

Dexus (ASX: DXS)

ASX release

30 October 2024

2024 AGM Chair and Group CEO address

Dexus provides its Chair and Group CEO address for the Dexus Annual General Meeting (AGM) which is being held today at 2.00pm (AEDT).

The meeting will be webcast and can be viewed by using the following link:

<https://meetings.linkgroup.com/DXS24>

Authorised by the Board of Dexus Funds Management Limited

For further information please contact:

Investors

Rowena Causley
Head of Listed Investor Relations
+61 2 9017 1390
+61 416 122 383
rowena.causley@dexus.com

Media

Luke O'Donnell
Senior Manager, Media and Communications
+61 2 9017 1216
+61 412 023 111
luke.odonnell@dexus.com

About Dexus

Dexus (ASX: DXS) is a leading Australasian fully integrated real asset group, managing a high-quality Australasian real estate and infrastructure portfolio valued at \$54.5 billion. The Dexus platform includes the Dexus investment portfolio and the funds management business. We directly and indirectly own \$14.8 billion of office, industrial, retail, healthcare, infrastructure and alternatives. We manage a further \$39.7 billion of investments in our funds management business which provides third party capital with exposure to quality sector specific and diversified real asset products. The funds within this business have a strong track record of delivering performance and benefit from Dexus's capabilities. The platform's \$16.1 billion real estate development pipeline provides the opportunity to grow both portfolios and enhance future returns. We believe that the strength and quality of our relationships will always be central to our success and are deeply connected to our purpose Unlock potential, create tomorrow. Our sustainability approach is focused on the priority areas where we believe we can make significant impact: Customer Prosperity, Climate Action and Enhancing Communities. Dexus is supported by more than 37,000 investors from 23 countries. With four decades of expertise in real estate and infrastructure investment, funds management, asset management and development, we have a proven track record in capital and risk management and delivering returns for investors. www.dexus.com

Dexus Funds Management Limited ABN 24 060 920 783, AFSL 238163, as Responsible Entity for Dexus (ASX: DXS) (Dexus Property Trust ARSN 648 526 470 and Dexus Operations Trust ARSN 110 521 223)
Level 30, 50 Bridge Street, Sydney NSW 2000



Good afternoon everyone and welcome to our 2024 Annual General Meeting. I'm Warwick Negus, Chair of the Board of Directors of Dexus Funds Management Limited.

I would like to acknowledge the Traditional Custodians of the land on which we are presenting from today and pay our respects to their Elders past and present. I would also like to extend that respect to, and welcome, any First Nations people who are joining our meeting today.

On behalf of the Dexus Board, I welcome you to our AGM. It's great to see some of you in person again. Before we start the meeting, can I ask our audience in the room to ensure your mobile phones are switched off or silenced. In the event of an emergency the fire exits are located along the corridor outside this room. This is also where you will find the rest rooms.

I'll table my appointment as Chair of today's meeting and open the meeting.

We appreciate that not all Security holders can attend in person and have provided the opportunity for everyone to participate in the meeting through our hybrid meeting format.

Today I'm joined by our independent directors Paula Dwyer, Mark Ford, Peeyush Gupta AM, Rhoda Phillippo, Nicola Roxon, Elana Rubin, and Dexus's new Group CEO and Executive Director Ross Du Vernet. It is a pleasure to have them here today.

We will hear from Peeyush on his election, and Mark on his re-election, later in the meeting.

In December last year, we announced Ross as the new Dexus Group CEO.

Since this is our first Annual General Meeting with Ross in this role, I would like to formally congratulate him on his appointment. Ross' deep property investment expertise, track record of setting and delivering on strategy and his knowledge of the Dexus business has made him the ideal successor.

The Board ran an extensive external and internal recruitment process in 2023 which culminated in the decision to appoint Ross as Group CEO. The Board retains strong conviction that Ross and our highly regarded Executive Leadership team are well placed to lead Dexus through its next stage of growth.

I would also like to welcome our company secretaries and representatives from the Executive Committee, along with a representative from our Auditors at PwC and lawyers at King & Wood Mallesons.

Finally, I would like to welcome our past directors and former CEO Darren Steinberg who are joining us today.

I would like to make two important acknowledgements. First, I would like to acknowledge Penny Bingham-Hall who retired from the Board in March 2024. Penny was an Independent non-executive Director of Dexus for nearly 10 years and made a significant contribution to the Board as well as the People & Remuneration, Nomination & Governance, and Sustainability Committees.

Her passion for sustainability, governance and the property sector helped shape key policies and initiatives during her time on the Board. Penny also drove the Board's thorough review of the remuneration framework in 2022 which resulted in an increased weighting to long-term incentives. We thank Penny for her significant contribution to Dexus.

I would also like to take a moment to acknowledge our former CEO, Darren Steinberg. Darren was instrumental in the growth and evolution of Dexus over the past 12 years. Under his leadership, the platform's total funds under management increased significantly, while maintaining portfolio quality and diversifying into new sectors including healthcare, alternative investments and infrastructure.

Darren and I had a relationship anchored in mutual trust and respect, with robust discussions that led to a constructive Chair and CEO dynamic. On behalf of the Board, thank you Darren for your strong leadership and your contribution to shaping Dexus as it stands today.

I will now commence the meeting with my address which will provide you with an overview of our positioning and key aspects of our 2024 result. I'll then hand over to Ross who will discuss our quarterly update, the revised capital allocation framework and Dexus's medium term priorities. We will then turn to the formal aspects relating to the resolutions which were outlined in the Notice of Meeting and Explanatory Memorandum sent out on 27 September 2024.

On 24 October we announced to the Australian Securities Exchange that we had withdrawn Resolution 2 for the FY25 grant of long-term incentive options to the Chief Executive Officer.

Over the course of the meetings with proxy advisors and investors, it became clear that while many were supportive of an Options based LTI Plan, there were concerns about aspects of the Plan design. Given the concerns raised by investors, Dexus has decided to withdraw the resolution.

We will consider the feedback received and we will determine the best approach going forward.

The withdrawal of Resolution 2 does not affect the validity of proxy or direct votes already submitted in respect of remaining items of business which will be put to Security holders today.



This year we took the opportunity to pressure test the strategy, refining it to align with our strengths and market conditions. Our purpose, 'Unlock potential. Create tomorrow', reflects our unique ability to create value for our people, customers, investors and communities over the long term. Our vision is to be globally recognised as Australasia's leading real asset manager.

We aspire to be known for our deep local sector expertise, our active approach to management, and most importantly as a trusted partner, investing alongside our clients.

Our people, our focus on sustainability and governance, and our culture – that promotes constant evolution and improvement – are central to how we unlock potential in the business. These elements will enable us to deliver superior risk-adjusted returns over the long term.

