Dexus (ASX: DXS)

ASX release

16 August 2023

2023 Sustainability Approach and Data Pack

Dexus releases its 2023 Sustainability Approach and Data Pack, which includes the:

- Sustainability Performance Data Pack (also available in xls)
- Management Approach and Procedures
- GRI Content Index
- Sustainability Assurance Statement

This report should be read in conjunction with Dexus's 2023 Annual Report.

Authorised by the Board of Dexus Funds Management Limited

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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 $61.0 billion (pro forma post final completion of the AMP Capital acquisition). 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. We directly and indirectly own $17.4 billion of office, industrial, healthcare, retail and infrastructure assets and investments. We manage a further $43.6 billion of investments in our funds management business (pro forma post final completion of the AMP Capital acquisition) 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 group's $17.4 billion real estate development pipeline provides the opportunity to grow both portfolios and enhance future returns.
Our sustainability aspiration is to unlock the potential of real assets to create lasting positive impact and a more sustainable tomorrow, and is focused on the priorities of customer prosperity, climate action and enhancing communities. Dexus is supported by more than 34,000 investors from 25 countries. With four decades of expertise in property 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 Ltd ABN 24 060 920 783, AFSL 238163, as Responsible Entity for Dexus (ASX: DXS)
Level 30, 50 Bridge Street, Sydney NSW 2000

Sustainability Approach & Data Pack

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FY23 Sustainability Data Pack

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Sustained Value
DXS Financial Performance
DXS Portfolio Snapshot
DXS Capital Management

Thriving People
Our Workforce
Diversity and Inclusion
Work Health and Safety
Recruitment & Retention
Human Capital Development
Engagement and Flexible Work
Remuneration

Enriched Environment
Energy
Water
Materials
Air Emissions
GHG Emissions
Green Building Certifications
Progress Towards Commitments

Disclosure Frameworks
GRI Index
SASB Index

Portfolio Summary
Dexus (DXS)
Dexus Industria REIT (DXI)
Dexus Convenience Retail REIT (DXC)

Future-enabled customers
Customer Experience

Strong Communities
Supply Chain
Giving and Volunteering

Dexus Annual Reporting Suite

The FY23 Dexus Sustainability Data Pack should be read in conjunction with the FY23 Annual Report and FY23 Sustainability Management Approaches. These documents are prepared in adherence to the International Integrated Reporting Framework principles of materiality, stakeholder responsiveness, and reliability and completeness. They are also prepared in accordance with the GRI Standards and the SASB Real Estate Standards. Nominated metrics in this pack are third party assured where indicated.

FY23 Annual Report - Integrated report covering the key activities and Data outcomes for Dexus including our strategy, our integrated financial and non-financial Data, risk management, corporate governance, remuneration and our financial statements.

FY23 Sustainability Management Approaches - how we respond to, manage and evaluate our material ESG matters, together with GRI and SASB Indexes.

FY23 Sustainability Data Pack - comprehensive Sustainabiltiy datasets supporting our annual report, with disclosures on Data in the current year against previous periods, and disclosure of progress against targets.

To access these documents, visit www.dexus.com/2023-reporting-suite

Acknowledgement of Country

Dexus acknowledges the Traditional Custodians of the lands on which we operate and recognise their ongoing connection to land, waters and community. We pay our respects to First Nations Elders past, present and emerging, and remain committed to supporting reconciliation across our business.

Important notice

While every effort is made to provide accurate and complete information, Dexus does not warrant or represent that the information in this pack is free from errors or omissions or is suitable for your intended use. The information provided in this pack may not be suitable for your specific needs and should not be relied upon by you in substitution of you obtaining independent advice. Subject to any terms implied by law and which cannot be excluded, Dexus accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in this presentation. All information in this pack is subject to change without notice. This pack is not an offer or an invitation to acquire Dexus securities or any other financial products in any jurisdictions, and is not a prospectus, product disclosure statements or other offering document under Australian law or any other law. It is for information purposes only.

Sustainability Data Pack

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Financial highlights

Key metrics	FY18	FY19	FY20	FY21	FY22	FY23
Net profit after tax ($m)	1,728.90	1,281.00	927.7	1,138.40	1,615.90	-752.70
Adjusted Funds From Operations ($m)	485.5	517.2	550.5	561.7	572.2	555.0
Adjusted Funds From Operations (cents per security)	47.7	50.3	50.3	51.8	53.2	51.6
Adjusted Funds From Operations per security growth (%)	5.1	5.5	0.0	3.0	2.7	-3.0
Funds From Operations ($m)	653.3	681.5	730.2	717	757.6	738.5
Funds From Operations (cents per security)	64.2	66.3	66.7	66.1	70.4	68.7
Distribution (cents per security)	47.8	50.2	50.3	51.8	53.2	51.6
Return on Contributed Equity (%)	7.6	10.1	9.0	8.3	9.7	8.0
NTA per security ($)	9.64	10.48	10.86	11.42	12.28	10.88
Gearing (look-through)[1] (%)	24.1	24	24.3	26.7	26.9[2]	27.9[3]
Average maturity of debt (years)	7.0	6.7	6.9	6.2	5.5	5.1
Total security holder return (%)	7.5	39.4	-25.7	22	-12.3	-6.3

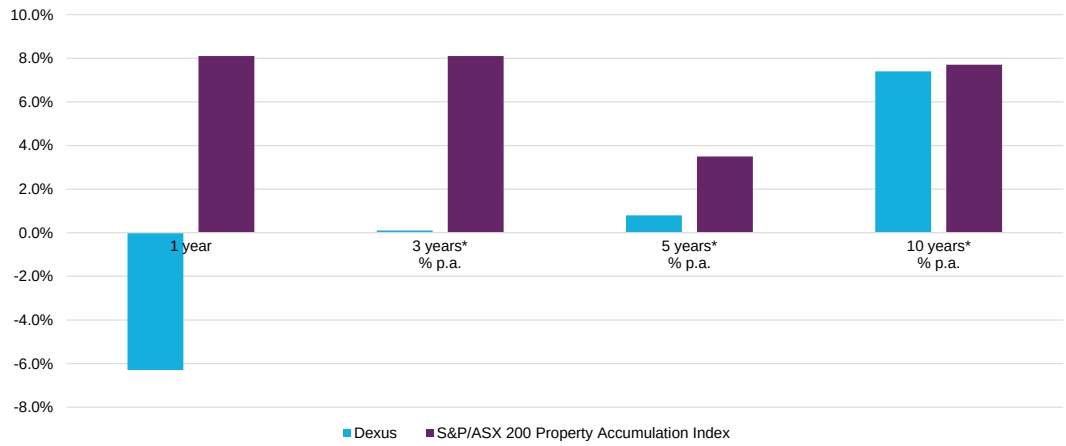
(1). Adjusted for cash and debt in equity accounted investments and excludes Dexus's share of co-investments in pooled funds.

(2). Look-through gearing including Dexus's share of co-investments in pooled funds was 27.8% as at 30 June 2022.

(3). In FY23, pro forma including proceeds and payments for transactions post 30 June 2023 that have settled before 16 August 2023. Excluding these impacts, look-through gearing is 30.3% at 30 June 2023. Look-through gearing including Dexus's share of co-investments in pooled funds is 31.7% at 30 June 2023.

Dexus total return data (%)

	1 year	3 years* % p.a.	5 years* % p.a.	10 years* % p.a.
Dexus	-6.30%	0.10%	0.80%	7.40%
S&P/ASX 200 Property Accumulation Index	8.10%	8.10%	3.50%	7.70%



Dexus portfolio snapshot

Key metrics		FY18	FY19	FY20	FY21	FY22	FY23
Portfolio value ($A)	Dexus portfolio	$13.3bn	$15.6bn	$16.5bn	$17.5bn	$18.4bn	$17.4bn
	Office	$11.0bn	$13.2bn	$14.2bn	$14.0bn	$13.3bn	$12.3bn
	Industrial	$2.2bn	$2.3bn	$2.2bn	$3.0bn	$4.3bn	$4.1bn
	Healthcare	$0.1bn	$0.1bn	$0.1bn	$0.5bn	$0.6bn	$0.4bn
	Retail	-	-	-	-	$0.1bn	$0.2bn
	Other(1)	-	-	-	-	$0.1bn	$0.4bn
Net lettable area (sqm)	Dexus portfolio	2,869,403	3,045,759	3,157,733	3,390,818	3,912,940	4,439,694
	Office	1,495,238	1,546,264	1,614,907	1,475,836	1,368,977	1,584,645
	Industrial	1,322,557	1,447,539	1,474,970	1,842,023	2,543,963	2,855,049
	Healthcare	51,608	51,956	67,856	72,959	-	-
Funds From Operations(2)	Office	$603.8m	$610.5m	$671.4m	$658.3m	$655.6m	$597.6m
	Industrial	$132.7m	$137.3m	$124.2m	$122.2m	$152.4m	$163.5m
	Co-investments in pooled funds(7)	-	-	-	$8.1m	$29.1m	$35.9m
Like-for-like income growth	Office	4.50%	3.40%	2.4%(3)	2.3%(3)	2.7%(3)	5.6%
	Industrial	3.0%	8.0%(4)	(2.1)%(6)	3.7%(6)	3.1%(5)	2.4%
Occupancy (by income)	Office	96.0%	98.0%	96.5%	95.2%	95.6%	95.9%
	Industrial	98.3%	97.0%	95.6%	97.7%	98.1%	99.4%
Occupancy (by area)	Office	95.7%	97.8%	96.6%	94.6%	95.2%	95.3%
	Industrial	98.8%	98.8%	97.9%	98.7%	99.0%	99.7%
Lease duration (by income)	Office	4.6 years	4.4 years	4.2 years	4.6 years	4.7 years	4.8 years
	Industrial	4.8 years	4.7 years	4.1 years	4.4 years	4.7 years	4.8 years
Weighted average capitalisation rate	Dexus portfolio	5.52%	5.26%	5.05%	4.91%	4.64%	5.11%
	Office	5.37%	5.15%	4.97%	4.91%	4.75%	5.21%
	Industrial	6.40%	5.92%	5.66%	4.92%	4.29%	4.76%
1-year total return	Office	16.9%	10.6%	7.5%	5.7%	7.1%	-5.2%
	Industrial	13.6%	12.9%	11.8%	23.5%	18.9%	5.2%

(1). Includes investments in DREP1, real estate securities funds and from FY23 infrastructure.

(2). On 1 July 2014, the group adopted the Property Council of Australia definition of FFO. The Directors consider FFO to be a measure that reflects the underlying Data of the group. FFO comprises net profit/loss after tax attributable to stapled security holders, calculated in accordance with Australian Accounting Standards and adjusted for: property revaluations, impairments and reversal of impairments, derivative and foreign exchange mark-to-market impacts, fair value movements of interest bearing liabilities, amortisation of tenant incentives, gain/loss on sale of certain assets, straight line rent adjustments, non-FFO tax expenses, certain transaction costs, one-off significant items (including write off of IFRIC SaaS customisation expenses), amortisation of intangible assets, movements in right-of-use assets and lease liabilities, rental guarantees and coupon income.

(3). Including rent relief and provision for expected credit losses effective LFL growth was FY20 +2.4%, FY21 +0.9% and FY22 +4.4%.

(4). Excluding one-off income in FY19 was 2.5%.

(5). In FY22, LFL income excludes business parks, rent relief and provision for expected credit losses. Including business parks, effective LFL was 2.1% and face LFL was +4.0%. Including business parks, rent relief and provision for expected credit losses, effective LFL was +2.4% and face LFL was +4.1%.

(6). In FY20 and FY21 excluded rent relief and provision for expected credit losses, including those impacts effective LFL growth was FY20 +0.1%, FY21 +4.5%.

(7). Includes distribution income from Dexus's co-investment stakes in pooled funds and excludes joint venture and partnership income which is proportionately consolidated in Note 1 Operating Segments within Dexus's Financial Statements.

Capital management

Key metrics	FY18	FY19	FY20	FY21	FY22	FY23
Cost of debt[1]	4.2%	4.0%	3.4%	3.2%	2.7%	3.7%
Average maturity of debt	7.0 years	6.7 years	6.9 years	6.2 years	5.5 years	5.1 years
Hedged debt (including caps)[2]	71%	74%	78%	81%	65%	86%
Gearing (look-through)[3]	24.1%	24.0%	24.3%[4]	26.7%	26.9%[5]	27.9%[6]
Headroom[6]	$0.9bn	$1.0bn	$1.6bn	$1.1bn	$1.9bn	$2.5bn
S&P/Moody's credit rating	A-/A3	A-/A3	A-/A3	A-/A3	A-/A3	A-/A3

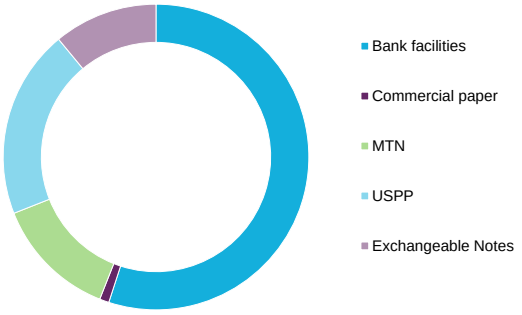
(1). Weighted average for the year, inclusive of fees and margins on a drawn basis.
(2). Average for the year.
(3). Adjusted for cash and debt in equity accounted investments, excluding Dexus's share of co-investments in pooled funds.

