer should establish a nomination committee to recommend director appointments to the board (unless this is carried out by the whole board), which should operate under a written charter. At least a majority of the nomination committee should be independent directors.

The Remuneration and Nominations Committee (RNC) has a written charter approved by the Board which is reviewed every two years.

The principal purpose of the RNC is to assist the Board with appropriate remuneration policies and practices. It also assists with planning Board composition and ensuring there is an appropriate mix of skills, experience, expertise and diversity. Specifically, this committee assists with, amongst other things:

- the establishment of remuneration policies and practices to ensure the Company continues to attract and retain top talent at all levels
- discharging the Board's responsibilities around setting and reviewing the remuneration of directors, the Chief Executive Officer and direct reports to the Chief Executive Officer
- planning our Board's composition, including succession planning to ensure that there is an appropriate mix of skills, experience, expertise and diversity
- evaluating the competencies required of prospective directors (both executive and non-executive), including requirements of the NZX Listing Rules, and
- identifying prospective directors and establishing their degree of independence.

The RNC Chair and membership of the RNC is determined by the Board. The RNC must have a minimum of three directors, with a majority comprising independent directors. The RNC Chair must be an independent director and cannot also be Chair of the Board.

RNC members are expected to have an appropriate level of knowledge and understanding of remuneration practice, as well as legal and regulatory requirements relating to remuneration and nomination of directors.

As at 31 March 2024 the members of the RNC were Jane Freeman (Chair), Chris Aiken, and Simon Shakesheff. All members are non-executive directors and the Chair of the RNC is an independent director who is not the Chair of the Board.

At the invitation of the RNC, management and other employees may attend a RNC meeting.

Recommendation 3.5 – An issuer should consider whether it is appropriate to have any other board committees as standing board committees. All committees should operate under written charters. An issuer should identify the members of each of its committees, and periodically report member attendance.

The Environmental, Social and Governance committee (ESGC) has a written charter approved by the Board.

The purpose of the ESGC is to identify and consider all relevant ESG matters and to assist the Board in fully integrating environmental & social principles into the governance of the business

The ESGC Chair and membership of the ESGC is determined by the Board. The ESGC must have a minimum of three directors, with a majority comprising independent directors. The ESGC Chair must be an independent director and cannot also be Chair of the Board.



ESG Committee members are expected to have an appropriate level of knowledge and understanding of environmental, social and governance issues, risk and compliance management activities, as well as legal and regulatory requirements relating to these areas.

As at 31 March 2024 the members of the ESGC were Chris Aiken (Chair), Peter Alexander and Simon Shakesheff. All members are non-executive directors and the Chair of the ESGC is an independent director who is not the Chair of the Board.

At the invitation of the ESGC, management and other employees may attend an ESGC meeting.

Recommendation 3.6 – The board should establish appropriate protocols that set out the procedure to be followed if there is a takeover offer for the issuer including any communication between insiders and the bidder. It should disclose the scope of independent advisory reports to shareholders. These protocols should include the option of establishing an independent takeover committee, and the likely composition and implementation of an independent takeover committee.

The Board has adopted a Takeover Response Manual and Protocols. The manual details the procedures and protocols to be followed if there is a takeover proposal, as well as any formal takeover offer, and other matters to consider including communications with shareholders and other stakeholders, amongst other things. The Manual includes the option for the Board to establish a response committee.

Principle 4 – Reporting and Disclosure

The board should demand integrity in financial and non-financial reporting, and in the timeliness and balance of corporate disclosures.

Recommendation 4.1 – An issuer’s board should have a written continuous disclosure policy.

The Company is committed to providing immediately and equally to all investors fair and full disclosure of material information in accordance with the NZX Listing Rules. Our Market Disclosure Policy sets out the responsibilities, processes and guidance that reflect this commitment.

A management Disclosure Committee has been established to help the Company meet its continuous disclosure obligations.

All directors and employees are responsible for reporting immediately to any member of the Disclosure Committee any information that they consider to be or likely to be material information. In addition, the Board will consider at each Board meeting whether there is any information, arising from matters discussed at the meeting or otherwise, that may require disclosure in accordance with the Market Disclosure Policy.

Recommendation 4.2 – An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX Code, together with any other key governance documents, available on its website.

All of the Company’s key corporate governance documents are available on the Company’s website (including the Code of Ethics, Board Charter, Audit and Risk Committee Charter, Environmental, Social and Governance Committee Charter, Remuneration and Nominations Committee Charter and all other documents which the NZX Code recommends should be made available on the Company’s website).