Dexus today stands out as a unique and diversified real asset platform. We have significant scale and critical mass in each of our sectors, geographically focused in Australia and New Zealand, with access to diverse pools of capital.

Our \$14.8 billion balance sheet portfolio is largely invested in high-quality office and industrial real estate alongside third party clients. Additionally, our \$39.7 billion third party funds management business has a well-established presence in office, industrial and retail real estate, and an emerging presence in the growth markets of healthcare, infrastructure and alternative investments.

The recent addition of infrastructure to our platform presents a tremendous opportunity for growth underpinned by macro tailwinds. We are actively exploring how we leverage expertise from other sectors to generate more value from infrastructure assets.

The business is well positioned given the current phase of the investment cycle, with future returns expected to be driven through the fundamentals of asset selection, creation and asset management.

This combination of balance sheet scale, multi-sector expertise, tight geographical focus, and access to broad and deep pools of third party capital is what makes Dexus unique.

Despite a challenging environment, we delivered on our guidance and maintained high occupancy across both our office and industrial portfolios, ensuring strong cashflows with AFFO of \$516 million. Our distribution of 48.0 cents per security for FY24 was delivered in line with guidance, below the FY23 distribution largely as a result of lower trading profits. We continued our capital recycling strategy, with \$1.7 billion of Dexus divestments. Our balance sheet remains strong with gearing remaining at the low end of our range, notwithstanding softer valuations, which drove the statutory loss for the year and are an indirect outcome of the rapid increase in interest rates that began just over two years ago.

In our funds management business, core funds such as DWPF and DSCF outperformed their benchmarks. We raised new equity in growth markets, including more than \$300 million for the second fund in our opportunistic series. Additionally, we sold \$2.9 billion of fund assets during the year to facilitate redemption requests and manage the capital position of the funds.

We successfully completed the full integration of the AMP Capital business and delivered on the priorities that Ross announced to the market in May this year. This included refining our strategy, implementing a sector-aligned operating model, and refreshing our capital allocation framework. These achievements have positioned Dexus well for the next stage of the investment cycle.

For many years, we have taken an active approach to capital recycling to enhance the quality of the portfolio and strengthen our balance sheet. Despite a subdued transactions market, we have successfully divested assets, selling \$7.4 billion from the balance sheet over the past 5 years.

We will continue to recycle capital, with a further \$2 billion of assets earmarked for divestment over the next three years. These actions, along with the completion of committed developments, will further enhance the quality of our portfolio while maintaining a prudent level of gearing.

We continue to be globally recognised for our leadership in Sustainability. However, we are increasingly focused on initiatives that make both financial sense and have a positive impact on our customers, the environment and our communities.

The Board and I recently visited our Waterfront Brisbane development, where we saw a prime example of innovation coming to life. This development is underpinned by circular economy principles with the goal of minimising waste. Remarkably, 98% of the materials cleared from the site have been recycled or reused. This has been a significant achievement, and the Board and I are excited to see how the team amplify key learnings across the Dexus platform.

At last year's AGM, Dexus received a 'first strike' against its 2023 Remuneration Report with one proxy advisor recommending a vote 'against'. Following the strike, the Board has engaged extensively with key investors and proxy advisors to better understand their concerns. We have undertaken benchmarking and again reviewed our framework.



While no substantial remuneration framework changes have taken place in FY24, following substantial changes in FY23, we have been particularly mindful of the feedback received following the 2023 AGM in our disclosures this year and in considering the appropriateness of incentive outcomes.

We set our distribution guidance at the start of each year. Acknowledging that guidance for FY24 was below the previous year, the Board:

- reduced the vesting associated with achieving guidance from 75% (in 2022 and previous years) to 50%, and
- set the level for target vesting materially above guidance, meaning that there was significant challenge to achieve that level. In contrast in FY22, vesting at threshold was 75% and the gap between threshold and target was much smaller.

Against the backdrop of a continued challenging economic environment, with higher interest rates, softening office market valuations and a challenged transaction market, the FY24 outcomes reflected solid achievements (such as delivering on the guidance set at the start of the year, maintaining high portfolio occupancy, divesting \$4.6 billion of assets across the platform, raising equity for a new fund, and completing the complex integration of the AMP Capital platform).

FY24 STI outcomes were lower than FY23 and substantially lower than the previous two years. In fact, this was the lowest outcome in more than a decade.

We revised the LTI plan during the year and had proposed to commence a new plan from FY25 to grant 'Market Priced Options' instead of performance rights, subject to a TSR performance gateway. While the plan was intended to better align LTI outcomes with the experience of our Security holders, it became clear during our meetings with proxy advisors and investors that while many were supportive of an Options based plan, there were concerns about aspects of the plan design. It was not possible to amend the plan design in the time available.

Given these concerns, the Board will consider the feedback received from investors in determining an appropriate approach for the LTIP moving forward.

In the years since the COVID Pandemic we have experienced growing inflation and interest rates. For real assets, this has resulted in challenging conditions. The market has seen low levels of liquidity and for many borrowers, restricted access to capital. The interest rate outlook today is more certain. Direct investors are gaining greater confidence in deploying new capital.

As part of our strategy refresh, our distribution policy from FY25 has changed to pay out 80–100% of AFFO, which seeks to achieve a balance of providing appropriate distributions to Security holders and investing for growth, and Ross will speak more about this decision and its long-term benefits shortly. Barring unforeseen circumstances, for the 12 months ended 30 June 2025¹, we expect AFFO of 44.5-45.5 cents per security, and Distributions of 37 cents per security

We have solid foundations with a differentiated funds platform, strong client relationships and a diverse product offering. Our investment portfolio is high quality and positioned to benefit as liquidity returns to the office market.

Before passing to Ross, I would like to thank my fellow Directors and the Dexus team for their commitment and contribution over the past 12 months, and you, our investors, for your continued support.

Group CEO's address

Thanks Warwick and good afternoon everyone. I feel privileged and excited to be leading Dexus as Group CEO at an important inflection point in its history.

In my time at Dexus, over 12 years, we have continually evolved, and the first six months of my leadership has seen a continuation of that, with some important changes made to the operating model, approach to capital allocation which I will talk to in a moment, and key personnel. On the people front, we recently welcomed two important new hires to our executive committee, Marjan van der Burg and Nik Kemp.

Marjan is our Chief People Officer responsible for building diverse teams to drive leadership and ensuring high quality people experiences, and an equitable and inclusive workplace.

Nik is our Executive General Manager, Growth Markets responsible for supporting sectors in which Dexus is actively building capability and scale. These include Dexus's \$10.9 billion infrastructure business, alternative investments and healthcare sectors. Nik will oversee the strategy, investment decisions and performance of a diverse portfolio of investments across the real asset spectrum.