(4). Pro forma including proceeds and payments for transactions post 30 June 2020 that were expected to settle before 30 September 2020. Look-through gearing at 30 June 2020 was 26.3%.

(5). Look-through gearing including Dexus's share of co-investments in pooled funds was 27.8% at 30 June 2022.
(6). Pro forma including proceeds and payments for transactions post 30 June 2023 that have settled before 16 August 2023. Excluding these impacts, look-through gearing is 30.3% at 30 June 2023. Look-through gearing includes these impacts and Dexus's share of co-investments in pooled funds is 31.7% at 30 June 2023.

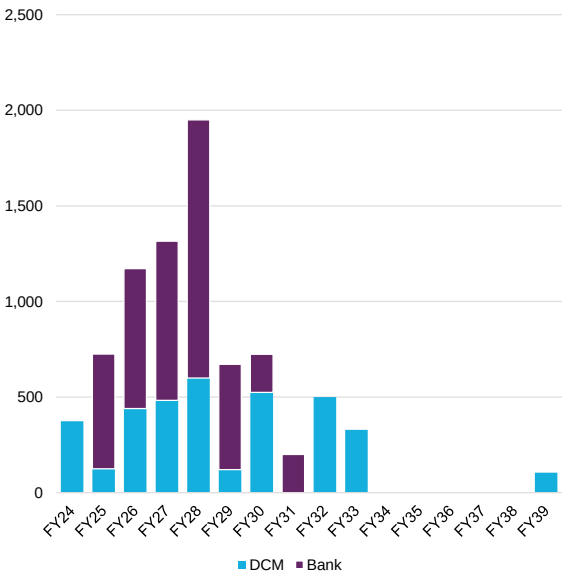
Diversified mix of debt

Type of Debt	Per cent
Bank facilities	55%
Commercial paper	1%
MTN	13%
USPP	20%
Exchangeable Notes	11%



Debt maturity profile[1]

$m	DCM	Bank
FY24	373.3	-
FY25	124.7	600.0
FY26	440.1	732.2
FY27	482.5	833.4
FY28	600.0	1,350.0
FY29	121.2	550.0
FY30	524.3	200.0
FY31	-	200.0
FY32	500.0	-
FY33	328.6	-
FY34	-	-
FY35	-	-
FY36	-	-
FY37	-	-
FY38	-	-
FY39	105	-

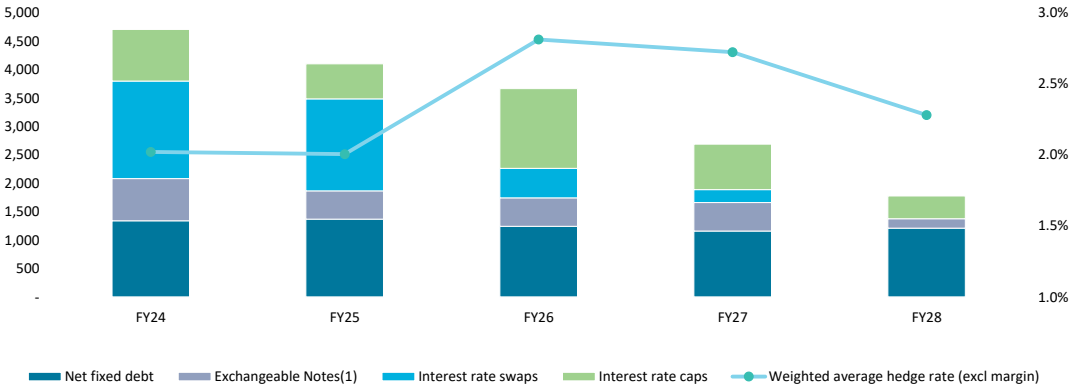


(1). FY24 includes $325 million Exchangeable Notes based on investor put date.

Hedged profile

	Net fixed debt	Exchangeable Notes[1]	Interest rate swaps	Interest rate caps	Weighted average hedge rate (excl margin)
FY24	1,342.9	743.8	1,714.6	905.5	2.0%
FY25	1,370.0	500.0	1,616.6	616.7	2.0%
FY26	1,246.7	500.0	518.7	1,400.0	2.8%
FY27	1,163.3	500.0	227.8	800.0	2.7%
FY28	1,213.3	166.7	-	400.0	2.3%

(1). In FY24, $325m series 1 Exchangeable Notes based on investor put date.



Debt facilities[1]

		Facility limit (A$m)	Drawn (A$m)	Maturity dates	Currency
Bilateral bank debt		600	150	FY25	A$
		450	13	FY26	A$
		750	-	FY27	A$
		1,350	425	FY28	A$
		550	550	FY29	A$
		200	200	FY30	A$
		200	200	FY31	A$
Commercial paper[2]		100	78	FY26	A$
Medium term notes		185	185	FY26	A$
		130	130	FY27	A$
		200	200	FY30	A$
		500	500	FY32	A$
		30	30	FY39	A$
US senior notes (USPP)[3]	Series 1	291	291	Jul-23 - Jul-28	US$
	Series 2	225	225	Feb-24 - Feb-27	US$
	Series 3	286	286	Dec-24 - Dec-26	US$
	Series 4	100	100	Jun-28	A$
	Series 5	503	503	Nov-29 - Nov-32	US$
	Series 5	150	150	Nov-29 - Nov-32	A$
	Series 6	75	75	Oct-38	A$
Exchangeable notes[4]	Series 1	325	325	Mar-24	A$
	Series 2	500	500	Nov-27	A$
Subtotal		**7,700**	**5,116**		
Currency translation and fair value adjustments		280	280		
Deferred borrowing costs and debt modifications		(23)	(23)		
Exchangeable Notes[4] adjustments		(63)	(63)		
Total interest-bearing liabilities		**7,894**	**5,310**		
Bank guarantees facilities (including utilised)			(175)		
Cash			124		
Headroom including cash			**2,533**		

(1). Does not include debt facilities in equity accounted investments or Dexus's share of co-investments in pooled funds.
(2). Based on maturity date of commercial paper standby facility.
(3). USPP US$ amount shown at the cross-currency swap contract rate.
(4). Based on investor put date in FY24.

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Workforce statistics

By employment type (FTEs)	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Permanent full-time[1]	Female	181	216	236.8	240	269	495.4
	Male	176	207	228	225	286	447
	All	**357**	**423**	**464.8**	**465**	**555**	**942.4**
Fixed term full-time[1]	Female	14	27	15	15	18	28
	Male	13	11	12	13	14	14
	All	**27**	**38**	**27**	**28**	**32**	**42**
Permanent part-time[1]	Female	26.8	31.3	27.3	26.3	29.3	49.6
	Male	0	0	0.8	0.9	0.9	2.3
	All	**26.8**	**31.3**	**28.1**	**27.2**	**30.2**	**51.9**
Fixed term part-time[1]	Female	2	4.8	2.4	2.8	1.4	4.5
	Male	0	0	1.4	0	0	1.2
	All	**2**	**4.8**	**3.8**	**2.8**	**1.4**	**5.7**
Contractor	Female	–	–	–	–	–	–
	Male	–	–	–	–	–	–
	All	**0**	**0**	**0**	**0**	**0**	**0**
Casual	Female	8.4	12.2	1	0	0	0
	Male	5.8	7.6	1.8	0	0.8	0
	All	**14.2**	**19.8**	**2.8**	**0**	**0.8**	**0**
Total workforce	Female	232.2	291.3	282.5	284.1	317.7	577.5
	Male	194.8	225.6	244	238.9	301.7	464.5
	All	**427**	**516.9**	**526.5**	**523**	**619.4**	**1042**
Contingent workers[2]	**All**	**49**	**54.4**	**49**	**53.2**	**95.9**	**104.6**

Workforce by Location (%)	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Australia							
NSW	Female	42	46	46	45	40	43.4
	Male	38	36	39	38	37	35.1
	All	**80**	**82**	**85**	**83**	**77**	**78.5**
QLD	Female	5	4	3	3	4	3.7
	Male	4	4	3	3	3	2.6
	All	**9**	**8**	**6**	**6**	**7**	**6.3**
VIC	Female	6	5	4	5	7	4.4
	Male	3	3	4	5	7	4.7
	All	**9**	**8**	**8**	**10**	**14**	**9.1**
WA	Female	1	1	1	1	1	1.4
	Male	1	1	1	1	1	0.8
	All	**2**	**2**	**2**	**2**	**2**	**2.2**
New Zealand							
Auckland	Female	–	–	–	–	–	2.3
	Male	–	–	–	–	–	1.2
	All	**–**	**–**	**–**	**–**	**–**	**3.5**
Wellington	Female	–	–	–	–	–	0.3
	Male	–	–	–	–	–	0.1
	All	**–**	**–**	**–**	**–**	**–**	**0.4**

(1). From FY18, Dexus separated reporting of permanent and fixed-term employees.
(2). Corporate contractors, agency temps or consultants that performed work on a time and materials basis (e.g. a project with a defined beginning and end date). A 'corporate contractor' is an individual contracted by Dexus to perform work prescribed by Dexus, usually at a Dexus corporate office location. Corporate contractors generally cannot be replaced with a new individual performing the same work, without terminating the existing contract and creating a new contract for the new individual. Using terminology within the reporting standard GRI 403: Occupational Health and Safety 2018, corporate contractors are characterised by Dexus having both control of work and control of the workplace.

Diversity and inclusion

Gender diversity (number of people)

Gender diversity in the workforce (number)	Gender	FY18	FY19	FY20	FY21	FY22	FY23
All employees (FTE)	Female	232.2	291.3	282.5	284.1	317.7	577.5
	Male	194.8	225.6	244	238.9	301.7	466.5
	All	**427**	**516.9**	**526.5**	**523**	**619.4**	**1044**
All employees (Headcount)	Female	249	310	300	307	338	607
	Male	199	229	252	252	309	472
	All	**448**	**539**	**552**	**559**	**647**	**1079**
Gender diversity in management (number) [1,2]	**Gender**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**
Employees in senior management (FTE)	Female	39.3	47.7	–[1]	–	–	–
	Male	77.8	83.8	–	–	–	–
	All	**117.1**	**131.5**	**–**	**–**	**–**	**–**
Employees in senior management (Headcount)	Female	41	50	49	52	59	75
	Male	78	84	89	98	105	121
	All	**199**	**134**	**138**	**150**	**164**	**196**
Employees in executive team (Headcount)	Female	–	2	2	3	3	16
	Male	–	6	6	7	6	43
	All	**–**	**8**	**8**	**10**	**9**	**59**
Employees at all management levels (Headcount)	Female	–	157	156	160	189	162
	Male	–	151	177	178	227	229
	All	–	308	333	338	416	**391**

Gender diversity (%)

Dexus workforce by gender (%)	Gender	FY18	FY19	FY20	FY21	FY22	FY23
All employees (FTE)	Female	54	56	54	54	51	55
	Male	46	44	46	46	49	45
All employees (Headcount)	Female	56	58	54	55	52	56
	Male	44	42	46	45	48	44
Gender diversity in management (%) [1,2]	**Gender**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**
Employees in senior management (FTE)	Female	34	–	–	–	–	–
	Male	66	64	–	–	–	–
Employees in senior management (Headcount)	Female	36	37	36	36	36	38.3
	Male	66	63	64	77.8	64	61.7
Employees in executive team (Headcount)	Female	–	25	25	30	33	27.1
	Male	–	75	75	70	67	72.9
Employees across all management (Headcount)	Female	–	51	47	47	45	41.4
	Male	–	49	53	53	55	58.6
Board gender diversity (%)	**Gender**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**
Percentage of Non-Executive Directors	Female	43	43	37.5	42.9	43	71.4
	Male	57	57	62.5	57.1	57	28.6

(1). Prior to FY19, Dexus reported on gender diversity in senior management based on FTE. From FY19, Dexus reports on gender diversity across a broader range of management levels based on headcount and will no longer provide reporting on gender diversity using FTE. The use of headcount is consistent with the standards used by the Australian Government Workplace Gender Equality Agency and with other diversity metrics reported by Dexus.

(2). FY23 data on gender diversity in senior management has been independently assured.