Recommendation 4.3 – Financial reporting should be balanced, clear and objective.

We are committed to ensuring that our financial reporting is balanced, clear and objective.



The Audit and Risk Committee helps to ensure our financial reporting is balanced, clear and objective. This includes, amongst other things:

- reviewing and recommending to our Board for approval, the Company's annual and half-year financial statements, related stock exchange announcements and all other financial information published or released to the market, and
- assisting our Board to review the effectiveness of the internal control environment, including the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

Management accountability for the integrity of the Company's financial reporting is reinforced by the certification from management that, to the best of their knowledge:

- the Company's financial statements present a true and fair view in all material respects
- accounting policies have been appropriately applied, and
- they have assessed the security controls over the financial information and are satisfied that procedures in place are adequate to ensure the integrity of the information provided.

This certification was provided for the financial statements contained in our FY24 annual report.

Recommendation 4.4 – An issuer should provide non-financial disclosure at least annually, including considering environmental, social sustainability and governance factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward looking assessments, and align with key strategies and metrics monitored by the board.

The Board receives regular reports on the financial and non-financial performance of the Company including health and safety, major projects, capital and treasury management, risk and compliance management, people and culture, as well as reports from the external and internal auditors.

We provide non-financial disclosure at least annually through various channels, including via our annual reports and the suite of documents released alongside them. Disclosure of our key FY24 financial risks, our material environmental, social and governance risks, amongst others, together with our approach to managing them can be found in our FY24 annual report and sustainability report; which are available on the Company's website.

Principle 5 – Remuneration

The remuneration of directors and executives should be transparent, fair and reasonable.

Recommendation 5.1 – An issuer should have a remuneration policy for remuneration of directors. An issuer should recommend director remuneration to shareholders for approval in a transparent manner. Actual director remuneration should be clearly disclosed in the issuer's annual report.

Recommendation 5.2 – An issuer should have a remuneration policy for remuneration of executives which outlines the relative weightings of remuneration components and relevant performance criteria.

Our Remuneration Policy sets out the various remuneration components for directors, officers and other employees. Further information about our remuneration strategy and policies is



set out in the remuneration section of our FY24 annual report; which is available on the Company's website.

Disclosure of how the Board has allocated the directors' fee pool and the remuneration paid to directors during the year ended 31 March 2024 can be found in the remuneration section of our FY24 annual report; which is available on the Company's website.

Recommendation 5.3 – An issuer should disclose the remuneration arrangements in place for the CEO in its annual report. This should include disclosure of the base salary, short term incentives and long term incentives and the performance criteria used to determine performance based payments.

Detailed disclosure of the remuneration arrangements in place for the Chief Executive Officer (including disclosure of the Chief Executive Officer's base salary, short-term incentive and long-term incentive and the performance criteria used to determine performance based payments) can be found in the remuneration section of our FY24 annual report; which is available on the Company's website.

Principle 6 – Risk Management

Directors should have a sound understanding of the material risks faced by the issuer and how to manage them. The Board should regularly verify that the issuer has appropriate processes that identify and manage potential and material risks.

Recommendation 6.1 – An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.

Risk management framework

We are committed to managing effectively the risks we face in achieving our objectives. We believe risk management is a critical business discipline that helps us achieve our objectives by reducing uncertainty, increasing the likelihood of achieving our objectives, minimising losses, and providing greater freedom to plan and use resources for innovation and managed risk taking.

We have adopted a risk management framework which aligns with the New Zealand and Australian Risk Management Standard (AS/NZS ISO 31000:2009). The framework outlines our commitment, responsibilities, processes, and practices to manage effectively the risks we face in achieving our objectives.

Our Risk Management Policy includes our risk management principles. The key objectives of this policy are to ensure:

- we manage effectively the risks we face in achieving our objectives, and
- our people are aware of and meet their responsibilities to identify, evaluate and treat the risks that may prevent or restrict us from achieving our objectives.

Our Board is ultimately responsible for ensuring that the Company manages effectively the risks we face in achieving our objectives. The Audit and Risk Committee assists the Board in this respect by overseeing our risk management framework, policy and strategy.

Our Board and Audit and Risk Committee receive from management regular risk management reports.