We are known for our assets, but it is our people that create the value and manage the risks. I am focused on ensuring we have a high calibre team to make the most of the opportunities that we have, and create new ones, and I look forward to providing further updates as we add to the senior leadership team in the coming months.



Despite a challenging operating environment, we continue to see positive momentum across the platform. Our strong balance sheet, continued focus on capital recycling, disciplined approach to capital allocation and our sector aligned operating model set us up to drive investment performance for our Security holders and clients in the next phase of the investment cycle.

On the balance sheet, our office and industrial portfolios have maintained high occupancy levels and rent collections remain strong at 99.5%.

We continue to progress our asset recycling program, including completing on the sale of 130 George Street in Parramatta, providing capacity to recycle capital into our development pipeline and further enhance the quality of our portfolios.

Positive momentum continues across our funds platform with flagship funds Dexus Wholesale Property Fund, Dexus Wholesale Shopping Centre Fund and Dexus Diversified Infrastructure Fund continuing to outperform their benchmarks.

Our opportunity funds have partnered with a local developer to repurpose a B Grade office building in Brisbane's CBD into a modern, purpose-built student accommodation providing 1,200-beds with an expected on-completion value of circa \$500 million.

This transaction demonstrates our ability to leverage the broad set of capabilities across our platform to create value for clients and investors. We have strong capabilities in the areas of special situations investing, office development and refurbishment, along with the infrastructure team's deep experience within the Australian student accommodation sector.

As a result of this investment, DREP1 is now fully deployed and is on track to deliver its investment objective target return of circa 15% net equity IRR². The success of DREP1 has enabled us to establish DREP2, already having raised \$300 million of commitments and is on track to be a larger fund than DREP1.

In developments, we are progressing construction at our city shaping developments at Waterfront Brisbane and Atlassian Central, Sydney. In our industrial portfolio we continue construction across more than 174,000 square metres, including at our key industrial estates in Ravenhall and Jandakot

In sustainability we continue to be recognised as a Global Leader by the Global Real Estate Sustainability Benchmark (GRESB) with 11 funds and investments across real estate and infrastructure achieving 5 Star GRESB ratings.

Our unlisted fund, Dexus Diversified Infrastructure Trust achieved a high score of 97/100 ranking 7th out of 116 participants globally, and Powerco received 100/100 for the second consecutive year.

We have done a lot of work in the past few years to enhance the office portfolio quality, including divesting lower quality assets and this all plays to the resilience of the portfolio. We see this in key metrics of occupancy, incentives, and downtime. Pleasingly, incentive levels reduced again this quarter to 26.3% reflecting a higher proportion of leasing with smaller customers and at premium assets.

In the quarter to 30 September our office portfolio occupancy remained high at 93.5%, reducing slightly from the prior quarter based on an anticipated expiry at 80 Collins Street in Melbourne, a high-quality asset in the eastern core of the Melbourne's CBD.

Our industrial portfolio occupancy of 96.2% was supported by leasing success at a Sydney outer west asset.

The industrial sector remains resilient with take-up rates in key markets holding up well and vacancy rates generally below pre-COVID levels albeit rising slowly.

Developments have made a significant contribution to our platform FUM, with large-scale, high-quality precincts accounting for around half of the portfolio.

One of the keys to our success in the industrial development business is the direct relationships we hold with high value customers who have growth aspirations, which creates opportunity for repeat business, as we have done with groups like Hello Fresh, Amazon, and DHL.

Our \$40 billion funds management business is diversified across sectors and investor types, and we have a proven track record of delivering performance for our clients which underpins the deep relationships we have with more than 130 institutional investors across Australia and internationally.

We want to be invested alongside our clients and funds. More than 70% of the balance sheet is now co-invested with our funds or clients, enabling us to align with investors and support growth in the funds management business.

The chart on the right-hand side shows how both the proportion of capital we have invested alongside clients, and the efficiency of that capital, have increased over time. We expect this will continue further as we execute on our strategy.



One of my immediate priority areas when I commenced as CEO was revising our capital allocation strategy, and our target settings and actions.

Our target gearing range remains unchanged, and over time, we expect any single sector to represent less than 50% of the portfolio. This is more a function of the opportunity set than a view on the office market. We continue to invest in office, via the development pipeline, and believe Sydney office vacancy will peak in FY25. I believe we have the best office team in the country, if not the region, and we own the highest quality office portfolio in Australia.

We have earmarked circa \$2 billion of divestments over the next three years, which together with the completion of the committed developments, will further enhance the quality of the portfolio while maintaining a prudent level of gearing.

Consistent with our strategy, from FY25 our distribution policy has been updated to pay out 80-100% of AFFO, providing a sustainable source of capital to invest in growth opportunities alongside our clients. The new policy range seeks to achieve a balance of providing appropriate distributions to Security holders and investing for growth.

As we approach the bottom of the cycle, we are seeing attractive investment opportunities and in the near term expect retained earnings to be invested alongside capital partners in high returning strategies in infrastructure, industrial and alternative sectors which continue to benefit from strong tailwinds and provide the opportunity to leverage our capabilities to enhance returns.

Warwick has already spoken to our guidance and outlook, so I would like to share with you some clear medium-term goals that we have set to ensure that we deliver on our strategic priorities:

First is to transition the balance sheet, by:

- increasing co-investments alongside funds clients
- upgrading the office portfolio via divestments and development completions
- continuing capital recycling, with circa \$2 billion earmarked over the next 3 years

Second is to maximise the contribution of funds through:

- providing liquidity and delivering performance for our funds clients
- completing the final close for DREP2 and launching new funds and products to match investor demand
- modernising the legacy AMP Capital platform funds

And finally, to unlock our deep sector expertise by:

- embedding our sector-oriented model across the platform
- maintaining high customer satisfaction
- positioning the infrastructure business for growth

To conclude, we are well positioned with a new sector aligned operating model to unlock opportunities across real assets. Despite near-term headwinds, the initiatives I have discussed today are focused on driving sustainable growth for Security holders over the long-term.

Before passing back to Warwick, I would like to thank my fellow Directors and the Dexus team for their continued commitment and support and acknowledge Darren Steinberg, our outgoing CEO, in supporting my transition into the new role.

ENDS

- 1 Based on current expectations relating to asset sales, performance fees and trading profits, and subject to no material deterioration in conditions.
- 2 The Target IRR is not a guarantee, forecast or prediction. There can be no assurance that the Fund will meet the Target IRR. IRR is presented on a "net" basis and reflects Management Fees, Performance Fees, Fund expenses, taxes and duties borne by the Fund (disregarding any rebates).

