

Fraud, Corruption and Bribery (Prevention and Awareness) Policy



1. Purpose

As part of its core values, Dexus is committed to achieving the highest corporate standards and does not tolerate unethical or unprofessional behaviour including fraud, bribery or corruption. Dexus acknowledges the serious criminal and civil penalties that may be incurred, and the reputational damage that may be done, if the organisation is involved in fraud, corruption or bribery. The longer it continues undetected, the more severe the consequences are likely to be.

Dexus acknowledges that ethical and professional behaviour emanates from the most senior levels of management. To assist all employees in understanding Dexus's expectations in relation to ethical behaviour, policies and procedures have been developed including Codes of Conduct, Whistleblower Policy, Political Donations Policy and this Fraud, Corruption and Bribery (Prevention and Awareness) Policy.

This policy provides guidance on the identification of fraud and the resultant actions to be taken. It should be read in conjunction with the Risk Management Framework and the following related policies:

- Conflicts of Interest
- Conflicts of Interest – Personal
- Employee Code of Conduct
- Whistleblower Policy
- Anti-Money Laundering and Counter Terrorism Financing Policy, Part A and Part B
- Compliance Incidents
- Securities Trading Policy (including Inside Information)
- Workplace Behaviour

This Fraud, Corruption and Bribery (Prevention and Awareness) Policy applies to all employees of Dexus including contractors and temporary employees.

Dexus has a zero tolerance for fraudulent activity or corrupt behaviour. Any employee who has personally committed or aided and abetted the commission of fraud against Dexus will be summarily dismissed.

2. What is Fraud?

Fraud is defined as a dishonest activity that causes actual (or potential) financial loss to any person or entity. It is the theft or improper use of Dexus's resources and can be committed by employees or people external to Dexus.

Fraud generally involves the use of misrepresentations, dishonest or deceitful conduct in order to obtain some unjust advantage over another or to cause disadvantage to Dexus. The deliberate falsification, concealment or destruction of documents is also regarded as fraudulent activity.

3. What is Corruption?

Corruption occurs where an employee, contractor or officer of Dexus abuses his/her position of trust for personal gain or advantage (or gain or advantage for another). Corrupt behaviour would also include conduct to secure some form of improper advantage for Dexus either directly or indirectly.

4. What is bribery?

Dexus employees may not give or offer, solicit or receive bribes. Bribery is defined as dishonestly giving a benefit to another person, or causing a benefit to be given, with the intent of influencing that person (or a third person) in the exercise of their professional duties. A bribe includes the payment of a secret commission or accepting a secret commission.

5. How to Recognise Fraud, Corruption and Bribery?

In assessing whether a fraud has been committed, the following questions should be addressed:

- Did the action or event result in a monetary benefit or other advantage?
- Was the action unlawful or illegal?
- Were the actions deceitful, deceptive or involve the concealment of activities?

Gifts & Benefits

The receipt and giving of gifts, benefits or entertainment is permitted, however should not be so lavish or excessive as to operate (or imply to operate) as a bribe, an inducement to do business or imply an attempt to influence a business decision.

The following gifts must not be given or accepted:

- any gift which implies or demonstrates a conflict or appearance of conflict between the self-interest of any employee and their responsibility to Dexus and its clients
- any amount of cash or
- gifts, benefits or entertainment offered during a decision-making process such as a major procurement or tender

A Dexus employee who is offered any gift falling within the categories above must report this offer to the Compliance team as soon as practicable.

Where an employee is involved in a tender process, they must provide a declaration to the Compliance team that they are not conflicted, will not accept gifts or benefits from the organisation tendering and will act in the best interests of Dexus and its clients.

Gifts of a nominal value (i.e. below \$100) not falling within one of the categories above may be retained by the employee. Gifts over \$100 given to employees by suppliers, service providers and other business associates should be surrendered to Dexus. Dexus will use the items for charitable fund-raising activities and where possible, donate any perishable short shelf life items to a local charity.

Third party payment of travel and accommodation expenses in respect of entertainment is generally not allowed and must be referred to the Compliance team for approval.

All employees will be required to provide a declaration to the Compliance team on an annual basis confirming compliance with these policies.