Risk register and key risks

Our risk register contains all of the risks that we have identified as being a risk to us achieving our objectives. Each risk on our risk register:

- is classified into one of four groups: strategic, operational, financial and compliance
- includes an assessment of that risk's impact to the business, likelihood of occurrence and its overall rating
- has a risk owner, and
- has details of how we manage that risk.

As at 31 March 2024, our key risks included, among others:

- unsafe operating and working environments resulting in death or serious harm
- climate change
- a significant event such as a pandemic, natural disaster etc resulting in significant disruption to people, processes, systems, business performance and tenant and customer behaviour
- failure to recognise and respond to individual property sector dynamics
- failure to maintain a social license to operate
- failure to attract, retain and develop key talent to maintain stability of operations and deliver strategic priorities
- inability to protect against or appropriately respond to cyber-related threats impacting critical data, infrastructure, and business reputation.

Further information in respect of our financial risks is contained in our FY24 annual report which is available on the Company's website.

During the 2024 financial year, our risk assessment process comprised consideration of new and existing risks to achieving our objectives. This included identification and assessment of each risk's impact, likelihood and overall rating, allocating the risk to one or more owners and specifying how we manage that risk. This process was undertaken on a regular basis at the time each risk management report was prepared. The results of this process were included in each risk management report. The Board and the Audit and Risk Committee reviewed the reports and provided feedback and guidance to management in respect of the results of the risk assessment process. Our risk register was then updated to include any new risks or changes to the assessment of any existing risks.

The Company confirms that it has carried out a robust risk assessment process for the 2024 financial year.

Recommendation 6.2 – An issuer should disclose how it manages its health and safety risks and should report on their health and safety risks, performance and management.

Health, safety and wellbeing management

People save people. We take this to heart, which is why we regard health, safety and wellbeing as everyone's concern. We look to advance our health, safety and wellbeing practices through active participation by our people, striving to deliver healthy, supportive and injury-free places of work. This is our health, safety and wellbeing vision.



Governance

Our Board recognises that effective governance of health and safety is essential for our continued success and the wellbeing of our people. Our Health, Safety and Wellbeing Charter sets out our Board's commitment, responsibilities and approach to health, safety and wellbeing governance. Our Board has determined that health, safety and wellbeing shall be governed by the Board as a whole, as opposed to a committee of the Board.

Our commitment to healthy and injury-free places of work is reflected in our Health, Safety and Wellbeing Policy. The objectives of our policy are:

- the prevention of work related deaths, injuries or illnesses,
- the promotion of safe work practices, and
- the promotion of work practices that support the wellbeing of our people.

Our Health, Safety and Wellbeing Charter and Policy are supported by our Health, Safety, and Wellbeing Manual. Our Manual sets out the roles and responsibilities for our management of health, safety and wellbeing as well as our standard processes, procedures and documents including our health, safety and wellbeing training and qualification requirements.

Health, safety and wellbeing is a formal agenda item for all regular Board meetings. At these meetings, our Board receives from management health, safety and wellbeing reports. These reports contain health, safety and wellbeing performance information which include a summary of serious incidents, serious harm incidents and non-serious incidents that occurred during the period, comparisons against the prior period and the results of our health, safety and wellbeing audits. These reports also include updates on our health, safety and wellbeing assurance and enhancement activities.

Our Board also receives health, safety and wellbeing training and undertakes site visits to see our health, safety and wellbeing management in practice.

Health, safety and wellbeing leadership is provided by our Health, Safety and Wellbeing Leadership Committee. The committee's work includes considering the effectiveness of our health, safety and wellbeing documentation and practice as well as reviewing incident reports and the action taken in response to those incidents.

The engagement of our people with health, safety and wellbeing is supported by our Health, Safety and Wellbeing Committee. The committee's work includes providing a forum for our people, through our Health, Safety and Wellbeing Representatives, to participate in improving health, safety and wellbeing at our places of work.

Our people, who are site safety managers, support the work undertaken by our Health, Safety and Wellbeing Committee. Our site safety managers assist in reviewing and updating regularly the health, safety and wellbeing risks for their sites, providing health, safety and wellbeing information to our people, undertaking investigations of health, safety and wellbeing incidents and notifying WorkSafe of any notifiable events, amongst other things.

In addition, our Health and Safety Systems Co-ordinator helps to manage and oversee our health, safety and wellbeing systems.

Assurance

Assurance in respect of our health, safety and wellbeing management is provided through regular health, safety and wellbeing site audits. These involve a physical site inspection and a review of health, safety and wellbeing documentation and practice at that site.