2024

Annual General Meeting

30 October 2024

Dexus Funds Management Limited | ABN 24 060 920 783
AFSL 238163 as responsible entity for Dexus



dexus

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Chair address



Acknowledgement of Country

Dexus acknowledges the Traditional Custodians of the lands on which our business and assets operate, and recognises their ongoing contribution to land, waters and community.

We pay our respects to First Nations Elders past and present.

Artist:

Amy Allerton, Indigico
Creative, a Gumbaynggir and Bundjalung woman

Artwork:

The Places Where We Thrive

Artwork description:

The artwork tells the story of a vision for our communities, both large and small, where they are all thriving and strong as they build lives, homes and legacies for present and future generations. Every community is connected by spirit and by country, surrounded by flourishing waterways and vibrant land that is enriched and cared for by its people. Communities are empowered to unlock potential, find new ways to build and expand, as they dream and innovate to create tomorrow.



Welcome to the Dexus 2024 Annual General Meeting

Warwick Negus
Chair



Hybrid AGM

Link Market Services online platform

dexus

Online Meeting
POWERED BY LINK MARKET SERVICES

HELP NUMBER
1800 990 363

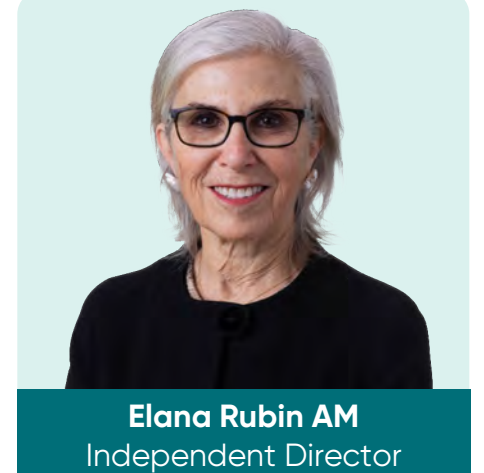
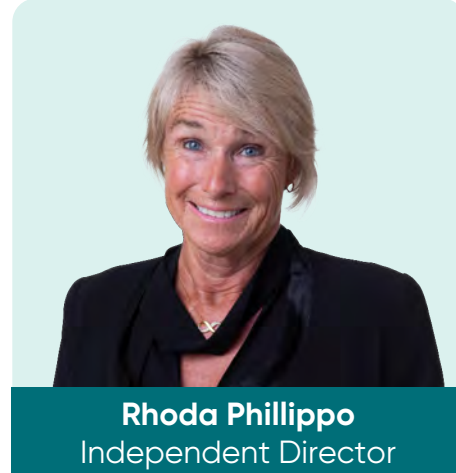
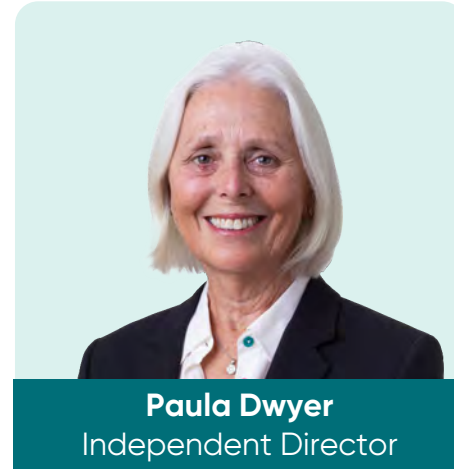
[Ask a Question](#)

[Get Voting Card](#)

[Exit Meeting](#)



Dexus Board of Directors



Penny Bingham-Hall

Retired 28 March 2024

- **Board member** Since June 2014
- **Valuable member of various committees**
People & Remuneration Committee, Board Nomination & Governance Committee, Board Sustainability Committee
- **Extensive industry experience** in construction, property and infrastructure development, deep expertise in the oversight of people, culture and remuneration and a vocal advocate for sustainability, workplace safety and ESG
- **On behalf of the Board and Executive Committee**, thank you to Penny Bingham-Hall for her contribution to Dexus



Darren Steinberg

Stepped down 28 March 2023

- **Dexus CEO and Executive Director** Since March 2012
- **Instrumental in the growth and evolution** of Dexus over the past 12 years
- **Increased funds under management to \$54.5 billion** up from \$12.9 billion, enhancing portfolio quality and diversifying into new sectors including healthcare, alternative investments and infrastructure
- **On behalf of the Board and Executive Committee** thank you to Darren Steinberg for his commitment to excellence, innovation and stewardship





Agenda

1 Chair address
Warwick Negus, Chair

2 Group CEO address
Ross Du Vernet, Group CEO & Managing Director

› Questions

3 Formal business
Warwick Negus, Chair

› Questions

Our strategy

WHY WE EXIST

To unlock potential and create tomorrow

OUR VISION

To be globally recognised as **Australasia's leading real asset manager**

HOW WE WILL ACHIEVE THIS

By delivering superior risk-adjusted returns for Dexus Security holders and our capital partners by owning, managing and developing quality real estate and infrastructure assets

WHERE WE WILL INVEST

LARGE, GROWING MARKETS | **ABILITY TO ACHIEVE LEADERSHIP** | **LEVERAGE MULTI-SECTOR SKILLSET**

OFFICE | INDUSTRIAL | RETAIL | HEALTHCARE | INFRASTRUCTURE | ALTERNATIVES

WHAT WE WILL BE KNOWN FOR

DEEP LOCAL SECTOR EXPERTISE

Specialist sector teams with deep local knowledge and end-to-end capability

ACTIVE MANAGEMENT APPROACH

Access to quality opportunities and outperformance via active asset management

INVESTMENT PARTNER OF CHOICE

Trusted partner and aligned long-term co-investor for third party capital

HOW WE OPERATE



Collective talent



Client mindset



Sustainability impact



Trusted governance



Constant evolution

KEY MEASURES OF SUCCESS

Adjusted Funds From Operations

Investment performance

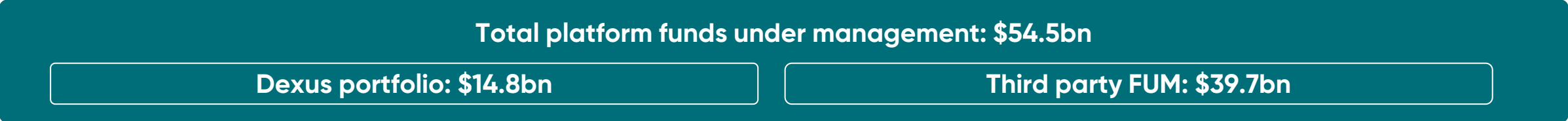
Capital strength & efficiency

Employee engagement

Customer satisfaction

Dexus today

Established investment management model with sector-specific business units



Investment performance underpinned by sector-specific business units with focused strategies

					
Office \$20bn Best-in-class delivery of premium space	Industrial \$11bn Distinct site selection and development	Retail \$9bn Mixed-use place making and asset re-positioning	Healthcare \$2bn Distinctive asset selection and medi-mixed use precincts	Infrastructure \$11bn Investor in transport, social, and renewables	Alternatives \$1bn Opportunistic fund series and investment in adjacent sectors

Integrated platform with broad capabilities to deliver superior risk-adjusted returns

Data as at 30 June 2024.