Lobbying

Dexus takes pride in its ethical and socially responsible conduct.

As a market leader in the property funds management industry, Dexus is in a position to influence industry policy. We have an obligation, on behalf of our investors and the broader community, to make a positive and constructive contribution to policy development relating to the property industry and to participate in the policy decision-making process.

We also have an obligation to develop and manage our assets in the interests of our investors and broader community.

Meetings with Law Makers

As part of Dexus's property management and development activities, employees may need to meet with representatives of local, state or federal government to discuss property specific covering issues such as zonings, planning approvals and infrastructure. Dexus will comply with all relevant legislation.

In accordance with the NSW Lobbyists Code of Conduct Regulation 2014, where a Dexus employee meets with a government official to discuss zonings, planning approvals and infrastructure, the employee will:

- disclose to the official before the meeting the nature of the matter to be discussed
- disclose to the official before the meeting commences any financial or other interest Dexus has in the matter to be discussed
- not engage in misleading, dishonest, corrupt or other unlawful conduct in connection with the meeting
- use all reasonable endeavours to satisfy themselves of the truth and accuracy of all material information provided in connection with the meeting

At all times, the interests of investors and the broader community are to be taken into consideration.

In situations where Dexus believes it is beneficial to appoint a professional Lobbyist to act on its behalf, approval must be granted by the CEO. The appointed Lobbyist must be appropriately registered and confirm he/she will comply with the NSW Lobbyists Code of Conduct Regulation, 2014.

Industry Lobbying

To support and encourage effective policy development for the property industry, Dexus works closely with the Property Council of Australia (PCA) developing recommendations and drafting submissions to government and statutory authorities.

Dexus may be requested to participate in working groups facilitated by the PCA. In these situations, Dexus representatives will act for the benefit of the property industry as a whole.

Political Donations

Dexus does not make political donations or provide gifts to politicians or public servants. For further detail see the Political Donations policy.

6. How to Prevent Fraud and Corruption?

All employees can play a critical role in preventing fraud by:

- Understanding the responsibilities of their position
- Familiarising themselves with correct job procedures and adhering to them
- Knowing what fraud, corruption and bribery are
- Being aware of strategies implemented in their areas to minimise the risk of fraud, corruption and bribery
- Being continuously vigilant to the potential for fraud, corruption and bribery and
- Alerting responsible people to possible or perceived vulnerabilities.

7. Fraud, Corruption and Bribery Detection

The identification of real or potential frauds, corrupt behaviour or bribery can take place via the following methods:

- Internal Audits
- External Audits
- Independent expert reviews or investigations
- Exception reporting
- Investor complaints
- Tenant complaints
- External Service Provider complaints
- Employee complaints
- Good faith reporting (whistle-blowing)
- Results from monitoring activities.

8. Fraud, Corruption and Bribery Control

The primary methods of fraud, corruption and bribery control are:

- Ongoing assessment and evaluation of the Risk Management and Compliance Management Frameworks
- Approved policies for the Protection of Assets, Recruitment, External Service Providers – Custodians, Administrators & Registrars and Property Income and Expenses
- Dexus policy review, verification and monitoring
- Detailed review and monitoring of fraud, corruption and bribery risks
- Anti-money laundering and counter-terrorism financing programs
- Development and maintenance of business processes and the internal control framework
- Reference and background checks for the appointment of employees, contractors and service providers
- Education and training programs for employees in awareness and identification of fraud, corruption and bribery
- Reliance on the activities performed by the internal audit and external audit functions in terms of assessing and reporting on the design and operating effectiveness of business processes and internal controls.

The adequacy and appropriateness of the above methods of fraud, corruption and bribery control are reviewed on an on-going basis.

9. Disclosure/Whistleblowing

Dexus is committed to and strongly supports disclosure being made by employees of bribery, fraudulent/corrupt conduct, illegality or improper use of the company's assets. To protect those employees who make such disclosures from any detrimental action or reprisal, Dexus has established a Whistleblower policy.

Dexus takes deliberate or malicious false disclosures of improper conduct very seriously. Any employee found to have made a false or vexatious disclosure will be subject to disciplinary action, which may include termination of employment.