Health, safety and wellbeing risks

Our health, safety and wellbeing risks are assessed using the same risk assessment methodology that we use to assess all other risks. Health, safety and wellbeing risks are identified for each site and each risk is then assessed in terms of its impact, likelihood, its overall rating and how we will manage that risk. This information is recorded in a health, safety and wellbeing risk register for each site.

As at 31 March 2024, our key health, safety and wellbeing risks included:

- working at heights – such as a fall from the roof of a building
- hazardous substances – such as an injury or illness from being exposed to a hazardous substance, and
- electricity – such as an electric shock from electrical equipment.

Health, safety and wellbeing performance

We believe our commitment to health, safety and wellbeing and the engagement and participation of our employees to improve health, safety and wellbeing is reflected in the health, safety and wellbeing performance in respect of our employees.

	2024	2023	2022	2021	2020	2019	2018	2017
Deaths	-	-	-	-	-	-	-	-
Notifiable injuries	-	-	-	-	-	-	-	-
Medical treatment injuries	-	1	2	3	1	3	4	4
First aid injuries	3	7	10	11	5	9	12	20
All injuries	3	8	12	14	6	12	16	24
Workforce injury rate ⁶	2%	4%	7%	8%	4%	7%	9%	14%

Principle 7 – Auditors

The board should ensure the quality and independence of the external audit process.

Recommendation 7.1 – The board should establish a framework for the issuer's relationship with its external auditors. This should include procedures:

- for sustaining communication with the issuer's external auditors;**
- to ensure that the ability of the external auditors to carry out their statutory audit role is not impaired, or could reasonably be perceived to be impaired;**
- to address what, if any, services (whether by type or level) other than their statutory audit roles may be provided by the auditors to the issuer; and**
- to provide for the monitoring and approval by the issuer's audit committee of any service provided by the external auditors to the issuer other than in their statutory audit role.**

⁶ All injuries / total number of employees



The Audit and Risk Committee (ARC) assists the Board with ensuring the quality and independence of the external and internal audit processes.

The ARC Charter and the External Auditor Independence Policy provide the framework for our relationship with our external and internal auditors.

The ARC Charter requires the Committee to, amongst other things:

- review and recommend to the Board the appointment, replacement and fees of the external and internal auditors
- confirm and ensure the independence of the external auditors in accordance with our External Auditor Independence Policy
- review the external and internal audit plans, and
- review and assess the performance of the external and internal auditors.

The ARC is required by our External Auditor Independence Policy to only recommend to the Board a firm to be appointed as external auditor if that firm:

- would be regarded by a reasonable investor, with full knowledge of all relevant facts and circumstances, as capable of exercising objective and impartial judgement on all issues within their engagement, and
- does not allow the direct compensation of its audit partners to be linked to fees for non-audit services to the Company.

The External Auditor Independence Policy also requires the ARC to pre-approve the nature of audit and non-audit related services that are to be provided by our external auditor. The following guidelines ensure that any related services will not conflict with the independent role of the external auditor:

- The external auditor may not have any involvement in the production of financial information or preparation of financial statements that might be perceived as auditing their own work.
- The external auditor may not perform any function of management, or be responsible for making management decisions.
- The external auditor may not be responsible for the design or implementation of financial information systems.
- The external auditor may not perform any internal audit function.

The notes to the financial statements contain the amount that was paid by the Company to the external auditor as audit fees and, as a separate item, for other services. The financial statements can be found in the FY24 annual report which is available on the Company's website.

Our External Auditor Independence Policy contains the procedures to be adopted by the Board and also management to sustain communication with the external auditors. The policy provides that:

- directors are entitled to direct access to the external auditors without management present, and
- management is entitled to direct access to the external auditor without directors present.

For the 2024 financial year, our external auditor was Deloitte Limited and the lead external audit partner was Andrew Boivin.



Recommendation 7.2 – The external auditor should attend the issuer’s Annual Meeting to answer questions from shareholders in relation to the audit.

Karen Shires of PricewaterhouseCoopers, our external auditor, attended the annual meeting of shareholders in 2023 to answer any questions from shareholders in relation to our external audit.

A representative of Deloitte Limited will attend our annual meeting in 2024.

Recommendation 7.3 – Internal audit functions should be disclosed.

