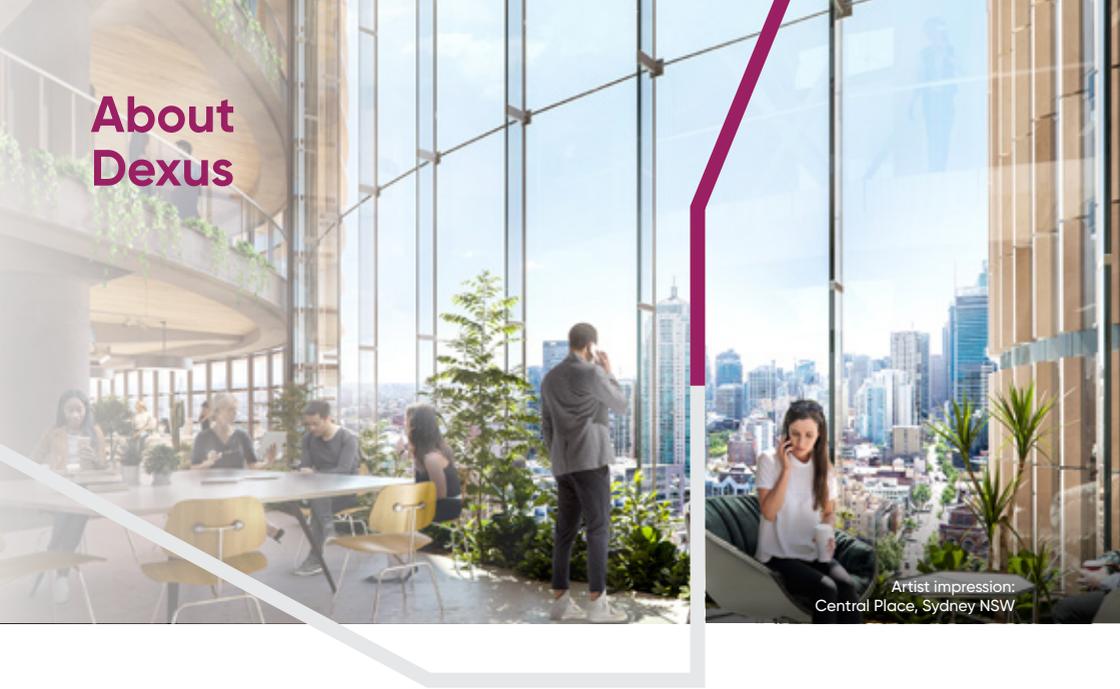


dexus

Corporate Profile 2021

About Dexus



Artist impression:
Central Place, Sydney NSW

Dexus (ASX: DXS) is one of Australia's leading fully integrated real estate groups, managing a high-quality Australian property portfolio valued at \$42.5 billion.

We believe that the strength and quality of our relationships will always be central to our success and are deeply committed to working with our customers to provide spaces that engage and inspire.

We invest only in Australia, and directly own \$17.5 billion of office, industrial and healthcare properties, and investments. We manage a further \$25.0 billion of office, retail, industrial and healthcare properties for third party clients. The group's \$14.6 billion development pipeline provides the opportunity to grow both portfolios and enhance future returns.

Sustainability is integrated across our business, and our sustainability approach is the lens we use to manage emerging ESG risks and opportunities for all our stakeholders.

Dexus is a Top 50 entity by market capitalisation listed on the Australian Securities Exchange and is supported by more than 30,000 investors from 23 countries. With over 35 years of expertise in property investment, funds management, asset management and development, we have a proven track record in capital and risk management and delivering superior risk-adjusted returns for investors.



About Dexus



\$17.5bn
Dexus

\$16.0bn
Dexus Wholesale Property Fund²

\$0.2bn
Dexus Industrial Partner

\$0.6bn
Dexus Australian Commercial Trust

\$2.6bn
Dexus Office Partner

\$0.7bn
Dexus Healthcare Property Fund

\$0.5bn
Australian Industrial Partner

\$1.4bn
Dexus Australian Logistics Partner

\$0.3bn
Mercatus Dexus Australia Partner

\$2.7bn
APN Property Group³

\$42.5bn

Total funds under management

182

Properties

5.7m

Square metres across the group

\$11.5bn

Market capitalisation as at 30 June 2021

Top 50

Entity on ASX

559

Employees

Group portfolio composition



1. Prior to circa \$2bn of redemptions to existing ADPF unitholders and proforma for the acquisition of APN Property Group which was approved on 27 July 2021 as well as settlement of MDAP's 33.3% interest in 1 Bligh Street, Sydney which occurred on 8 July 2021.
 2. Prior to circa \$2bn of redemptions to existing ADPF unitholders.
 3. Representing external funds under management at 31 December 2020.

How we create value

Our purpose

To create spaces where people thrive

Our values

Openness and trust, empowerment, integrity

Operating environment

Megatrends

- Urbanisation
- Growth in pension capital funds flow
- Social and demographic change
- Technological change
- Climate change
- Growth in sustainable investment

Key risks

We actively review and manage our key risks

Our strategy

Vision

To be globally recognised as Australia's leading real estate company

Strategy

Delivering superior risk adjusted returns for investors from high quality real estate in Australia's major cities

Strategic objectives

- Generating sustainable income streams
- Being identified as the real estate investment partner of choice

Key resources



Key business activities



Our sustainability approach

Our sustainability approach is the lens that we use to effectively manage emerging ESG risks and opportunities, creating sustained value for our stakeholders

Value creation outcomes

Sustained Value

Superior long-term performance for our investors and third party capital partners, underpinned by integrating ESG issues into our business model