FY24 performance

Solid year of achievements and progress on CEO priorities in a challenging environment

Dexus

48.0cps

Distributions

\$516.3m

AFFO

\$(1,583.8)m

Statutory net loss after tax

94.8%

Office occupancy¹, well above market average of 86.4%²

96.8%

Industrial occupancy¹

99.5%

Rent collections

c.\$0.7 billion Dexus divestments³

secured since FY23, bringing total divestments exchanged or settled during FY24 to \$1.7 billion

Maintained balance sheet strength

with pro forma gearing (look-through) of

32.0%⁴

92% Hedged

Funds

DWPF (Dexus Wholesale Property Fund) **outperformed** its benchmark across all time periods

Since transitioning to Dexus's platform **DWSF** (Dexus Wholesale Shopping Centre Fund) has **materially outperformed** its benchmark

Raised over \$300m at first close of DREP2

Dexus's second fund in the opportunity series

Divested \$2.9 billion⁵ of fund assets to facilitate

redemption requests and meet the needs of investors

Achieved final completion and full integration of

AMP Capital's

domestic infrastructure equity and real estate business

Platform

Delivered CEO priorities

Refined strategy

Refreshed **capital allocation framework** and updated distribution policy from FY25

Implemented **sector aligned operating model** supported by teams with deep sector-specific expertise

Embedded **infrastructure** investment management into the funds management platform

+44 customer Net Promoter Score

Continued leadership

in sustainability across the platform

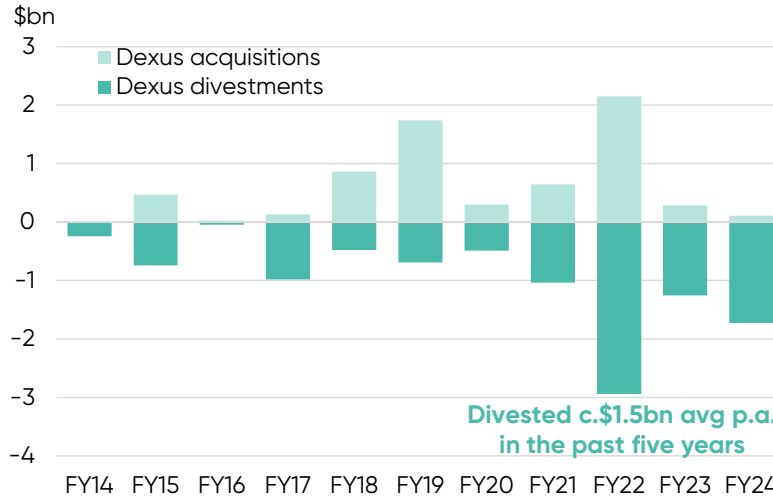
1. Occupancy by income, excluding co-investments in pooled funds. | 2. Australian CBD vacancy average by Property Council of Australia at July 2024. | 3. Includes transactions secured since 30 June 2023. | 4. Pro forma gearing includes committed transactions post 30 June 2024. | 5. Include disposals of \$2.2bn real assets and \$0.7bn real asset securities across multiple funds.

Continued focus on capital recycling

Enhancing portfolio quality and balance sheet strength

**c.\$0.7 billion
Dexus
divestments**
secured, with
**\$1.7 billion in
total** exchanged
or settled since
FY23

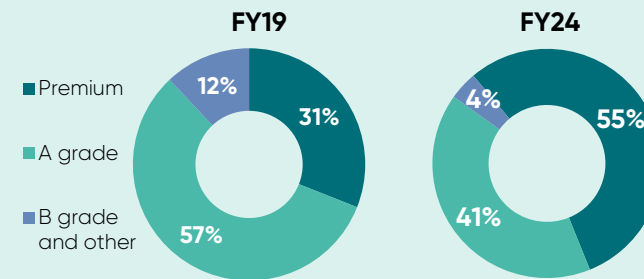
Demonstrated ability to recycle assets despite challenging transactions market¹



1. Figures to FY23 include transactions settled during the year. FY24 includes transactions exchanged or settled since FY23.

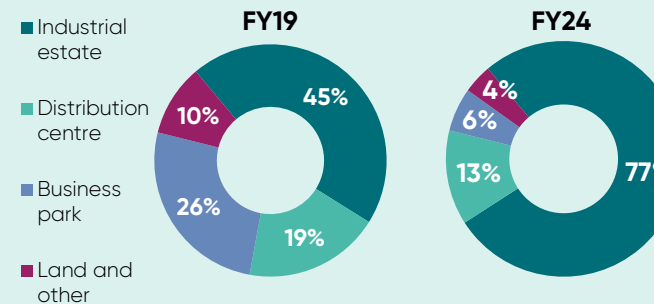
Portfolio composition enhanced

Office portfolio composition



Office portfolio now **96% Prime grade (55% Premium)**, up from 88% Prime (31% Premium) in FY19
74% located in **core CBDs** up from 61% in FY19

Industrial portfolio composition



Core industrial now represents **c.90%** of the industrial portfolio, up from 64% in FY19

**c.\$2 billion Dexus divestments
earmarked over FY25-27**

\$1bn of divestments = circa 4.5ppt reduction to gearing

Data as at 30 June 2024.

Sustainability leadership

Progressing strategic priorities:

Customer prosperity

Improved indoor environment from 4.9 stars¹ to 5.2 stars

Facilitated mental health training for customers

Climate action

Maintained net zero², and sourced 100% renewable energy for the managed platform portfolio

Rolled out Decarbonisation roadmaps across 23 assets

Expanded climate resilience program to 52 assets

Enhancing communities

Launched the second Reconciliation Action Plan (Reflect), endorsed by Reconciliation Australia

Delivered community campaigns with Foodbank and the Cerebral Palsy Alliance, and activations across 120 assets

Global recognition:

Climateworks Australia

One of two in 30 ASX listed companies to meet principles for credible net zero targets and tangible actions

4.9 Star



NABERS Energy rating
Platform office portfolio

Global leader

3rd among global REIT peers

S&P Global Sustainability Yearbook 2024

4.2 Star



NABERS Water rating
Platform office portfolio

2023 GRESB leadership

DHPF – Global non-listed sector leader – Healthcare, Development

Powerco – Infrastructure asset sector leader

5.2 Star



NABERS Indoor Environment rating
Platform office portfolio

Case study: Waterfront Brisbane

The Waterfront Brisbane development is underpinned by **circular economy principles** with the goal of maximising diversion of demolition and construction waste.

