



# Selection, Appointment & Re-election of NEDs

Dexus Funds Management Limited and Dexus Holdings Pty Limited share a common Board of Directors. The constitutions of both companies allow for up to ten members. At 30 June 2022, the Board comprised of eight members, seven of whom are Non-executive Directors (NEDs) and one Executive Director (the CEO).

Dexus Asset Management Limited and Industria Company No 1 Limited share a common Board of Directors. The constitutions of both companies allow for up to ten members. At 30 June 2022, the Board comprised of five members, four of whom are NEDs and one Executive Director.

For the purpose of this policy, reference to the Board is reference to the Dexus Funds Management Limited Board, Dexus Holdings Pty Limited Board, Dexus Asset Management Limited Board or Industria Co No 1 Limited Board as applicable (unless otherwise described).

## 1. Nomination of Non-executive Directors

In the case of a casual vacancy, and the Board having formed the view that the appointment would be in the best interests of all Security holders, the Board may appoint the nominee who will stand for election at the next AGM.

Security holders may also nominate a candidate in accordance with the ASX Listing Rules.

## 2. Selection of Non-executive Directors

Subject to the provisions of the nomination process outlined above, the Board has overall responsibility for the appointment and removal of Non-executive Directors (subject to Security holder approval). To satisfy this responsibility, the Dexus Nomination Committee, on behalf of the Boards:

- ensures periodic reviews of the performance of Non-executive Directors is undertaken, and
- oversees searches for suitable candidates to fill vacancies as and when they arise.

The Dexus Nomination Committee considers the mix of experience, expertise, qualifications and diversity (including gender, age, ethnicity and background) of existing Non-executive Directors, cognisant of the strategy and objectives of Dexus, to identify desirable capabilities for any new Non-executive Directors.

The Dexus Nomination Committee ensures that searches for suitable candidates, including candidates not known to Non-executive Directors and candidates representative of its diversity objectives is undertaken. The selection of candidates also takes into consideration the tenure of existing Non-executive Directors. The Dexus Nomination Committee will consider a range of criteria acknowledging the current Board skills matrix along with current and future areas of focus.

A recommendation for appointment will be made to the relevant Board for discussion and approval.

The Board may choose, from time to time, to appoint Executive Directors. These appointments will be subject to Security holder ratification as required under the Corporations Act and ASX listing rules.

### 3. Engagement of Non-executive Directors

Following Board approval, the Company Secretary will provide the approved candidate with an Appointment of Independent Director Letter and Deed of Indemnity, Insurance and Access. Appointment will be subject to successful background checks (refer Section 4).

Candidates for directorship are encouraged to carry out “due diligence” on the Group before accepting an appointment to the Board.

On their first appointment, Non-executive Directors will attend an induction program aimed at deepening their understanding of Dexus and the Board to which they have been appointed. As part of the program, Non-executive Directors will receive essential Board and business information and will meet key management.

### 4. Background Checks

Background checks will be performed on candidates prior to appointment. Dexus will perform checks to validate contents of the candidate’s resume including experience, education and other directorships. Character references will also be sought. Checks will also be conducted against ASIC registers and Australian Federal Police & Bankruptcy databases. Results of the background checks will be provided to the Chair of the Dexus Board Nomination Committee.

All appointments will be subject to favourable background checks. In circumstances where results of background checks have not been obtained by the date of appointment, and results of subsequent checks are deemed unsatisfactory by the Board, the Director will be asked to (and will undertake to) resign.

Confirmation that the background checks meet Dexus’s expectations will be provided to Security holders in the relevant Notice of Meeting.

The Board will be required to confirm that the candidate qualifies as an independent director.

### 5. Induction of Non-executive Directors

The Induction Program for newly appointed directors is comprehensive and includes familiarisation with specific structures, policies and legal documents including (but not limited to):

- Outline of the Corporate and Committee structure
- Organisational charts providing details of business units
- Terms of Reference for the Board and any Board delegated committees
- Minutes of the previous Board and Board delegated committee meetings
- A copy of the Constitution
- A copy of the business plan
- Dexus Compliance Management Framework
- Dexus Risk Management Framework
- Risk Appetite Statement
- Operating Limits
- Dexus’s Purpose statement
- Key Dexus policies including:
  - Continuous Disclosure Policy
  - Directors’ Code of Conduct
  - Diversity and Inclusion Policy
  - Securities Trading (including inside information)

The newly appointed Non-Executive Director will meet with key managers who will provide an overview of their areas of responsibility. Newly appointed Non-Executive Directors are encouraged to attend any Board delegated committee meetings to assist in understanding the relevant business model and Dexus’s approach to corporate governance.

The Induction Program acknowledges that each director brings to the board different skills and experience. Dexus, in consultation with the newly appointed director, will identify any additional training or education that may be necessary to assist the director in discharging his/her responsibilities.

## 6. Re-election of Non-executive Directors

At each Annual General Meeting (AGM), the Board aims to have approximately one-third of its Non-executive Directors retire, by rotation. To enable Security holders to make an informed decision in relation to the re-election of a Non-executive Director, the following information will be made available to Security holders either on the Dexus web-site governance page, provided in the Notice of Meeting or presented by the Non-executive Director at the AGM.

- Biography of professional qualification and experience
- The skills the Non-executive director brings to the Board
- Details of other directorships
- Length of service on the Board
- Confirmation that the Board considers the candidate is determined to be an Independent Director
- Confirmation from the Board that it supports the re-election and the reason

## 7. Non-executive Directors Security holdings

The Dexus Funds Management Limited Board has determined that Non-executive Directors should maintain a minimum holding in DXS of 100% of base director fees, to be held within five years of appointment. The calculation is based on the higher of the cost paid for the securities and the market value at financial year end.

Where a Non-executive Director has reached compliance with the minimum holding requirement and the market value at 30 June results in the minimum not being met, the Non-executive Director will purchase additional securities within 12 months of financial year end.

The trading of securities must be in accordance with the Securities Trading (including Inside Information) Policy.

The Selection, Appointment & Re-election of NEDs Policy is reviewed on an annual basis.

Version	Document Owner	Author	Approving Authority	Approved Date
7	Governance	Scott Mahony	Board Nomination Committee Dexus Board	23 June 2021 29 July 2021
8	Governance	Scott Mahony	Corporate Executive Committee Board Nomination Committee DXAM Board Dexus Board	24 May 2022 21 June 2022 24 June 2022 27 July 2022