10. How to report Fraud, Corruption and Bribery

Possible or actual bribery, corruption or fraudulent activity should be reported to the Head of Governance and/or (where appropriate) the relevant Business Manager immediately.

The employee should provide the following information when reporting a possible fraud:

- Date the incident was identified
- Date the incident occurred
- Brief description of the incident including how it was identified and how it occurred
- Details of the impact to client/funds
- Dollar impact (if known)

Alternatively, bribery, corruption or fraudulent activity or corrupt behaviour can be reported in accordance with Dexus's Whistleblower policy.

11. Investigation

The Head of Governance will conduct further inquiries in order to determine the cause, nature and circumstances surrounding the incident or activity. The Head of Governance will advise Dexus's General Counsel of the issue and, on consideration, will advise the Group Risk Committee and Board Risk Committee.

Examples of Fraudulent Acts

The following sets out examples of fraudulent acts, unethical or corrupt behaviour.

Abuse of Official Position for Private Gain	This includes the acceptance of lavish gifts, bribes, corruption, blackmail, improper use of confidential information, and bias to suppliers or contractors.
Accepting or Offering Bribes	Bribery is defined as dishonestly giving a benefit to another person, or causing a benefit to be given, with the intent of influencing that person (or a third person) in the exercise of their professional duties.
Collusion to Commit Fraud	Collusion can occur when an employee of Dexus acts with another employee to defraud the company or a client of the company. Collusion could also occur between a Dexus employee and people outside the company. This could involve Dexus employees providing information or other assistance to third parties to help them commit fraud upon the company or a client of the company.
Commercially Sensitive Information	Dexus holds commercially sensitive and other confidential information which will not be released without proper authorisation. Release of information may be unlawful and could breach the provisions of the Privacy Act, Corporations Act and/or ASX Listing Rules. Dexus employees should seek clarification and authorisation from their manager if they are uncertain in relation to the release of information.
Conflicts of Interest	Dexus employees have an obligation to act for the benefit of the group. Accepting commissions, fees, gifts or favours that might act as an inducement to do business or influence a business decision could result in a conflict of interest. Conflicts of interest must be reported immediately to the Compliance team to ensure appropriate management of the actual or potential conflict.
Forgery or Falsifying Records	The falsifying of records and processing of a false statement is fraud e.g. falsifying data on receipts or invoices; forgery of a signature on a cheque or document; and forgery of certificates of competency or qualifications.

Deceptive Conduct	Any act, behaviour or statement made with the intention of misleading another party to enter into a contractual or business arrangement or procure/purchase a product or service which is inappropriate or unsuitable for their circumstances and may result in monetary loss or inadequate benefits for price/cost incurred.
Inappropriate use of Property and Assets	Inappropriate use of the company's property and facilities (including car spaces at Dexus owned and managed properties), motor vehicles, computers, smart phones, photocopiers, email or Internet.
Inside Trading / Information	Buying or selling Dexus securities on non-public (inside) price sensitive information not generally available to investors breaches the Corporations Act. The law prohibits the use of inside information (insider trading) and the disclosure of inside information (tipping).
Theft	Besides cash and cheques, the most common types of property stolen include consumables or supplies, computers (especially laptops), smartphones, software, electronic office equipment, digital cameras, gift cards, "scratch & win" cards and intellectual property. Theft also includes building materials and supplies, the unauthorised use of credit cards and theft of documents and data.
Provision of False Information	This includes the provision of financial information, briefs, papers etc, to management, the Board and its committees, regulatory authorities and to the public which is intentionally false.

Dexus will review this policy at least annually to check that it is operating effectively, and to determine if any changes are required.

Furthermore, Dexus will ensure that managers and employees likely to be exposed to bribery and corruption are provided training about how to recognise and deal with these issues.

If you have any questions arising from this Policy, please contact:

Scott Mahony

Head of Governance

Phone: 02 9017 1122

Email: scott.mahony@dexus.com

Document Control Log

Version	Document Owner	Author	Approving Authority	Approved Date
9	Governance	Scott Mahony	Group Risk Committee Board Risk Committee	3 June 2019 25 June 2019