To-date, **98% of the 30,000 tonnes** of material cleared from the site has been **recycled or repurposed**:

- ✓ Concrete into **new materials for construction** projects, including the road at Crossbank Estate
- ✓ Waste material repurposed into new furniture for the completed Waterfront Brisbane precinct and recycled vinyl signage into merchandise
- ✓ Eagle St Pier's commercial kitchen equipment and other contents repurposed to **Queensland's largest shelter for women and children fleeing domestic violence**



Artist impression: Waterfront Brisbane, QLD.

dexus

Data as at 30 June 2024, unless otherwise stated.

1. As at 31 December 2023. | 2. In line with Climate Active Carbon Neutral Standard for Organisations, net emissions for the year ended 30 June 2024 include offsets purchased and allocated for retirement during the year and up to the date of this report.

Remuneration framework

Response to first strike

- › At the 2023 AGM, Dexus received a ‘first strike’ against its 2023 Remuneration Report with one proxy advisor recommending a vote ‘against’. During October 2023 and following the strike, we:
 - engaged with **key investors and proxy advisors** to better understand concerns
 - undertook **benchmarking** of remuneration for Executive KMP
 - reviewed our **executive remuneration framework**
 - revised the **Long-Term Incentive (“LTI”) Plan** for Executive KMPs
- › While no substantial remuneration framework changes have taken place in FY24, following substantial changes in FY23, we have been particularly mindful of the feedback received following the 2023 AGM in our **disclosures** this year **and in considering the appropriateness of incentive outcomes**
 - Outcomes reflected solid achievements against the backdrop of a continued challenging economic environment, with higher interest rates, softening office market valuations and a challenging transaction market
- › The **proposed FY25 LTI Plan (LTIP)** involving the grant of ‘Market Priced Options’ instead of performance rights **will not be pursued**
 - Over the course of the meetings with proxy advisors and investors, it became clear that while many were supportive of an Options based LTIP, there were concerns about aspects of the LTIP design
 - Given the concerns raised by investors, Dexus has decided to withdraw the resolution



Summary and outlook

Leading real asset manager with resilient platform

- › As the interest rate outlook becomes more certain, we expect direct investors will gain greater confidence to deploy capital. Markets remain challenging however we expect well-located quality assets to continue to outperform
- › Consistent with strategy, from FY25 the distribution policy has been updated to pay out 80-100% of AFFO, providing a sustainable source of capital to invest through the cycle into return-enhancing investment opportunities
- › Barring unforeseen circumstances, for the 12 months ended 30 June 2025¹, Dexus expects:
 - **AFFO** of circa 44.5–45.5 cents per security
 - **Distributions** of circa 37.0 cents per security
- › Dexus is **well positioned**:
 - **High-quality investment portfolio** providing an increasingly diversified exposure to real estate and infrastructure
 - Diversified funds business with **active client enquiry for new products** and attractive investment opportunities for FY25–26
 - **Strong customer relationships** and **continued sustainability leadership** across the platform
 - **Sector aligned operating model** and **refreshed capital allocation framework** to support performance in the next phase of the investment cycle

1. Based on current expectations relating to asset sales, performance fees and trading profits, and subject to no material deterioration in conditions.



02

Group CEO address



September 2024 quarter

Highlights

- › **Maintained strong portfolio fundamentals** and rent collections remained strong at 99.5%
- › **Continued asset recycling**, with \$0.7 billion of transactions across the platform
- › **Positive momentum continues across our funds platform**
 - Continued outperformance from Dexus Wholesale Property Fund, Dexus Wholesale Shopping Centre Fund and Dexus Diversified Infrastructure Trust
 - DREP is partnering with a local Brisbane developer to repurpose a B grade office building into student accommodation in Brisbane's CBD
- › **Progressed the development pipeline**
 - Progressed construction at our city shaping office developments
 - Progressed construction across a further 174,500 square metres across eight industrial sites
 - Secured 26,900 square metre of development leasing at Jandakot Airport industrial estate
- › **Recognised as a Global Leader in Sustainability** by the Global Real Estate Sustainability Benchmark (GRESB) in 2024



Portfolio resilience

Office

93.5%
Occupancy by income
(FY24: 94.8%, FY23: 95.9%)

4.5 years
Weighted average lease expiry
(FY24: 4.7 years, FY23: 4.8 years)

26.3%
Average Incentives
(FY24: 27.9% FY23: 30.0%)

Industrial

96.2%
Occupancy by income
(FY24: 96.8%, FY23: 99.4%)

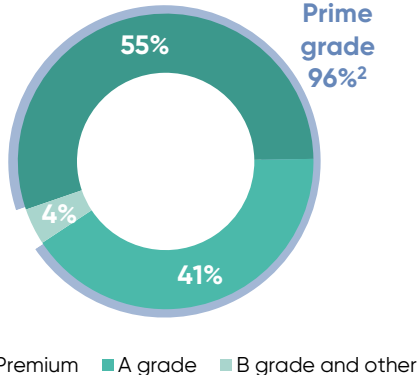
4.2 years
Weighted average lease expiry
(FY24: 4.3 years, FY23: 4.8 years)

20.1%
Average Incentives
(FY24: 16.5%, FY23: 10.7%)

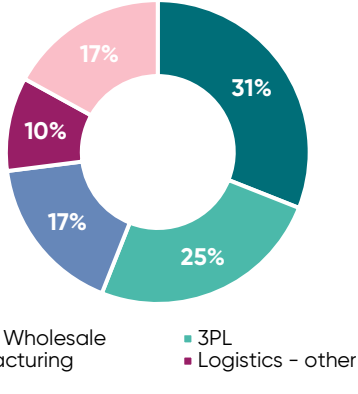
Circa 74% of office portfolio¹ is located in core CBDs, where occupancy and incentives continue to outperform the wider market

75% of industrial income¹ comes from a diverse range of direct customers

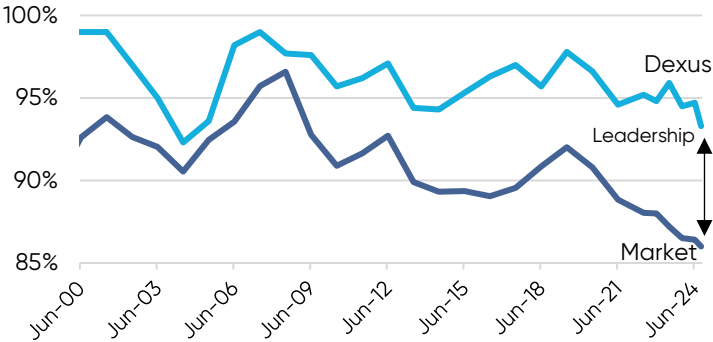
Office by asset type¹



Industrial income by customer type¹



Historic Dexus office occupancy vs market³



Industrial portfolio customers

1. As at 30 June 2024.
 2. Prime grade buildings represent 96% of the office portfolio including stabilised assets only and excluding development affected assets and land.
 3. Historic Dexus office occupancy by area to 30 September 2024. Market occupancy refers to Australian CBD average by Property Council of Australia.