VALUE DRIVERS

- Financial performance
- Capital management
- Corporate governance

Leading Cities

A high-quality portfolio that contributes to economic prosperity and supports sustainable urban development across Australia's key cities

VALUE DRIVERS

- Portfolio scale and occupancy
- Economic contribution
- Development pipeline

Thriving People

An engaged, capable and high-performing workforce that delivers on our strategy and supports the creation of sustained value

VALUE DRIVERS

- Employee engagement
- Inclusion and diversity
- Health and safety

Future Enabled Customers and Strong Communities

A strong network of value chain partners (customers, communities and suppliers) who support Dexus and are positively impacted by Dexus

VALUE DRIVERS

- Customer experience
- Community contribution
- Supply chain focus

Enriched Environment

An efficient and resilient portfolio that minimises our environmental footprint and is positioned to thrive in a climate-affected future

VALUE DRIVERS

- Resource efficiency
- Climate resilience
- Green buildings

Sustainability Approach

Strategy

Our strategy remains focused on our core strengths of owning and managing high-quality real estate in Australia's major cities to deliver superior risk-adjusted returns for investors.

Delivering superior risk-adjusted returns means outperforming the relevant three and five-year benchmarks in each market in which Dexus owns or manages properties while providing Dexus investors with sustainable and growing distributions.

We have built a fully integrated real estate platform and are focused on better leveraging our cross-sector asset management and development expertise to drive more capital efficient returns for investors, while remaining true to our identity as a long-term investor in high quality Australian real estate.

Our strategic objectives are:

- **Generating sustainable income streams:** Investing in income streams that provide resilience through the cycle
- **Being identified as the real estate investment partner of choice:** Expanding and diversifying the funds management business

We have invested in having a superior operating platform and will continue this focus to build a world-class business. The size of Dexus's balance sheet, deep access to pools of capital and an agile, solution-based culture are key enablers of our strategy, supported by our prudent approach to capital management and an embedded commitment to sustainability.

Our objectives of generating sustainable income streams and being identified as the real estate investment partner of choice complement each other. Our success has enabled Dexus to attract investment partners in the office, industrial and healthcare property sectors, in turn providing the opportunity to drive investment performance while obtaining scale in our core markets.

We have a clear goal of shifting incremental value creation, leveraging the funds management and development business to drive an improved return on capital.

We believe that scale supports the generation of investment outperformance for both Dexus Security holders and our third-party capital partners through broader customer insights, provision of a greater range of workspace solutions and increased capacity to invest in people, systems and technologies that enhance our customers' experience.

Our sustainability approach

Our sustainability approach is used as a lens to integrate ESG risks and opportunities into our strategy and funds management activities, creating sustained value for Dexus investors (including our third party capital partners), employees, customers, suppliers and communities.



Our purpose:

To create spaces where people thrive

Our values:

Openness and trust, empowerment, integrity

Our vision:

To be globally recognised as Australia's leading real estate company

Our strategy:

To deliver superior risk-adjusted returns for investors from high-quality real estate in Australia's major cities

Our strategic objectives:

Generating sustainable income streams

Investing in income streams that provide resilience through the cycle

Being identified as the real estate investment partner of choice

Expanding and diversifying the funds management business

Why invest in Dexus

Our current operations comprise four key business activities of investing, managing, developing, transacting and trading high-quality properties located in Australia's major cities – each of which seeks to maximise cash flow and unlock value over the investment lifecycle.

The majority of our earnings are derived from the rental income from a high quality \$17.5 billion Australian property portfolio predominantly weighted to CBD markets, benefiting from long-term growth forecasts.

What sets Dexus apart?



Quality real estate portfolio located across key Australian cities



High performing funds management business with diverse sources of capital



Globally recognised leader in sustainability



City-shaping development pipeline



Superior transaction and trading capabilities



Talented engaged, inclusive and diverse workforce

Our unlisted funds management business provides Dexus with a steady income stream driven by management fees from the \$25.0 billion of assets under management on behalf of third party capital partners.

We actively seek to optimise returns

As active asset managers, we are constantly evaluating opportunities to optimise the performance of the properties we own and manage. This approach has assisted us in maintaining high portfolio occupancy rates over time. Enhancing the predictability of our returns, our lease terms generally contain fixed annual increases of between 3.0%-4.0%.

Long-term value creation

Our investment strategy is focused on the long term. Across the group, we manage a development pipeline valued at \$14.6 billion which delivers future potential revenue streams while adding further depth and flexibility to the spaces we can offer our customers. We add value through:

- **Dexus's development pipeline**, enhancing portfolio quality generally at more favourable return metrics than what can be achieved through direct acquisition
- **Dexus's trading business**, with a strong track record in promoting financial value creation through developing, acquiring and repositioning assets to sell for a profit

- **Funds management development pipeline**, providing organic growth while improving portfolio quality and returns, as well as enhancing Dexus's future revenue potential
- **Portfolio performance**, which has driven the delivery of a compound annual growth rate in distribution per security of 5.5% from FY12 to FY21. Dexus targets Adjusted Funds From Operations per security growth of 3-5% and Return on Contributed Equity of 7-10% p.a. through the cycle
- **Strong balance sheet**, maintained through conservative financial and operational risk management

Financial Risk Management

- Strong investment grade credit ratings
- Gearing (look-through) of 26.7%
- Diversified mix of debt facilities with weighted average duration of 6.2 years
- Distribution payout policy aligned with free cash flow

Operational Risk Management

- Strict investment criteria for acquisitions, divestments and development
- Up to 15% of funds under management limit on capital deployed into development/trading opportunities

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