For the 2024 financial year, KPMG was our internal auditor and the lead audit partner was David Sutton. Our internal auditor provides assurance in respect of the risks impacting our business. This assists the Board, ARC and management in:

- managing risks
- improving the efficiency and effectiveness of internal control systems
- monitoring compliance with policies and procedures and regulatory requirements, and
- providing assurance over the operating effectiveness of internal controls.

The internal auditor was appointed by the Board and reported against the internal audit plan as and when each item on the plan was completed.

Principle 8 – Shareholder Rights and Relations

The board should respect the rights of shareholders and foster constructive relationships with shareholders that encourage them to engage with the issuer.

Recommendation 8.1 – An issuer should have a website where investors and interested stakeholders can access financial and operational information and key corporate governance information about the issuer.

We seek to ensure our shareholders understand our activities by communicating effectively with them and giving them ready access to clear and balanced information. To assist with this, the Company:

- maintains a website, kp.co.nz
- provides shareholders with annual reports, half-year result presentations, announcements and financial statements and webcasts of its annual and half-year results (available live and archived on the Company’s website)
- provides information to the media and briefings with research analysts, and
- holds an annual meeting of shareholders in which shareholder participation is encouraged.

All the Company’s NZX announcements are automatically published on the Company’s website. The Company’s website, which is regularly updated, also contains:

- information about our people, our property portfolio and our investment philosophy
- our sustainability activities and achievements, and our sustainability reports
- key financial information and the annual and interim reports and half-year result presentations, announcements and financial statements
- key dates, and



- key corporate governance documents.

Investors can also direct questions and comments through the Company's website.

Recommendation 8.2 – An issuer should allow investors the ability to easily communicate with the issuer, including by designing its shareholder meeting arrangements to encourage shareholder participation and by providing the option to receive communications from the issuer electronically.

Electronic communications with investors

We encourage all investors to receive communications from us electronically. Communicating electronically is faster, better for the environment and more cost-effective than non-electronic forms of communication. As at 31 March 2024, ~83% of our investors have told us that they prefer we communicate with them this way.

We understand this approach does not suit everyone, so printed copies of reports are provided to shareholders who have not opted to receive documents electronically or have requested a printed copy.

Investor relations programme

Our investor relations team coordinates an active investor relations programme, customised to suit the needs of different investor groups including analysts. For the 12 months to 31 March 2024 the programme included:

- The Company's annual meeting which all shareholders have the right to attend. We encourage investors to take part in the annual meeting as it provides an opportunity for shareholders to air their views and ask questions of the Board and management.
- An annual report (which was published in May 2024) and a half-year result presentation, announcement and financial statements (which were published in November 2023). These documents provided an overview of operations and financial results for the year/period. We encourage investors to access these documents online to assist with our commitment to the environment. It is also faster and more cost-effective.
- The annual and half-year results were webcast to analysts and key institutional investors. A recording of each annual and half-year result presentation is provided on the Company's website. Briefings were provided to institutional investors, analysts, brokers and the media by management following annual and half-year result announcements.
- The Company maintained regular dialogue with the New Zealand Shareholders Association.
- Management met with investors and analysts throughout the year.
- Our investor relations team managed investor and analyst queries on a regular basis throughout the year.

Recommendation 8.3 – Quoted equity security holders should have the right to vote on major decisions which may change the nature of the company in which they are invested.

As an issuer that is obliged to comply with the NZX Listing Rules, the Company must obtain the approval of its shareholders (by way of an ordinary resolution or, if required, a special resolution) before entering into any transaction which would change the essential nature of its business.



In the 12 months to 31 March 2024, there were no major decisions that may have changed the nature of the Company and as such equity security holders were not asked to vote on such decisions.

Recommendation 8.4 – If seeking additional equity capital, issuers of quoted equity securities should offer further equity securities to existing equity holders of the same class on a pro rata basis, and on no less favourable terms, before further equity securities are offered to other investors.

The Company did not seek additional equity capital in the 12 months to 31 March 2024.

Recommendation 8.5 – The board should ensure that the notices of annual or special meetings of quoted equity security holders is posted on the issuer's website as soon as possible and at least 20 working days prior to the meeting.

The Company's 2024 annual meeting will take place on 27 June 2024. Notice of that meeting will be posted on the Company's website at least 20 working days prior to the meeting.

Policy owner:	General Counsel & Company Secretary
Review date:	May 2024
Next review date:	May 2025
Policy approver:	Board