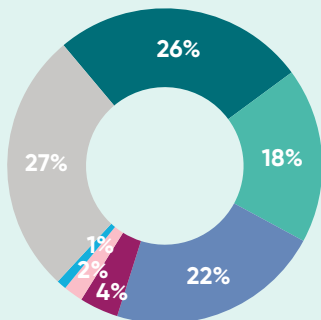
Funds platform of scale and diversity well placed

Meaningful balance sheet alignment capital to support funds growth¹

\$39.7 billion third party FUM

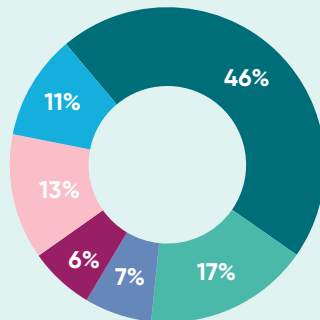
FUM by sector exposure

- Office
- Industrial
- Retail
- Healthcare
- RE securities
- Opportunity
- Infrastructure



FUM by investor type

- Super & pension funds
- Multi-manager
- Sovereign funds
- Insurance
- Other institutions
- Retail & HNW



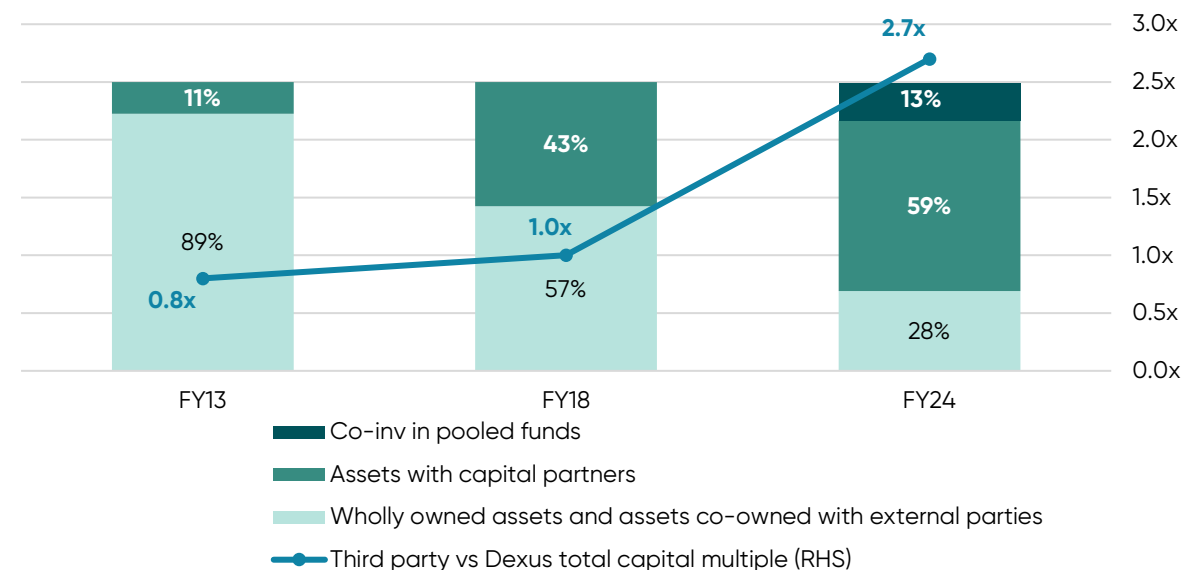
Platform support

- ✓ FUM diversified by sector and investor type
- ✓ 130+ unlisted institutional clients
- ✓ Prudent capital structures with average gearing across pooled funds circa 26%
- ✓ 86% of pooled funds FUM is open-ended without a fixed liquidity window
- ✓ Strong track record of performance, equity raising and governance to support FUM growth when the market stabilises

>70% of balance sheet invested alongside partners

Investment portfolio allocation

Split by holding type



1. As at 30 June 2024.

Capital allocation

Settings and proposed actions based on our current assessment

Settings	CAPITAL DISCIPLINE & INVESTMENT MANAGEMENT	30-40% target gearing range <50% exposure to any single sector over time	7-9% investment portfolio total returns <15% exposure to developments
Net capital generation	GENERATION OF CAPITAL	Earmarked \$2 billion of divestments over FY25-27, together with the completion of remaining committed developments will further enhance portfolio quality while maintaining prudent gearing	
	ALLOCATION TO CORE OPERATIONS AND DPS	Consistent with strategy, from FY25 the distribution policy has been updated to pay out 80-100% of AFFO , providing a sustainable source of capital to invest through the cycle into return-enhancing investment opportunities	Illustratively, \$100 million co-invested (at 10% stake) alongside capital partners equates to \$1 billion of equity to deploy
Investments	DYNAMIC ALLOCATION OF EXCESS CAPITAL	High threshold for incremental capital deployment Investments in Infrastructure, Industrial and Alternatives sectors currently preferred Seek to invest alongside capital partners to improve capital efficiency	

Strategic priority areas

Refreshed strategy with clear action items identified to support our medium-term priorities

Transitioning balance sheet

- › Improve capital efficiency by investing alongside capital partners, with a current preference for Industrial, Infrastructure and Alternatives
- › Continue to upgrade Office portfolio by completing committed developments (Atlassian Central and Waterfront Brisbane)
- › Earmarked c.\$2 billion of divestments across FY25-FY27

Maximising funds contribution

- › Support fund clients by providing liquidity and delivering performance
- › Drive organic growth by completing DREP2 capital raising and launching new products in line with investor demand
- › Focus on sustainable and scalable products, including modernising legacy AMP Capital platform products

Unlocking deep sector expertise

- › Embed sector-oriented operating model across the platform
- › Maintain high customer satisfaction across sectors
- › Position the infrastructure business for growth

Investment portfolio total returns enhanced with increasing contribution from the management business

Questions



03

Formal business



Resolution 1

Adoption of the Remuneration Report



To consider and if thought fit pass the following Resolution as an ordinary resolution:

“That the Remuneration Report for the financial year ended 30 June 2024 be adopted.”