Commentary and methodology
All people data is taken from each year's headcount report as at 30 June, produced by Dexus People and Culture.
'Senior management' includes executive management and senior management positions within the Dexus workforce. Executive management and senior management positions include Dexus employees whose role is mapped to one of the following four occupational categories: 'CEO/head of business', 'KMP (key management personnel)', 'other executives/general managers', and 'senior managers', as outlined within worker classification guidance Standardised occupational categories of managers: February 2018 published by the Australian Government's Workplace Gender Equality Agency (WGEA). 'Non-Executive Directors' are independent directors of DXFM and does not include the CEO who is counted in the senior management team for the purposes of workforce reporting.

Cultural diversity

Main cultural / ethnic identity	Gender	FY21	FY22	FY23
% of survey respondents				
Australian	All	60.5	56.9	43.7
British	All	4.1	6.7	7
Chinese Asian	All	3.1	5.4	7.2
Multi-ethnic	All	3.1	4	5.3
Mainland South East Asia	All	3.8	3.3	3.6
New Zealandar	All	2.3	2.3	4.7
Southern Asian	All	2.3	1.9	2.6
Western European	All	2	1.7	1.6
Eastern European	All	1	1.7	1.6
Southern European	All	1.3	1.5	1.6
Maritime South East Asian	All	0.8	1.5	3.2
Southern and East African	All	1	1.1	1.2
Other	All	1.8	0.8	1.4
Irish	All	2	0.8	1.4
North African and Middle Eastern	All	0.3	0.8	0.3
Arab	All	0.8	0.6	1.4
Northern European	All	0.5	0.6	0.4
Other North East Asian	All	0.3	0.6	1.1
Southern Eastern European	All	0.3	0.6	1.2
South American	All	0	0.2	0.5
North American	All	0.8	0.2	0.5
Jewish	All	0.3	–	0.3
Polynesian	All	–	–	–
Aboriginal/Torres Strait Islander	All	–	–	–

Commentary
Data is sourced from Dexus's May 2022 internal employee Pulse survey, which asked employees "How would you describe your own MAIN identity in cultural/ethnic terms?" Of the 643 employees invited to respond to the survey, 522 (81%) employees provided a response to this question (including employees who selected "Prefer not to say").

Country of origin

Country / region of birth	Gender	FY21	FY22	FY23
% of survey respondents				
Australia	All	69.2	68.2	60.1
Other country not listed	All	3.6	4.4	4.4
Chinese Asia (includes Mongolia)	All	2.3	3.3	6.2
New Zealand	All	3.1	2.5	4.9
Southern and East Africa	All	1	2.5	2.6
Southern Asia	All	2.8	2.1	3
Maritime South-East Asia	All	1.8	1.3	2.9
Mainland South-East Asia	All	1.8	1.3	1.8
Ireland	All	0.5	0.8	0.8
Western Europe	All	1.3	0.8	0.9
Eastern Europe	All	0.8	0.4	0.5
South America	All	0.5	0.4	0.7
Japan and the Koreas	All	0.3	0.4	0.5
United Kingdom, Channel Islands and Isle of Man	All	4.6	0.4	3.7
Middle East	All	–	0.2	0.1
South Eastern Europe	All	–	0.2	0.4
Northern America	All	0.8	0.2	0.8
Northern Europe	All	0.5	–	0.3
North Africa	All	0.3	–	0.1
Melanesia	All	–	–	0.1

Commentary
Data is sourced from Dexus's May 2022 internal employee Pulse survey, which asked employees "Which country where you born in?" Of the 643 employees asked to respond to the survey, 522 (81%) employees provided a response to this question (including employees who selected "Prefer not to say").

Age diversity

Employee age range (% by headcount)	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Employees under 30 years old	Female	12	15	13	13	12	10.3
	Male	7	6	8	9	10	6.9
	All	**18**	**21**	**21**	**22**	**23**	**17.2**
Employees 30 to 50 years old	Female	36	37	36	36	34	36.9
	Male	31	30	31	28	29	28.4
	All	**68**	**66**	**66**	**64**	**63**	**65.25**
Employees over 50 years old	Female	6	6	6	6	6	8.2
	Male	8	7	7	8	9	9.4
	All	**14**	**13**	**13**	**14**	**15**	**17.55**

Leave and absenteeism

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Leave days taken (days)							
Annual leave	All	6,447	6,976	7,666	7,611	8,147	9,990
Long service leave	All	140	108	61	113	66	268
Parental leave unpaid	All	686	771	2,234	2,425	2,790	2,351
Parental leave paid	All	1,148	1,317	1,291	1,862	1,957	3,061
Sick and carer's leave	All	1,197	1,327	1,274	1,256	1,938	1,931
'Dexus days'	All	1,552	1,571	1,903	2,172	1,827	1,737
Leave without pay	All	256	296	312	92	380	519
Other leave	All	438	205	266	301	379	188
Absenteeism							
Absentee Rate (sick days lost per FTE)[(1)]	All	2.8	2.6	2.4	2.4	3.1	1.9

(1). FY23 data independently assured.

Commentary and methodology
Leave data is gathered for each reporting period from payroll system records. The data is consolidated into the categories displayed in the report as follows:
- Long service leave: Long service leave only
- Parental leave unpaid: Parental leave unpaid only
- Parental leave paid: Primary and non-primary paid parental leave
- Sick and carer's leave: Sick leave, carer's leave only
- Dexus Days: additional annual leave
- Leave without pay: Leave without pay only
- Other leave: Study leave, volunteer leave, jury duty, special bereavement or compassionate leave, and purchased leave

Definitions
Absentee Rate (AR) – the number of personal leave days per full time equivalent workers employed is calculated as follows: Absentee Rate = (Total number of Personal Leave days taken) / (Closing FTE)

Work health and safety

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Dexus employee WHS incidents							
Recorded injuries	All	18	19	5	10	21	8
Lost-time injuries/diseases	All	1	0	0	2	0	0
Cases of work-related ill health	All	0	0	0	1	0	0
Fatalities	All	0	0	0	0	0	0
Lost Time Injury Incidence Rate (LTIIR)	All	0.23	0	0	0.38	0	0
Lost Time Injury Frequency Rate (LTIFR)[1]	All	1.28	0	0	2.1	0	0
Occupational disease rate (occurrences per million hours worked)	All	0	0	0	0	0	0
Lost day rate (days lost per million hours worked)	All	7.7	0	0	68.14	0	0
Site-based contractor WHS incidents[2]							
Recorded injuries	All	–	–	21	20	35	62
Lost time injuries	All	–	–	10	0	6	3
Fatalities	All	–	–	0	0	0	0
LTIFR	All	–	–	2.99	0	2.26	1.04
Recorded hours worked	All	–	–	3,343,131	2,382,271	2,657,742	2,889,757
Employee relations matters							
Fraud, bribery and corruption	All	–	0	0	0	0	0
Discrimination	All	–	0	0	0	0	1
Privacy	All	–	0	1	0	1	4
Other Whistleblower matters	All	–	1	0	0	0	3
Other Employee Code of Conduct breaches	All	–	0	5	6	7	5
Employee relations matters	All	1	–[3]	–	–	–	–

(1). FY23 data independently assured.
(2). Dexus commenced public reporting of site-based contractor WHS incidents in FY20.
(3). Prior to FY19, employee relations matters were reported collectively as per the 'employee relations matters' row at the bottom of the table. There is no reporting for employee relations matters from FY19 because the matters are now reported according to the more detailed categories provided.

Commentary and methodology
Work health and safety (WHS) incidents account for all recorded incidents pertaining to Dexus employees and includes corporate contractors. The system of rules applied in recording and reporting accident statistics include Australian Standard 1885.1 1990, Workplace injury and disease recording standard as well as definitions within GRI 403: Occupational Health and Safety 2018, from the Global Reporting Initiative (GRI) Standards.

Definitions for Work Health and Safety Metrics

Term	Description
Fatalities	Fatalities that occur as a result of an injury or disease occurrence.
Lost day rate (LDR)	The number of days lost to injuries/diseases for each one million hours worked is calculated as follows: $LDR = \frac{\text{Days lost due to injuries/diseases}}{\text{number of hours worked}} \times 1{,}000{,}000$
Lost Time Injury Frequency Rate (LTIFR)	The number of occurrences of injury or disease for each one million hours worked is calculated as follows: $LTIFR = \frac{\text{number of lost time injuries/diseases}}{\text{number of hours worked}} \times 1{,}000{,}000$
Lost Time Injury Incidence Rate (LTIIR)	The number of occurrences of injury/disease for each one hundred full time equivalent employees is calculated as follows: $LTIIR = \frac{\text{number of lost time injuries/diseases}}{\text{number of full-time equivalent employees}} \times 100$
Lost-time injuries/diseases	Those occurrences that resulted in a fatality, permanent disability or time lost from work of one day/shift or more and if the incident relates to a Dexus employee, is recorded via a WorkCover claim.
No lost-time injuries/diseases	A work-related injury or disease (including a permanent disability or a fatality) that results in one or more days absent from work (not including the day of injury) and is supported by a workers compensation certificate.
Number of Dexus employee hours worked in the period	Refers to the total scheduled number of hours worked by all Dexus employees as recorded at 30 June of each year. Dexus offers employees flexible work arrangements and staff are employed under individual contracts that stipulate 38 hours per week for each full-time employee. As Dexus does not track employee working hours and staff do not engage in overtime or shift work, Dexus has defined the 'number of hours worked' as 1,824 hours per annum (equal to 240 days x 7.6 hours) per full- time employee.
Number of full-time equivalent employees (FTEs)	Is defined as the number of workers who were employed by Dexus as recorded at 30 June 2022. FTE data for the purpose of these statistics represents the active Dexus workforce, and is based on the metric 'Total FTE' as defined by the Australian Public Service Commission, as the number of full-time equivalent employees directly employed by the organisation at a point in time where part-time employees are converted to full-time equivalent based on the hours they work as a proportion of the hours for a full-time employee.
Number of workers	Is defined as the number of workers who were employed by Dexus as recorded at the end of 30 June 2022. Headcount data for the purpose of these statistics represents the active Dexus workforce and is based on the metric 'Total Headcount (ongoing)' as defined by the Australian Public Service Commission, as the number of ongoing employees directly employed by Dexus at the point in time described above.
Occupational disease	A disease arising from the work situation or activity (such as stress or regular exposure to harmful chemicals), or from a work-related injury.
Occupational disease rate (ODR)	The number of occurrences of occupational diseases for each one million hours worked is calculated as follows: $ODR = \frac{\text{number of occurrences of occupational diseases}}{\text{number of hours worked}} \times 1{,}000{,}000$
Recorded injuries	Recorded incidents that resulted in lost time and/or for which first aid or medical treatment was administered. Prior to FY20, lost time injuries were not included in this number.
Site-based contractor	An individual employed by an organisation other than Dexus, who performs work as directed by their employer at an operational asset controlled by Dexus. In these situations, Dexus generally has a contract with the third-party organisation to provide a service (e.g. cleaning, security), and the third party organisation can select different individuals to provide the service without varying its contract with Dexus. Using terminology within the reporting standard GRI 403: Occupational Health and Safety 2018, site-based contractors are characterised by Dexus having control of the workplace, but not having control over the individual's work.

Recruitment

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23
New hires							
Total number of new hires	Female	127	173	144	164	208	376
	Male	64	108	111	130	169	255
	All	**191**	**281**	**255**	**294**	**377**	**631**
Collective bargaining arrangements							
Percentage of total employees eligible for collective bargaining agreements	All	100	100	100	100	100	100
Number of employees employed under collective bargaining agreements[(1)]	All	–	–	–	–	–	–
Percentage of total employees covered by collective bargaining agreements[(1)]	All	–	–	–	–	–	–

(1.) Dexus does not have any collective agreements as all employees are employed under individual contracts which comply with the National Employment Standards (NES). All employees are covered by an Award or NES. These awards or standards clearly indicate that all employees are free to associate. Dexus places its employees on an individual agreement, which cannot under legislation, remove any rights an employee has under an award for NES.

Retention

Voluntary turnover rate (%)	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Executive management	Female	0	0	0	0	0	0
	Male	17	0	0	0	7	7
Senior management	Female	8	9	4	13	13	5
	Male	3	13	3	5	14	12
Middle management	Female	41	12	-	13	20	13
	Male	21	7	12	8	7	14
Professional/technical	Female	15	16	13	11	24	11
	Male	22	19	5	14	22	15
Administration/operations	Female	18	20	21	15	25	25
	Male	4	11	15	-	13	16
Total voluntary turnover by gender	**Female**	**16**	**15**	**12**	**12**	**22**	**18**
	Male	**13**	**14**	**6**	**8**	**16**	**19**
Total voluntary turnover	**All**	**15**	**14**	**9**	**10**	**19**	**18**
All turnover (%)	**Gender**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**
All turnover	Female	–	23	37	19	28	25
	Male	–	19	21	18	20	26
	All	**1**	**21**	**30**	**18**	**24**	**25**
Key talent retention rate (%)	**Gender**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**
Key talent retention	All	–	–	95	100	100	94

Parental Leave

Parental leave retention rates	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Employees entitled to take parental leave	Female	216.2	276	282	241	307	563
	Male	181.8	218	238	197	287	450
	All	**398**	**494**	**520**	**438**	**594**	**1013**
Employees that took parental leave in reporting year[(1)]	Female	14	23	30	41	39	58
	Male	7	5	16	23	23	32
	All	**21**	**28**	**46**	**64**	**62**	**90**
Returned to work in reporting year after parental leave[(1)]	Female	12	21	29	38	35	57
	Male	7	5	16	23	23	31
	All	**19**	**26**	**45**	**61**	**58**	**88**

(1). From FY19, Dexus reports parental leave and retention rates are based on headcount, prior years are based on FTE.

Parental leave retention rates	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Return to work rate (%)	Female	86	91	97	93	90	98
	Male	100	100	100	100	100	97
Returned to work after parental leave and remained at Dexus after 12 months (%)	Female	92	100	90	6	16	54
	Male	100	100	100	14	16	29

Commentary and methodology
The turnover calculation is a count of voluntary departures divided by the count of employees as at 30 June in each year. All relevant headcount data is taken from the headcount reports produced by Dexus People and Culture at 30 June each year. The employee count reflects the total number of people employed by Dexus and accounts for circumstances such as flexible work arrangements and inactive employees on parental leave that are counted in full as departures.

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Training and development

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Training hours by work category							
Executive management	Female	222	145	139	222	145	454.25
	Male	689	644	481	583	249	1041.5
Senior management	Female	984	1,205	1,187	1,410	943	684.1
	Male	1785	1891	1966	2649	1142	794
Middle management	Female	462	550	689	727	580	585.65
	Male	582	582	555	487	1252	1,091
Professional/technical	Female	1,727	2,590	3,331	3,097	1,461	2,291
	Male	856	1404	2245	1964	1630	1,861
Administration/operations	Female	438	1059	1,153	1,101	827	655
	Male	263	308	527	405	246	272.5
Total	**Female**	**3,833**	**5,549**	**6,499**	**6,557**	**3,956**	**5,060**
	Male	**4,175**	**4,829**	**5,774**	**6,088**	**4,519**	**4,670**
	Total	**8,008**	**10,378**	**12,273**	**12,645**	**8,475**	**9,730**

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Average training hours by work category							
Executive management	Female	111	48	46	56	48	28.39
	Male	57	54	34	42	17	24.22
Senior management	Female	26	19	27	29	17	11.59
	Male	27	26	26	32	13	10.18
Middle management	Female	29	23	23	24	13	6.72
	Male	**24**	**21**	**24**	19	27	10.09
Professional/technical	Female	14	17	22	20	9	6.5
	Male	12	16	20	19	13	8.77
Administration/operations	Female	9	16	23	16	10	7.11
	Male	11	12	24	14	8	8.79
Average training hours by gender	**Female**	**17**	**19**	**23**	**21**	**12**	**7.7**
	Male	**21**	**21**	**24**	**24**	**15**	**10.7**

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23[1]
Hours of internal and external training							
Internal	All	2,312	3,760	2,820	3,251	955	2,538
External	All	1,898	2,389	2,361	747	3,356	4,910
Hours of compliance training	All	3,798	4,228	7,094	8,648	4,169	2,282

Metric		FY18	FY19	FY20	FY21	FY22	FY23
Data reviews							
Data reviews performed (%)	Female	100	100	100	100	100	100
	Male	100	100	100	100	100	100

(1) During the year, compliance training courses were digitalised and streamlined, reducing the time to complete.

Commentary and methodology
Training data is taken from the training database at the end of each reporting year. Data is categorised and consolidated to provide training hours completed for each category. Data includes compliance training covering Human Rights issues as well as the Dexus Code of Conduct which addresses discrimination, harassment and bullying.

During the year, all employees received communication and completed training about policies and procedures related to fraud, anti-corruption and human rights. Employees are required to declare their compliance with Dexus's Code of Conduct on an annual basis. Anti-corruption policies and procedures are included as part of this compliance. Compliance training is compulsory for every employee.

Engagement and flexible working

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23[7]
Employee engagement							
Survey participation rate[1] (%)	All	82	75	74	70	84	80
Engagement rate[2, 3] (%)	All	87	81[2]	83	71	70[3]	70
Employee Net Promoter Score[4]	All	–	40	61	43	33[4]	–

Metric	Gender	FY18	FY19	FY20	FY21	FY22	FY23
Flexible working							
No. of formal flexible work arrangements[5]	Female	75	102	11	110	58	83
	Male	16	38	45	29	26	9
No. of flexible/hybrid work arrangements[6]	Female	–	–	–	–	17[5]	–
	Male	–	–	–	–	15[6]	–

(1). Engagement information is sourced directly from internal employee engagement surveys administered during the year. The figures reported above are an average of employee surveys administered during the reporting period.

(2). In FY19, Dexus began delivering employee engagement surveys at least twice annually, instead of a larger survey once every two years. Engagement scores reported in FY19 are thus not directly comparable to previous years and should not be considered indicative of a trend.

(3). In FY22, Dexus began measuring engagement on a new platform, Culture Amp. The FY22 engagement score is the aggregated measure of five questions, rather than three questions in previous years. The engagement score reported in FY22 are thus not directly comparable to previous years and should not be considered indicative of a trend.

(4). The Employee Net Promoter Score (eNPS) captured and reported up until FY22.

(5). The number of flexible work arrangements reported include formal agreements where employees have indicated that they work part-time, work remotely or flexibly according to an agreed schedule, job share, receive extended leave without pay for a period greater than one month, or purchase additional annual leave. The reported figures do not include informal flexible and hybrid work arrangements where employees work remotely or vary their hours of work on an ad hoc basis. All employees are eligible for informal flexible work arrangements and agree such arrangements with their managers as required.

(6). The number of flexible/hybrid working arrangements reported includes employees accessing ad-hoc flexibility, usually while still maintaining their normal workload.
(7). FY23 engagement scores reflect only Dexus employees prior to the AMPC integration.

Remuneration ratios

Metric	FY18	FY19	FY20	FY21	FY22	FY23
Gender pay ratio (base salary)[1] by employee band (Male:Female)						
Executive management	1:1	1.1:1	0.9:1	0.9:1	1:1	0.9:1
Senior management	1.2:1	1:1	1.1:1	1:1	1.1:1	1.1:1
Middle management	1.1:1	1:1	1:1	1:1	1:1	1:1
Professional/technical	1.1:1	1.1:1	1.1:1	1.1:1	1:1	1:1
Administration/operations	1.1:1	1.2:1	1:1	1:1	1:1	1:1

Metric	FY18	FY19	FY20	FY21	FY22	FY23
CEO/Employee compensation ratio						
Ratio of the CEO total annual compensation to the median employee total annual compensation	31.2:1	36.3:1	33.9:1	41.6:1	39.6:1	24.6:1
Ratio of the percentage increase in CEO total annual compensation to the percentage increase in median	3.3:1	14:-2[2]	0:7	21:-2[2]	0:5	0:03

(1). Salary represents an employee's package including fixed cash and superannuation. Category ratios are calculated by taking the average male salary and comparing it to the average female salary.

(2). In FY19 and FY20, the large increase in total number of employees resulted in an overall decrease to median employee total annual compensation based on FY18. This results in a ratio with a negative denominator that cannot be reduced further.

Customer experience

Customer survey

	FY18	FY19	FY20	FY21	FY22 [1]	FY23
Surveyed overall satisfaction with Property Management Team (score out of 10)						
Office	8.3	8.6	8.6	8.6	8.6	8.6
Industrial	8.3	8.6	8.8	8.3	7.9	7.5
Healthcare	–	–	–	–		8.6
Retail	7.8	8.2	8.2	8.7	–	–
Net Promoter Score (score between -100 and +100)						
Office	33	46	47	49	47	50
Industrial	28	45	63	31	20	4
Healthcare	–	–	–	–		38
Retail	–	27	39	24	–	–
Survey participation rate (%)						
Office	46	48	42	54	54	58
Industrial	45	46	27	25	29	44
Healthcare	–	–	–	–		68
Retail	79	78	79	83	–	–

(1). In FY22 we initiated customer surveys for customers in our healthcare portfolio.

Green leases

Take-up of green leases within new lease agreements (%) [1]	FY18	FY19	FY20	FY21	FY22	FY23
Office	97	92	98	93	95	96
Industrial	68	62	88	95	97	97
Healthcare	-	-	-	-	100	95
Total portfolio	**91**	**90**	**97**	**96**	**96**	**96**

(1). Excludes AMP Capital

Commentary
Dexus has a standard green lease clause in new leases across the portfolio and monitors the take-up of this clause by customers across each portfolio.

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Supply chain

Procurement and supply chain monitoring

Procurement and supply chain monitoring	FY18	FY19	FY20	FY21	FY22	FY23
Critical suppliers	111	96	175	94	90	59
Critical suppliers % of operational spend	45	38	37	44	38	60
Supplier Net Promoter Score(1)	67	66	51	66	75	54
Supplier assessment and monitoring						
3rd Party ESG Assessments (via EcoVadis)						68
3rd Party ESG Assessments % of operational spend (%)						39
3rd Party Modern Slavery Assessments (via Informed 365)						258
3rd Party Modern Slavery Assessments % of operational spend (%)						35
Contractor monitoring spot checks conducted	1,190	1,163	1,150	1,357	1,415	1,308
Contractor monitoring coverage of operational spend (%)	39	41	36	43	1	46
Supplier management engagement assessment response rate (%)	35	68	70	31	11	9
Supplier management engagement assessment coverage of operational spend (%)	26	38	53	27	2	19
Supplier employee engagement assessment response rate (%)						15

(1). Net Promoter Score is based on a range of -100 to +100.

Commentary and methodology
Operational spend is defined as spend which is procured and voluntarily engaged. We define a critical supplier as a material outsourced supplier whose failure could significantly impact the operations of the business. Critical suppliers are retained on a centralised Supplier List

Operational procurement spend breakdown

Operational procurement spend breakdown	%	Environmental and social risk rating (key risks)
Capital Works	31	High (safety, product country of origin human rights, product recyclability, worker skill levels, appropriate wages and benefits, subcontracting)
Statutory fees and levies	25	Very low
Cleaning	8	High (appropriate wages and benefits, migrant labour, safe handling of chemicals, waste environmental impacts)
Facility managers & management expenses	5	Very low
Energy	5	Medium (greenhouse gas emissions, land degradation, price and supply reliability)
Security	4	Medium (safety, worker skill levels, public relations)
Electrical, fire protection and plumbing	4	Low
Mechanical & vertical transport	4	Medium (safety, working in confined spaces, accreditation systems)
Maintenance & other property expenses	4	Low
Legal, insurance and compliance	3	Low
Façade and grounds keeping	2	High (product country of origin human rights, product recyclability, worker skill levels, appropriate wages and benefits, safety)
Water	2	Medium
Marketing & leasing	1	Low
Other	2	

Commentary and methodology

Operational spend data relates to all non-development related spend with external providers and is collected from Dexus's financial system and assigned to a spend category based on the supplier name and the code attributed to the spend item. Risk ratings are based on a periodic group-wide supply chain sustainability risk assessment that identifies and categorises the environmental risks relevant to our geographical operations and the types of products and services we procure.

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Community contribution

Volunteering and donations

	FY18	FY19	FY20	FY21	FY22	FY23[2]
Value donated or raised						
Corporate donations ($)	296,078	263,118	455,065	196,334	353,242	278,574
Employee volunteering activities ($)	74,858	147,189	44,916	21,231	58,172	57,526
In-kind support ($)	626,596	794,729	632,544	614,237	253,171	1,394
Commercial initiatives[1] ($)	-	-	-	-	144,420	145,920
Management Cost	-	-	-	-	-	4,922
Leverage	-	-	-	-	-	149,513
Total ($)	**997,532**	**1,205,035**	**1,132,525**	**831,802**	**809,005**	**637,849**

	FY18	FY19	FY20	FY21	FY22	FY23
Hours volunteered						
Dexus volunteering program (hours)	878	1,711	493	220	621	592.8

(1). Commenced reporting in FY22.

(2). In FY23 we saw a reduction in the amount of community investment due to changes in how we calculate and value space donated for community use, to align with our peers in the property sector. This approach moves away from reporting the lost revenue for providing space, to measuring the actual costs we have incurred in providing a space.