Resolution		For	Open	Against
1. Adoption of the Remuneration Report	%	74.08%	0.13%	25.79%
	Number of Votes	602,160,069	1,015,100	209,658,069
	Number of Security holders	251	174	243

Resolution 3

Appointment of External Auditor



To consider and if thought fit pass the following Resolution as an ordinary resolution:

“ Subject to ASIC consent to the current external auditor, PwC, resigning and approval at the AGM, to appoint KPMG as external auditor with effect from the latter of (1) the date of receipt of ASIC’s consent to the resignation of PwC, (2) the date fixed by ASIC, and (3) the date of the AGM.”

Resolution		For	Open	Against
3. Appointment of External Auditor	%	99.83%	0.12%	0.05%
	Number of Votes	821,599,235	1,015,183	385,480
	Number of Security holders	454	173	44

Resolution 4.1

Approval of Independent Director Peeyush Gupta AM



To consider and if thought fit pass the following Resolution as an ordinary resolution:

“ That the initial appointment of Peeyush Gupta AM as a Director of Dexus Funds Management Limited be approved (by ratification).”

Resolution		For	Open	Against
4.1 Approval of Independent Director Peeyush Gupta AM	%	99.71%	0.12%	0.17%
	Number of Votes	810,557,263	1,016,990	1,358,480
	Number of Security holders	382	175	116

Peeyush Gupta AM

Appointed to the Board on 24 April 2024, Peeyush Gupta AM is an Independent Director of Dexus Funds Management Limited, and a member of the Board Audit Committee, Board Nomination & Governance Committee and Board Sustainability Committee.

Peeyush is currently a Non-Executive Director on the boards of Liberty Group, Great Southern Bank, Quintessence Labs, Northern Territory Aboriginal Investment Corporation, Institute of Chartered Accountants, and The George Institute.

Peeyush has extensive experience as a non-executive director across financial services, property, insurance, government, media, accounting and technology.

Peeyush was co-founder and inaugural CEO of IPAC Securities, a pre-eminent wealth management firm spanning financial advice and institutional portfolio management and has previously held executive roles at AXA and Nathan Funds Management. Peeyush was formerly a Non-Executive Director of SBS, NSW Cancer Council, Link Administration Holdings Limited, Charter Hall Long Wale REIT and National Australia Bank Limited.

Peeyush was awarded a Member of the Order of Australia in 2019 for service to business and community through governance and philanthropic roles.



Resolution 4.2

Approval of Independent Director Warwick Negus



To consider and if thought fit pass the following Resolution as an ordinary resolution:

“ That the continued appointment of Warwick Negus as a Director of Dexus Funds Management Limited be approved (by ratification).”

Resolution		For	Open	Against
4.2 Approval of Independent Director Warwick Negus	%	95.08%	0.13%	4.79%
	Number of Votes	772,936,263	1,016,990	38,972,282
	Number of Security holders	404	175	96

Warwick Negus

Appointed to the Board on 1 February 2021 as an Independent Director, Warwick Negus became Chair of Dexus Funds Management Limited on 27 October 2022. He is also Chair of the Board Nomination & Governance Committee, and a member of the Board Audit Committee, Board People & Remuneration Committee, Board Risk & Compliance Committee and Board Sustainability Committee.

Warwick is Chair of the Bank of Queensland and a Non-Executive Director of Virgin Australia Holdings Limited, Terrace Tower Group, New South Wales Rugby Union Limited and Tantallon Capital Advisors. He is also Deputy Chancellor and a member of the Council of UNSW.

Warwick has more than 30 years of funds management, finance and property industry experience in Australia, Europe and Asia. Through his experiences as an executive and a non-executive director, Warwick brings expertise in the management and governance of complex organisations particularly in the fields of fund management and finance.

His most recent executive roles included Chief Executive Officer of Colonial First State Global Asset Management, Chief Executive Officer of 452 Capital, and Goldman Sachs Managing Director in Australia, London, and Singapore. Warwick was formerly Chair of UNSW Global and Pengana Capital Group, and a Non-Executive Director of Washington H. Soul Pattinson and FINSIA.



Resolution 4.3

Approval of Independent Director Mark Ford



To consider and if thought fit pass the following Resolution as an ordinary resolution:

“ That the continued appointment of Mark Ford as a Director of Dexus Funds Management Limited be approved (by ratification).”

Resolution		For	Open	Against
4.3 Approval of Independent Director Mark Ford	%	98.86%	0.12%	1.02%
	Number of Votes	803,648,381	1,017,162	8,261,173
	Number of Security holders	415	176	83

Mark Ford

Appointed to the Board on 1 November 2016, Mark Ford is an Independent Director of Dexus Funds Management Limited and Dexus Wholesale Property Limited, Chair of the Board Audit Committee, and a member of the Board Nomination & Governance Committee and Board Risk & Compliance Committee.

Mark is a Director of Prime Property Fund Asia.

Mark has extensive property industry experience and has been involved in Real Estate Funds Management for over 30 years. He also has experience in equity and capital funding and corporate transactions. Mark was previously Managing Director, Head of DB Real Estate Australia, where he managed more than \$10 billion in property funds and sat on the Global Executive Committee for Deutsche Bank Real Estate and RREEF. Mark was also a Director in the Property Investment Banking division of Macquarie and was involved in listing the previous Macquarie Office Fund and a number of other REITS.

His previous directorships include Comrealty Limited, Property Council of Australia, Deutsche Asset Management Australia and he was also Founding Chair of Cbus Property Pty Limited and Chair of Kiwi Property Group and South East Asia Property Company. Mark previously held senior roles with Price Waterhouse, Deutsche Bank and Macquarie Bank.



Resolution 5

Conditional Spill Resolution



To consider and if thought fit pass the following Resolution as an ordinary resolution:

“ That

- a. A meeting of holders of Dexus stapled securities be held within 90 days of this Meeting (“Spill Meeting”)
- b. All of Dexus Funds Management Limited’s directors who were directors when the resolution to adopt the Directors’ Report for the financial year ended 30 June 2024 was passed (other than a managing director of the company who may, in accordance with the ASX Listing Rules, continue to hold office indefinitely without being re-elected to the office), and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting
- c. Resolutions to appoint persons to the offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting”

Resolution		For	Open	Against
5. Conditional Spill Resolution	%	3.53%	0.14%	96.33%
	Number of Votes	28,643,813	1,076,603	781,067,957
	Number of Security holders	310	185	164

Questions



Thank you for attending

One Farrer Place, Sydney NSW.

Disclaimer

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