Charitable donations

Activities comprise:

- Financial contributions to nominated charities
- Direct financial contributions to nominated charities and not-for-profit organisations plus proceeds from fundraising events held by charitable organisations within Dexus-managed buildings and shopping centres
- Community sponsorships, advertising and promotions
- A dollar-for-dollar matching program
- The value of goods purchased for charity events and appeals
- In-kind support

Dexus offers in-kind support to not-for-profit organisations or community groups to support their cause/fundraising activities and includes the provision of goods or services and the value of space provided in the building at no charge.

Commercial initiatives

Refers to business-related activities in the community to directly the support the success of the company in partnership with charities or community organisations.

Activities may include:

- Sponsorship of events, publications and activities that promote corporate brands or corporate identity
- Support for universities, and research and other charitable institutions related to the company's business
- Exceptional one-off gifts of property and other assets

Volunteering

Employee volunteering activities include:

- Volunteering leave taken in company time by Dexus employees to undertake community work
- Participation on charity committees/boards where the individual is acting in the capacity as a Dexus employee

Volunteer hours are calculated as the total full-time equivalent hours worked by employees in nominated community and charitable activities, capped at 7.6 hours per employee which is equivalent to Dexus's volunteering leave entitlement.

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Enriched Environment

Resource consumption data preparation

Resource consumption data is derived from office, industrial, retail, convenience retail, hotels and healthcare properties owned or managed by Dexus for part or all of the 12 months ending 30 June 2023, with the inclusion of Dexus corporate tenancies.

Dexus has prepared its environmental dataset to fully align with the Greenhouse Gas Protocol, and the National Greenhouse and Energy Reporting Act and Climate Active Carbon Neutral Standard calculation methods and factors where applicable. Prior years' data has been updated to reflect current information where applicable, resulting in minor restatements. Repetition only occurs when there is an overlap of reporting periods. There may be small discrepancies in the totals in some tables due to rounding.

Like-for-like data has been based on a portfolio whereby operational control and data for energy and water was available for the full 24-month like-for-like period.

Reporting boundaries

Boundary Name and Description	Boundary Name and Use
Dexus operational control for corporate reporting and carbon neutrality – Group managed portfolio environmental metrics – Progress against commitments and Data targets – Achieving carbon neutrality under Australia's Climate Active Carbon Neutral program	Dexus has applied the principles contained within the National Greenhouse and Energy Reporting Act 2007 and its associated guidelines to determine the operational control of its properties across Australia. Dexus has operational control of a facility if it has the authority to introduce and implement any or all of the operating, health and safety and environmental policies for the facility. Where Dexus has operational control of a facility, it reports 100% of energy, water, waste and emissions applicable to base building operations. Dexus excludes energy consumption from tenant spaces where the tenant receives separately metered energy invoices and excludes whole facilities where they are leased to a single tenant occupying the entire premises. The boundary includes environmental data and emissions relating to Dexus's corporate operations, comprising Dexus regional office tenancies and proportion of corresponding base building services attributable to each tenancy, as well as corporate travel across all staff employed directly by Dexus nationally. This boundary also serves as Dexus's 'Organisation carbon neutral boundary' for the purposes of achieving carbon neutrality under Australia's Climate Active Carbon Neutral Standard.
Equity share boundary based on landlord control for fund reporting – NABERS portfolio averages – Portfolio environmental metrics and intensities for: • Dexus (DXS) listed portfolio • Dexus Industria REIT (DXI) portfolio • Dexus Convenience Retail REIT (DXC) portfolio	'Landlord controlled' and 'tenant controlled' areas are defined by GRESB within its Real Estate Assessment Reference Guide. In essence, this boundary consists of reporting on all common area building spaces and services on all properties within a Dexus entity on an equity share basis, irrespective of whether Dexus or another landlord has operational control. The separation is defined between landlord and tenant, not between operators. Tenant spaces, and buildings that are wholly under the control of tenants (e.g. through triple net leases) are not reported.

Location-based vs market-based emissions accounting

Dexus has traditionally reported its greenhouse gas emissions in accordance with NGER and the GHG Protocol using 'location-based' emissions accounting, whereby Scope 2 and Scope 3 emissions from electricity purchases are accounted for using published state-based electricity grid emissions factors.

In conjunction with Dexus's target to achieve and maintain net zero greenhouse gas (GHG) emissions from 2022, since 2018 Dexus has also adopted market-based emissions accounting as defined within the GHG Protocol Scope 2 Guidance. Market-based electricity emissions calculations take into account purchases of renewable energy directly via Power purchases Agreements or GreenPower and supplied via retailers in line with Australia's Renewable Energy Target.

Dexus has separated its electricity purchases between renewable electricity (direct purchases and indirect via retailers), which is accounted for as zero emissions, and remaining non-renewable electricity, which is deemed to be derived from fossil fuels, where emissions are accounted for by applying state-based 'residual mix factors'.

Residual mix factors representing the emissions from fossil fuel electricity generators are derived from the Scope 2 & 3 location-based factors above for each state, by scaling them for the proportion of electricity generated from fossil fuels by subtracting the Renewable Power Percentage (RPP) from total (or 100%) of electricity supplied. This approach assumes that the proportion of renewable energy is equitably distributed across Australia.

Refer to the Dexus 2023 Assurance Criteria for further details including the list of consumption and emission sources, and references for factors that have been applied.

Glossary

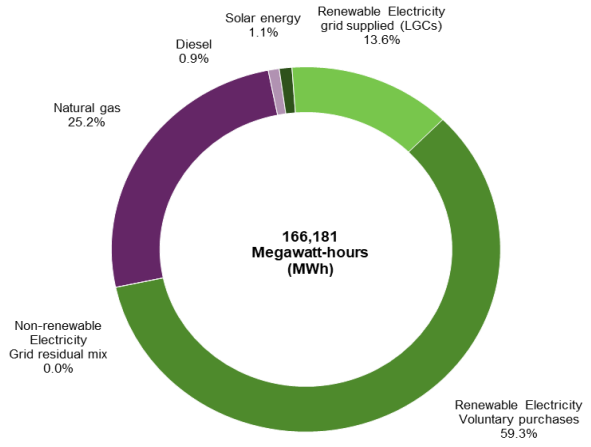
Term	Description
Carbon emissions	See GHG
Carbon offset	Fully accredited and traded carbon credits from programs such as The Gold Standard and the Verified Carbon Standard from project activities that prevent, reduce or remove greenhouse gas emissions from being released into the atmosphere to compensate for emissions occurring elsewhere.
Climate Active	Australia's Climate Active Carbon Neutral Program
CFCs	Chlorofluorocarbons (CFCs) are nontoxic, non-flammable chemicals containing atoms of carbon, chlorine, and fluorine. CFCs are believed to be a major cause of stratospheric ozone depletion.
Energy productivity	An indicator of the amount of economic output derived from each unit of energy consumed.
Emissions productivity	An indicator of the amount of economic output derived from each unit of greenhouse gas emissions.
ESC	Energy Savings Certificate (a tradeable certificate created from accredited savings under the ESS).
ESS	NSW Government Energy Savings Scheme
GBCA	Green Building Council of Australia
GHG	Greenhouse gas emissions, measured in equivalent tonnes of carbon dioxide (t CO_2-e) - (gases that contribute to climate change, the main ones being carbon dioxide CO_2, methane CH_4, nitrous oxides NO_x, sulphur oxides SO_x, Nitrogen Trifouride NF_3 and CFCs/HCFCs). Also referred to as carbon emissions.
GHG Protocol	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard – guidance on accounting and reporting greenhouse gas emissions
Greenhouse Gas Protocol: Scope 2 Guidance	Guidance on accounting and reporting Scope 2 emissions
GreenPower	Emission-free electricity sourced via a certified GreenPower Product
Green Star	Green Star: an Australian sustainability rating tool and certification system for building design and construction, operation, fitouts and communities.
GRESB	Global Real Estate Sustainability Benchmark
HCFCs	Hydrochlorofluorocarbons (HCFCs) are compounds containing carbon, hydrogen, chlorine and fluorine. Industry and the scientific community view certain chemicals within this class of compounds as acceptable temporary alternatives to chlorofluorocarbons. The HCFCs have shorter atmospheric lifetimes than CFCs and deliver less reactive chlorine to the stratosphere where the "ozone layer" is found.
LGC	Large-scale generation certificate: a tradeable 'certificate or origin' generated from producing renewable energy in Australia
NABERS	National Australian Built Environment Rating System
NGER	National Greenhouse and Energy Reporting Act
NZ-EC	New Zealand Energy Certificate: a tradeable 'certificate of origin' generated from producing renewable energy in New Zealand.
RE100	Voluntary initiative for companies committed to sourcing 100% renewable power.
RPP	Renewable Power Percentage, published annually by Australia's Clean Energy Regulator.
SBT, SBTi	Science-based target, Science Based Targets initiative: a global partnership that promotes and defines best practice in emissions reductions and net-zero targets in line with climate science.
SIP	Strategic Improvement Plan, prepared by Dexus that capture energy, water and waste improvement opportunities and forecast a pathway towards resource efficiency targets.
TCFD	Task Force on Climate-related Financial Disclosures: a set of recommendations for voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders.

Environmental summary - Group managed portfolio

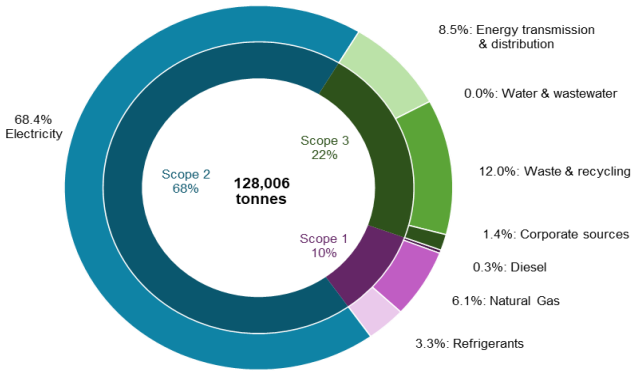
Metric	FY18	FY19	FY20	FY21	FY22	FY23
Scope 1 & 2 greenhouse gas emissions (t CO_2-e) – Group managed portfolio						
Scope 1[1]	18,943	17,742	17,298	15,744	12,924	12,346
Scope 2 (location-based)[1]	131,218	127,353	117,610	98,046	94,014	87,614
Subtotal Scope 1 & 2	**150,161**	**145,095**	**134,909**	**113,790**	**106,938**	**99,960**
Scope 3 greenhouse gas emissions (t CO_2-e) – Group managed portfolio [4]						
1. Purchased goods and services	258	706	289	292	293	540
3. Fuel- and energy-related activities (not included above)	19,044	16,840	14,492	12,352	11,291	10,906
5. Waste generated in operations	17,231	15,739	13,050	8,983	10,062	15,342
6. Business travel	1,039	1,095	35	35	309	1,054
7. Employee commuting	561	528	297	297	137	203
Subtotal Scope 3[1]	38,134	34,909	28,163	21,959	22,092	28,046
Total Scopes 1, 2 & 3	**188,295**	**180,004**	**163,071**	**135,749**	**129,030**	**128,006**
Energy and water consumption						
Total net energy consumption (GJ)[1]	723,639	689,520	641,676	563,679	577,549	598,250
Total net energy consumption (MWh)	201,011	191,533	178,243	156,577	160,430	166,181
Water consumption (kL)[1]	1,767,434	1,721,631	1,513,123	1,097,064	1,060,491	1,345,439
Waste and recycling						
Waste to Landfill (tonnes)	10,450	9,615	8,021	5,261	5,089	8,015
Recycling (tonnes)[2]	7,001	6,363	4,934	2,985	2,955	5,109
Total waste (tonnes)[1,2]	**17,451**	**15,977**	**12,955**	**8,246**	**8,045**	**13,124**
Diversion (%)	**40%**	**40%**	**38%**	**36%**	**37%**	**39%**
Waste data coverage across office and retail portfolio	99%	100%	100%	100%	98%	97%
Waste data coverage across entire portfolio[3]	72%	70%	69%	71%	63%	62%

(1). FY23 data independently assured.
(2). Excludes secure paper.
(3). Coverage by net lettable area across Dexus-managed office, retail, industrial, healthcare and convenience retail properties.
(4). Relates to operational and corporate emissions, and excludes Developments and Fitouts.

FY23 net energy use by source (MWh)



FY23 GHG emissions by source (location-based)



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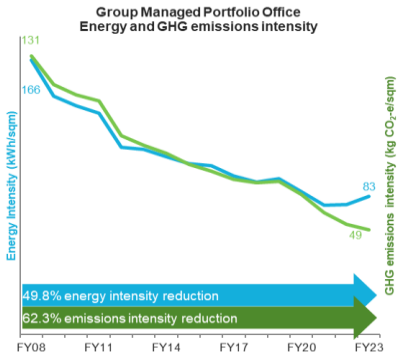
Energy

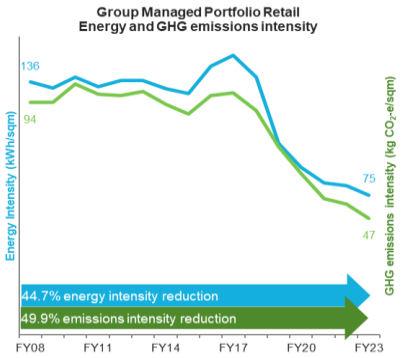
Energy consumption by source (MWh)

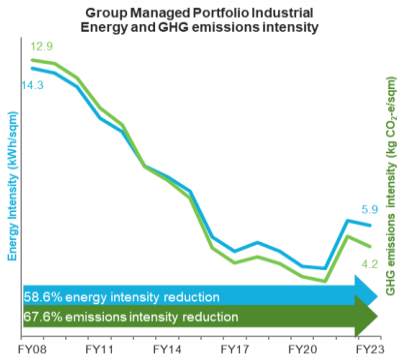
Boundary:	Group-Managed portfolio including corporate offices							Like-for-like		
Sub-category	Metric	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23	12 Month Change %
Non-renewable energy (MWh)	Natural Gas	45,942	38,168	35,757	36,195	41,223	41,913	39,918	39,735	0%
	Diesel	1,302	1,702	1,026	1,088	1,826	1,519	1,617	1,504	-7%
	Grid Non-renewable electricity	126,387	117,985	104,995	83,388	0	0	0	0	
	Total non-renewable electricity	**173,630**	**157,855**	**141,778**	**120,671**	**43,049**	**43,432**	**41,535**	**41,239**	**-1%**
Renewable energy (MWh)	Grid renewables	27,089	33,383	36,152	34,770	115,670	121,002	97,224	111,021	14%
	Onsite generation consumed	292	295	276	1,020	1,711	1,747	460	582	27%
	Total renewable	**27,381**	**33,678**	**36,427**	**35,790**	**117,381**	**122,749**	**97,684**	**111,603**	**14%**
Total net energy use (MWh)		**201,011**	**191,533**	**178,206**	**156,461**	**160,430**	**166,181**	**139,219**	**152,842**	**10%**
Statistics (%)	Data coverage by area	96%	97%	100%	100%	98%	99%	100%	100%	0%
	Proportion of energy from renewable sources (%)	14%	18%	20%	23%	73%	74%	70%	73%	4%
	Proportion of electricity sourced from renewables (%)	18%	22%	26%	30%	100%	100%	100%	100%	0%
Renewable and non-renewable energy generation (MWh)	Used onsite	2,166	1,885	686	1,456	2,442	2,358	1,107	1,187	7%
	Used by customers	0	0	0	0	121	78	0	0	
	Used offsite via energy network	0	30	286	2,027	3,048	2,611	1,715	1,226	-28%
	Total energy production	**2,166**	**1,914**	**972**	**3,483**	**5,611**	**5,047**	**2,822**	**2,414**	**-14%**

Energy intensity (kWh/sqm)

Boundary:	Group-Managed portfolio							Like-for-like		
Sub-category	Metric	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23	12 Month Change %
Energy Intensity (kWh/sqm)	Office	92	94	86	78	78	83	82	84	3%
	Retail	138	103	90	81	80	75	102	79	-23%
	Industrial	5.0	4.5	3.7	3.6	6.2	5.9	4.7	5.0	7%
	Healthcare				75	102	112	102	134	31%
	Convenience Retail					12	17			







Energy consumption by sector

Sector	Office assets under operational control							Like-for-like		
Sub-category	Metric	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23	12 Month Change %
Non-renewable energy (MWh)	Natural Gas	29,469	30,656	28,466	30,603	33,700	34,798	32,636	32,998	1%
	Diesel	1,261	1,666	979	1,007	1,659	1,297	1,491	1,294	-13%
	Grid Non-renewable electricity	98,218	94,457	84,082	68,557	0	0	0	0	
	Total non-renewable electricity	**128,947**	**126,779**	**113,527**	**100,167**	**35,360**	**36,095**	**34,127**	**34,292**	**0%**
Renewable energy (MWh)	Grid renewables	22,064	28,451	31,260	31,308	92,194	91,544	80,607	85,596	6%
	Onsite generation consumed	247	250	231	295	280	356	261	356	36%
	Total renewable	**22,310**	**28,701**	**31,491**	**31,603**	**92,474**	**91,900**	**80,869**	**85,952**	**6%**
Total net energy use (MWh)		**151,258**	**155,480**	**145,018**	**131,770**	**127,833**	**127,996**	**114,995**	**120,244**	**5%**
Statistics (%)	Data coverage by area	100%	100%	100%	100%	100%	100%	100%	100%	0%
	Proportion of energy from renewable sources (%)	15%	18%	22%	24%	72%	72%	70%	71%	2%
	Proportion of electricity sourced from renewables (%)	19%	23%	27%	32%	100%	100%	100%	100%	0%
Renewable and non-renewable energy generation (MWh)	Used onsite	2,105	1,825	622	698	944	878	858	877	2%
	Used by customers	0	0	0	0	0	0	0	0	
	Used offsite via energy network	0	30	264	244	192	57	192	57	-70%
	Total energy production	**2,105**	**1,855**	**886**	**942**	**1,136**	**936**	**1,049**	**935**	**-11%**

Sector	Retail assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Non-renewable energy (MWh)	Natural Gas	16,382	7,402	7,190	5,232	5,849	4,846	5,849	4,713	-19%
	Diesel	11	8	11	19	28	100	17	97	487%
	Grid Non-renewable electricity	24,586	19,965	17,454	10,836	0	0	0	0	
	Total non-renewable electricity	**40,979**	**27,375**	**24,655**	**16,087**	**5,877**	**4,946**	**5,866**	**4,810**	**-18%**
Renewable energy (MWh)	Grid renewables	4,386	4,185	4,082	2,530	14,204	19,984	9,610	17,622	83%
	Onsite generation consumed	45	45	45	717	933	989	0	21	
	Total renewable	**4,431**	**4,230**	**4,127**	**3,246**	**15,137**	**20,973**	**9,610**	**17,642**	**84%**
Total net energy use (MWh)		**45,410**	**31,605**	**28,782**	**19,333**	**21,014**	**25,919**	**15,476**	**22,453**	**45%**
Statistics (%)	Data coverage by area	100%	100%	100%	100%	100%	100%	100%	100%	0%
	Proportion of energy from renewable sources (%)	10%	13%	14%	17%	72%	81%	62%	79%	27%
	Proportion of electricity sourced from renewables (%)	15%	17%	19%	23%	100%	100%	100%	100%	0%
Renewable and non-renewable energy generation (MWh)	Used onsite	49	48	49	724	944	1,029	7	60	798%
	Used by customers	0	0	0	0	0	0	0	0	
	Used offsite via energy network	0	0	22	1,776	1,869	1,563	1,516	1,162	-23%
	Total energy production	**49**	**48**	**71**	**2,500**	**2,812**	**2,592**	**1,523**	**1,221**	**-20%**

Sector	Industrial assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Non-renewable energy (MWh)	Natural Gas	91	110	101	160	1,038	1,183	798	938	18%
	Diesel	29	29	37	61	112	93	83	84	2%
	Grid Non-renewable electricity	2,953	2,881	2,731	2,861	0	0	0	0	
	Total non-renewable electricity	**3,074**	**3,019**	**2,869**	**3,082**	**1,150**	**1,276**	**881**	**1,022**	**16%**
Renewable energy (MWh)	Grid renewables	527	604	639	668	6,909	6,813	4,879	5,459	12%
	Onsite generation consumed	0	0	0	0	299	197	0	0	
	Total renewable	**527**	**604**	**639**	**668**	**7,209**	**7,010**	**4,879**	**5,459**	**12%**
Total net energy use (MWh)		**3,601**	**3,623**	**3,507**	**3,750**	**8,359**	**8,286**	**5,760**	**6,481**	**13%**
Statistics (%)	Data coverage by area	86%	90%	100%	100%	96%	98%	100%	99%	-1%
	Proportion of energy from renewable sources (%)	15%	17%	18%	18%	86%	85%	85%	84%	-1%
	Proportion of electricity sourced from renewables (%)	15%	17%	19%	19%	100%	100%	100%	100%	0%
Renewable and non-renewable energy generation (MWh)	Used onsite	12	11	15	24	344	234	33	34	2%
	Used by customers	0	0	0	0	121	78	0	0	
	Used offsite via energy network	0	0	0	7	988	991	7	7	8%
	Total energy production	**12**	**11**	**15**	**32**	**1,453**	**1,302**	**40**	**41**	**3%**

Sector	Healthcare assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Non-renewable energy (MWh)	Natural Gas				200	635	1,086	635	1,086	71%
	Diesel				1	27	28	27	28	6%
	Grid Non-renewable electricity				481	0	0	0	0	
	Total non-renewable electricity				**682**	**662**	**1,114**	**662**	**1,114**	**68%**
Renewable energy (MWh)	Grid renewables				112	1,297	1,524	1,297	1,459	12%
	Onsite generation consumed				9	199	206	199	206	3%
	Total renewable				**121**	**1,496**	**1,730**	**1,496**	**1,665**	**11%**
Total net energy use (MWh)					**803**	**2,158**	**2,844**	**2,158**	**2,779**	**29%**
Statistics (%)	Data coverage by area				100%	100%	100%	100%	100%	0%
	Proportion of energy from renewable sources (%)				15%	69%	61%	69%	60%	-14%
	Proportion of electricity sourced from renewables (%)				20%	100%	100%	100%	100%	0%
Renewable and non-renewable energy generation (MWh)	Used onsite				9	210	217	210	217	3%
	Used by customers				0	0	0	0	0	
	Used offsite via energy network				0	0	0	0	0	
	Total energy production				**9**	**210**	**217**	**210**	**217**	**3%**

Sector	Convenience Retail assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Non-renewable energy (MWh)	Natural Gas									
	Diesel									
	Grid Non-renewable electricity					0	0			
	Total non-renewable electricity					**0**	**0**	**0**	**0**	
Renewable energy (MWh)	Grid renewables					196	250			
	Onsite generation consumed									
	Total renewable					**196**	**250**	**0**	**0**	
Total net energy use (MWh)						**196**	**250**	**0**	**0**	
Statistics (%)	Data coverage by area					97%	87%			
	Proportion of energy from renewable sources (%)					100%	100%			
	Proportion of electricity sourced from renewables (%)					100%	100%			
Renewable and non-renewable energy generation (MWh)	Used onsite					0	0	0	0	
	Used by customers					0	0	0	0	
	Used offsite via energy network					0	0	0	0	
	Total energy production					**0**	**0**	**0**	**0**	

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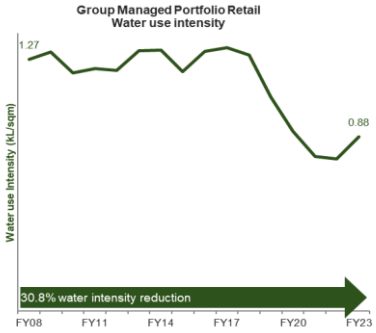
Water

Water consumption by source (kL or cubic metres)

Boundary:	Group-Managed portfolio including corporate offices							Like-for-like		
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Potable Water (kL)	**Water withdrawn from local utilities**	**1,756,866**	**1,716,816**	**1,505,570**	**1,075,145**	**1,041,850**	**1,326,775**	**843,178**	**1,148,616**	**36%**
Non-potable water (kL)	Externally sourced recycled water	0	0	0	0	0	0	0	0	
	Onsite greywater	10,568	4,815	7,553	21,919	18,641	18,664	18,641	18,664	0%
	Total non-potable water	**10,568**	**4,815**	**7,553**	**21,919**	**18,641**	**18,664**	**18,641**	**18,664**	**0%**
Total water use (kL)		**1,767,434**	**1,721,631**	**1,513,123**	**1,097,064**	**1,060,491**	**1,345,439**	**861,819**	**1,167,280**	**35%**
Statistics (%)	Data coverage by area	100%	99%	98%	100%	100%	100%	100%	100%	0%
	Proportion of water from recycled/reused sources (%)	0.6%	0.3%	0.5%	2.0%	1.8%	1.4%	2.2%	1.6%	-26%

Water intensity (kL/sqm)

Boundary:	Group-Managed portfolio							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Water Intensity (kL/sqm)	Office	0.70	0.70	0.59	0.41	0.36	0.47	0.37	0.47	28%
	Retail	1.29	1.08	0.91	0.78	0.77	0.88	0.86	0.92	7%
	Industrial	0.23	0.28	0.26	0.20	0.17	0.18	0.16	0.17	4%
	Healthcare				0.31	0.44	0.54	0.44	0.51	15%
	Convenience Retail					1.42	3.24			



Water consumption by sector

Sector	Office assets under operational control							Like-for-like		
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Potable Water (kL)	**Water withdrawn from local utilities**	**1,142,668**	**1,144,305**	**981,874**	**674,756**	**572,663**	**705,319**	**502,474**	**654,220**	**30%**
Non-potable water (kL)	Externally sourced recycled water	0	0	0	0	0	0	0	0	
	Onsite greywater	10,568	4,815	7,553	21,919	18,641	18,664	18,641	18,664	0%
	Total non-potable water	**10,568**	**4,815**	**7,553**	**21,919**	**18,641**	**18,664**	**18,641**	**18,664**	**0%**
Total water use (kL)		**1,153,236**	**1,149,120**	**989,428**	**696,675**	**591,304**	**723,983**	**521,114**	**672,884**	**29%**
Statistics (%)	Data coverage by area	100%	100%	100%	100%	100%	100%	100%	100%	0%
	Proportion of water from recycled/reused sources (%)	0.9%	0.4%	0.8%	3.1%	3.2%	2.6%	3.6%	2.8%	-22%

Sector	Retail assets under operational control							Like-for-like		
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Potable Water (kL)	**Water withdrawn from local utilities**	**423,834**	**332,269**	**289,959**	**185,072**	**201,668**	**302,594**	**130,977**	**262,957**	**101%**
Non-potable water (kL)	Externally sourced recycled water	0	0	0	0	0	0	0	0	
	Onsite greywater									
	Total non-potable water	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
Total water use (kL)		**423,834**	**332,269**	**289,959**	**185,072**	**201,668**	**302,594**	**130,977**	**262,957**	**101%**
Statistics (%)	Data coverage by area	100%	100%	100%	100%	100%	100%	100%	100%	0%
	Proportion of water from recycled/reused sources (%)	0%	0%	0%	0%	0%	0%	0%	0%	

Sector	Industrial assets under operational control						Like-for-like		
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Potable Water (kL)	**Water withdrawn from local utilities**	**190,364**	**240,242**	**233,736**	**211,955**	**234,741**	**250,762**	**200,466**	**220,944**	**10%**
Non-potable water (kL)	Externally sourced recycled water	0	0	0	0	0	0	0	0	
	Onsite greywater									
	Total non-potable water	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
Total water use (kL)		**190,364**	**240,242**	**233,736**	**211,955**	**234,741**	**250,762**	**200,466**	**220,944**	**10%**
Statistics (%)	Data coverage by area	100%	95%	94%	100%	100%	100%	100%	100%	0%
	Proportion of water from recycled/reused sources (%)	0%	0%	0%	0%	0%	0%	0%	0%	

Sector	Healthcare assets under operational control						Like-for-like		
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Potable Water (kL)	**Water withdrawn from local utilities**				**3,361**	**9,261**	**13,761**	**9,261**	**10,495**	**13%**
Non-potable water (kL)	Externally sourced recycled water				0	0	0	0	0	
	Onsite greywater									
	Total non-potable water				**0**	**0**	**0**	**0**	**0**	
Total water use (kL)					**3,361**	**9,261**	**13,761**	**9,261**	**10,495**	**13%**
Statistics (%)	Data coverage by area				100%	100%	100%	100%	100%	0%
	Proportion of water from recycled/reused sources (%)				0%	0%	0%	0%	0%	

Sector	Convenience Retail assets under operational control						Like-for-like		
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Potable Water (kL)	**Water withdrawn from local utilities**					**23,516**	**54,339**			
Non-potable water (kL)	Externally sourced recycled water					0	0	0	0	
	Onsite greywater									
	Total non-potable water					**0**	**0**	**0**	**0**	
Total water use (kL)						**23,516**	**54,339**	**0**	**0**	
Statistics (%)	Data coverage by area					100%	100%			
	Proportion of water from recycled/reused sources (%)					0%	0%			

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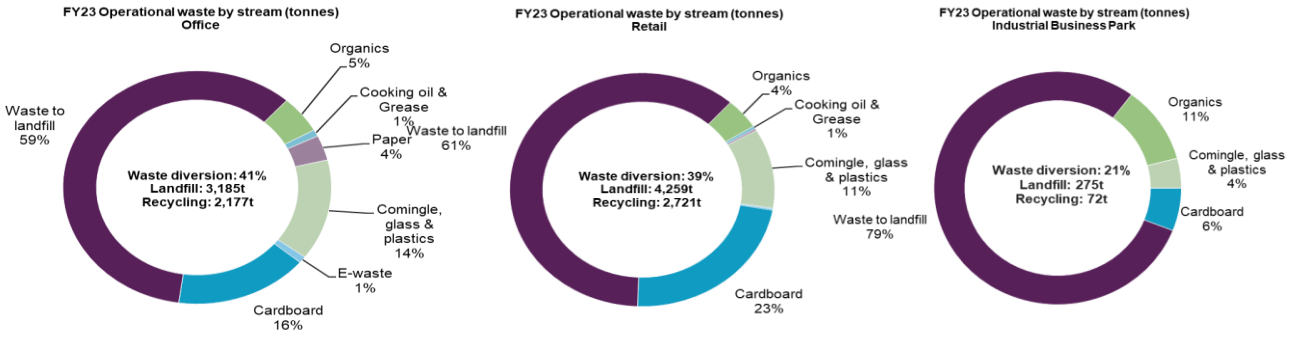
Materials

Operational waste and recycling by stream (tonnes)

Boundary:	Group-Managed portfolio including corporate offices							Like-for-like		
Sub-category	Metric	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23	12 Month Change %
Recycling (t)	Cardboard	2,698	2,713	2,263	1,624	1,600	2,537	1,121	2,284	104%
	Paper	1,278	780	396	120	122	207	98	184	87%
	Comingle	2,261	1,881	1,350	923	1,022	1,542	925	1,493	61%
	Organics and used cooking oil	302	515	555	275	174	691	148	641	333%
	E-waste	59	78	49	38	30	65	28	65	131%
	Other	403	396	322	6	8	67	7	64	841%
	Total recycling	**7,001**	**6,363**	**4,934**	**2,985**	**2,955**	**5,109**	**2,328**	**4,732**	**103%**
Waste (t)	**Waste sent to landfill**	**10,450**	**9,615**	**8,021**	**5,261**	**5,089**	**8,015**	**3,447**	**7,005**	**103%**
Total waste and recycling (t)		**17,451**	**15,977**	**12,955**	**8,246**	**8,045**	**13,124**	**5,775**	**11,737**	**103%**
Statistics (%)	Data coverage by area	72%	70%	69%	71%	63%	62%	61%	61%	0%
	Proportion of waste diverted from landfill (%)	40%	40%	38%	36%	37%	39%	40%	40%	0%

Operational waste and recycling intensity (kg/sqm)

Boundary:	Group-Managed portfolio							Like-for-like		
Sub-category	Metric	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23	12 Month Change %
Total waste and recycling Intensity (kg/sqm)	Office	6.4	6.0	4.5	2.7	2.2	3.5	2.4	3.7	53%
	Retail	22.2	20.1	16.7	16.0	16.9	22.7	20.4	26.1	28%
	Industrial	0.0	0.0	0.0	0.0	1.2	1.5	0.0	0.0	
	Healthcare				0.1	1.1	2.7	1.1	2.7	134%
	Convenience Retail					70.5	39.8			
Waste to landfill Intensity (kg/sqm)	Office	3.5	3.4	2.7	1.7	1.3	2.1	1.4	2.2	50%
	Retail	14.8	13.0	11.1	10.4	11.0	13.8	12.0	15.6	30%
	Industrial	0.0	0.0	0.0	0.0	1.0	1.2	0.0	0.0	
	Healthcare				0.1	0.9	2.1	0.9	2.1	134%
	Convenience Retail					41.0	26.6			



Operational waste and recycling by sector

Sector	Office assets under operational control							Like-for-like		
Sub-category	Metric	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23	12 Month Change %
Recycling (t)	Cardboard	1,489	1,526	1,204	791	637	841	618	828	34%
	Paper	1,273	780	396	119	120	186	97	164	69%
	Comingle	1,637	1,329	931	501	495	747	471	735	56%
	Organics and used cooking oil	240	473	539	257	154	329	130	316	142%
	E-waste	59	78	49	38	30	49	28	49	75%
	Other	0	2	6	6	8	25	7	22	222%
	Total recycling	**4,698**	**4,189**	**3,124**	**1,711**	**1,445**	**2,177**	**1,352**	**2,113**	**56%**
Waste (t)	**Waste sent to landfill**	**5,802**	**5,650**	**4,483**	**2,844**	**2,184**	**3,185**	**2,041**	**3,072**	**50%**
Total waste and recycling (t)		**10,500**	**9,839**	**7,608**	**4,555**	**3,629**	**5,362**	**3,393**	**5,184**	**53%**
Statistics (%)	Data coverage by area	100%	100%	100%	100%	100%	99%	100%	99%	-1%
	Proportion of waste diverted from landfill (%)	45%	43%	41%	38%	40%	41%	40%	41%	2%

Sector	Retail assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Recycling (t)	Cardboard	1,209	1,187	1,059	833	804	1,554	499	1,449	190%
	Paper	5	0	0	1	1	19	1	19	1314%
	Comingle	624	552	418	422	512	767	454	758	67%
	Organics and used cooking oil	62	42	16	18	17	325	17	325	1764%
	E-waste	0	0	0	0	0	16	0	16	
	Other	403	393	316	0	0	42	0	42	
	Total recycling	**2,304**	**2,174**	**1,810**	**1,274**	**1,335**	**2,721**	**972**	**2,608**	**168%**
Waste (t)	**Waste sent to landfill**	**4,648**	**3,965**	**3,538**	**2,416**	**2,492**	**4,259**	**1,389**	**3,896**	**180%**
Total waste and recycling (t)		**6,952**	**6,138**	**5,348**	**3,690**	**3,827**	**6,981**	**2,361**	**6,505**	**175%**
Statistics (%)	Data coverage by area	95%	100%	100%	97%	86%	89%	76%	87%	15%
	Proportion of waste diverted from landfill (%)	33%	35%	34%	35%	35%	39%	41%	40%	-3%

Sector	Industrial assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Recycling (t)	Cardboard					28	21			
	Paper					0	0			
	Comingle					14	14			
	Organics and used cooking oil					2	37			
	E-waste					0	0			
	Other					0	0			
	Total recycling					**45**	**72**			
Waste (t)	**Waste sent to landfill**					**222**	**275**			
Total waste and recycling (t)						**266**	**347**			
Statistics (%)	Data coverage by area					16%	16%			
	Proportion of waste diverted from landfill (%)					17%	21%			

Sector	Healthcare assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Recycling (t)	Cardboard					4	8	4	8	104%
	Paper					0	1	0	1	
	Comingle					1	1	1	1	39%
	Organics and used cooking oil					0	0	0	0	
	E-waste					0	0	0	0	
	Other					0	0	0	0	
	Total recycling					**4**	**10**	**4**	**10**	**131%**
Waste (t)	**Waste sent to landfill**					**16**	**37**	**16**	**37**	**129%**
Total waste and recycling (t)						**21**	**48**	**21**	**48**	**130%**
Statistics (%)	Data coverage by area					86%	70%	86%	86%	0%
	Proportion of waste diverted from landfill (%)					22%	22%	22%	22%	1%

Sector	Convenience Retail assets under operational control							Like-for-like	
Sub-category	**Metric**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22**	**FY23**	**FY22**	**FY23**	**12 Month Change %**
Recycling (t)	Cardboard					126	114			
	Paper					0	0			
	Comingle					0	14			
	Organics and used cooking oil					0	0			
	E-waste					0	0			
	Other					0	0			
	Total recycling					**126**	**128**			
Waste (t)	**Waste sent to landfill**					**175**	**258**			
Total waste and recycling (t)						**301**	**386**			
Statistics (%)	Data coverage by area					26%	58%			
	Proportion of waste diverted from landfill (%)					42%	33%			

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Air emissions

Emissions to air

Dexus estimates it emitted the following air emissions through combustion of natural gas and diesel within generators, cogeneration engines and fire pumps.

Estimated air emissions (tonnes)	FY18	FY19	FY20	FY21	FY22	FY23
Nitrogen Oxides (NO_x)	25.8	25.1	18.6	19.5	26.7	24.5
Carbon Monoxide (CO)	7.0	7.4	4.9	5.1	7.8	6.8
Sulphur Dioxide (SO_x)	0.1	0.1	0.1	0.1	0.1	0.1
Particulate matter ≤ 2.5 *m*	1.2	1.2	0.9	0.9	1.3	1.2
Particulate matter ≤ 10 *m*	1.3	1.2	0.9	0.9	1.3	1.2
Volatile organic compounds (VOCs)	1.0	1.0	0.7	0.8	1.1	1.0

Greenhouse gas emissions by gas type

Greenhouse gas emissions (t CO_2-e)	FY18	FY19	FY20	FY21	FY22	FY23
Direct greenhouse gas emissions						
Carbon dioxide (CO_2)	8,829	7,491	6,875	6,971	8,087	8,138
Methane (CH_4)	17	14	13	13	15	16
Nitrous oxide (N_2O)	6	5	5	5	6	6
Chlorofluorocarbons (CFCs) & hydrofluorocarbons (HCFCs)	10,091	10,232	10,406	8,754	4,816	4,187
Sulphur hexafluoride (SF_6)	0	0	0	0	0	0
Perfluorocarbon (PFC)	0	0	0	0	0	0
Nitrogen trifluoride (NF_3)	0	0	0	0	0	0
Scope 1 GHG emissions	**18,943**	**17,742**	**17,298**	**15,744**	**12,924**	**12,346**
Indirect greenhouse gas emissions						
Scope 2 location-based GHG emissions	131,218	127,353	117,610	98,046	94,014	87,614
Scope 3 location-based GHG emissions	38,134	34,909	28,163	21,959	22,092	28,046
Scope 1, 2 & 3 location-based GHG emissions	188,295	180,004	163,071	135,749	129,030	128,006

Greenhouse gas emissions

Net-greenhouse gas emissions inventory

Metric		FY18	FY19	FY20	FY21	FY22	FY23
Grid-purchased electricity							
Renewable Electricity – Direct voluntary renewable electricity purchases supported by an energy attribute certificate	GJ	13,871	25,743	33,940	45,009	339,001	354,478
	MWh	3,853	7,151	9,428	12,502	94,167	98,466
Renewable Electricity – Renewable energy portion of grid-purchases (LGCs) via Energy Retailers in line with Australia's Renewable Energy Target (RET)	GJ	83,651	94,435	96,342	80,580	77,411	81,129
	MWh	23,236	26,232	26,762	22,383	21,503	22,536
Non-renewable Electricity – Balance of grid- purchases via Energy Retailers accounted using grid residual mix emission factors	GJ	454,992	424,744	377,983	300,198	0	0
	MWh	126,387	117,985	104,995	83,388	0	0
Total grid-purchased electricity consumption	GJ	552,514	544,923	508,265	425,786	416,412	435,607
	MWh	153,476	151,367	141,185	118,274	115,670	121,002

Market-based GHG emissions

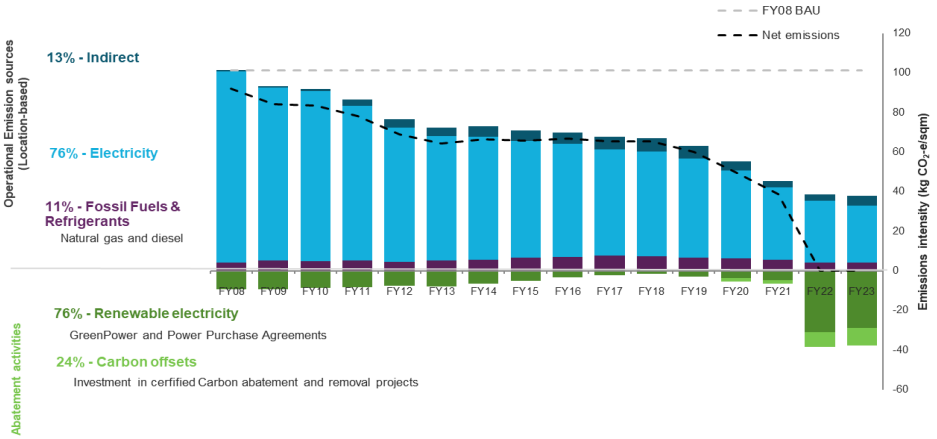
Market-based GHG emissions (t CO_2-e)[2]	FY18	FY19	FY20	FY21	FY22	FY23
Scope 1 GHG emissions (t CO_2-e)	18,943	17,742	17,298	15,744	12,924	12,346
Scope 2 market-based GHG emissions (t CO_2-e), comprising:	127,417	120,034	107,933	85,404	0	0
Electricity – Renewable purchases accounted using source-based emission factor supported by an energy attribute certificate	-	-	-	-	-	-
Electricity – grid-purchases accounted using grid residual mix emission factors	*127,417*	*120,034*	*107,933*	*85,404*	*0*	*0*
Scope 3 GHG market-based emissions (t CO_2-e)	37,591	34,042	27,100	20,518	11,992	18,464
Scope 1, 2 & 3 market-based GHG emissions (t CO_2-e)	**183,951**	**171,819**	**152,331**	**121,665**	**24,917**	**30,810**
Voluntary offsetting						
Voluntary carbon offsets units surrendered by Dexus[1]	-	-	5,000	5,801	24,917	30,810
Net GHG emissions (t CO_2-e)[2]	183,951	171,819	147,331	115,864	0	0

(1). Offsets comprise eligible offset units, each relating to 1 tonne of carbon dioxide equivalent, recognised under Australia's Climate Active Carbon Neutral Standard.
(2). FY23 data independently assured.

Net greenhouse gas emissions intensity chart

Dexus's Scope 1, 2, and 3 location-based operational emissions intensity (shown as bars above the x-axis) demonstrates continued reductions from ongoing investment in energy efficiency.

Of the remaining emissions for this reporting period, 76% has been avoided by sourcing renewable electricity and the final 24% has been balanced through carbon offsets.



Carbon offsets

Dexus has retired offsets from the following domestic and international projects.

Project Type	Location	Project Name	Unit Type	Vintage	Units
Domestic units					
Carbon removal - Environmental Plantings	WA	Western Farm Trees Restoration	ACCU	2021/22	13
	WA	Carbon Conscious Carbon Capture Project 1	ACCU	2021/22	46
Carbon avoidance - Savanna Fire Management	NSW	Nyaliga Fire Project	ACCU	2021/22	2,156
	WA	Bamboo Station	ACCU	2021/22	4,000
	QLD	Strathburn Station	ACCU	2021/22	2,813
	QLD	North Kimberley Pastoral Lease Carbon Abatement	ACCU	2021/22	113
	WA	Mt Mulgrave Savanna Burning Project	ACCU	2021/22	5,923
Carbon removal - Human Induced Regeneration	QLD	Jandra / Nulty Regeneration	ACCU	2020/21	24
	NSW	Darling River Eco Corridor #30	ACCU	2021/22	168
Total domestic units					**15,256**
International units					
Renewable Energy - Solar	India	Bundled Solar Power Project by Mahindra Susten Private Limited	VCU	2018	3,300
Renewable Energy - Wind	China	Hebei Shangyi Dongshan Wind Farm Project	CER	2018	1,100
	India	Bundled Wind Power Project in Madhya Pradesh Gujarat and Kerala by D.J. Malpani	VCU	2017	1,525
	Taiwan	EcoAustralia Projects (InfraVest Changbin & Taichung Wind Taiwan + Myamyn Conservation Australia)	VER	2017	1,275
Renewable Energy - Biomass	Cambodia	Production and dissemination of Ceramic Water Prifiers by Hydrologic in the Kingdom of Cambodia	VER	2016	150
Carbon Avoidance - Agriculture Forestry and Other Land Use	Indonesia	Rimba Raya Biodiversity Reserve Project	VCU	2014	150
	Brazil	Evergreen REDD+ Project	VCU	2020	2,780
Carbon Removal - Environmental Plantings	Uruguay	Guanare Forest Plantations	VCU	2018	12,189
Renewable Energy - Biomass	India	1.6 MW BUNDLED RICE HUSK BASED COGENERATION PLANT BY M/S MILK FOOD LIMITED (MFL) IN PATIALA (PUNJAB) & MORADABAD (U.P) DISTRICTS	VCU	2018	464
Carbon Avoidance - Agriculture Forestry and Other Land Use	Brazil	Jari Pará REDD+ Project	VCU	2016/17	359
Total international units					**23,292**
Total domestic and international offset units					**38,548**

Carbon Offset Retirement Summary [1]	Units
Offsets retired to achieve net zero emissions in FY23	30,810
Offsets retired in excess of FY23 Group Inventory	2,045
Subtotal offset units retired against FY23 Group Inventory	**32,855**
Additional retirements	
Offsets retired as a true-up against FY22 Group Inventory	716
Offsets retired during FY23 to relating AMP Capital properties and future banking	4,977
Subtotal additional offset units retired	**5,693**
Total offset units retired in FY23	**38,548**

(1). Each offset represents a reduction or removal of one tonne of carbon dioxide equivalent (CO_2-e).

Green building certification - portfolio averages

NABERS

NABERS portfolio average (star)[1]	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Dexus group office portfolio							
NABERS Energy with GreenPower	4.8	4.9	5.0	5.0	5.1	5.3	4.9
NABERS Energy	4.6	4.7	4.8	4.8	5.0	5.0	4.9
NABERS Water	3.6	3.6	3.5	3.7	4.5	4.7	4.5
NABERS Waste[2]	–	–	–	2.7	2.7	3.0	3.3
NABERS Indoor Environment[2]	–	–	–	4.0	4.7	4.9	4.8

Dexus group retail portfolio (star)[1]							
NABERS Energy with GreenPower	3.5	3.4	3.8	4.0	4.3	4.6	4.6
NABERS Energy	3.5	3.4	3.8	4.0	4.3	4.6	4.6
NABERS Water	2.7	3.5	3.5	3.6	3.6	3.8	3.5

Green Star Performance

Green Star Performance average (star)[1]	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Group	2	2	2	4	4	4	4
Office	2	2	2	5	5	5	5
Retail	1	1	1	3	3	3	3
Industrial[3]	-	-	-	-	3	2	3
Healthcare	-	-	2	2	3	3	2

(1). As at 30 June each year.
(2). Dexus commenced publishing portfolio average ratings for NABERS Waste and NABERS Indoor Environment in FY20.
(3). Selected assets only.

Progress towards commitments

Net zero by 2022 progress (t CO_2-e)

In FY21, Dexus committed to achieve net zero emissions by FY22 across managed portfolio

Net zero by 2022 progress (t CO_2-e)	FY18	FY19	FY20	FY21	FY22	FY23
Total Scope 1 & 2 market-based GHG emissions	146,360	137,777	125,232	101,147	12,924	12,346
Scope 3 market-based GHG emissions	37,591	34,042	27,100	20,518	11,992	18,464
Voluntary abatement via Certified offsets	0	0	-5,000	-5,801	-24,917	-30,810
Total net greenhouse gas emissions	**183,951**	**171,819**	**147,331**	**115,864**	**0**	**0**

Scope 1 & 2 science-based target progress

In FY19, Dexus set a science-based target, certified by the Science Based Target Initiative (SBTi) and committed to reduce absolute scope 1 and 2 GHG emissions 70% and absolute scope 3 emissions 25% by 2030 from a 2018 base year.

Scope 1 & 2 science-based target progress	FY18	FY19	FY20	FY21	FY22	FY23	FY30 target
Dexus Scope 1 emissions (t CO_2-e)	18,943	17,742	17,298	15,744	12,924	12,346	
Dexus Scope 2 market-based emissions (t CO_2-e)	127,417	120,034	107,933	85,404	0	0	
Dexus Scope 1 & 2 market-based emissions (t CO_2-e)	**146,360**	**137,777**	**125,232**	**101,147**	**12,924**	**12,346**	**44,396**
Net lettable area (sqm)	2,813,767	2,856,294	2,954,079	2,988,338	3,354,038	3,365,628	

Progress: 100% of electricity needs sourced from renewables (RE100)

In FY20, Dexus became a signatory to RE100 and committed to source 100% of its electricity from renewable sources by 2030.

100% renewable electricity target	FY18	FY19	FY20	FY21	FY22	FY23	FY30 target
Proportion of electricity needs sourced from renewables	18%	22%	26%	30%	100%	100%	100%

Progress: Deliver an average 5 star NABERS Indoor Environment rating across the group office portfolio by FY25

In FY20, Dexus committed to deliver an average 5 star NABERS Indoor Environment rating across the group office portfolio by FY25, delivering initiatives to enhance occupant health and wellbeing.

NABERS Indoor Environment	FY19	FY20	FY21	FY22	FY23	FY25 target
Group office portfolio average	-	-	4.7	4.9	4.8	5.0
Net lettable area covered (%)	-	-	65%	70%	84%	>95%

Progress: Deliver an average 4 star NABERS Waste rating across the group office portfolio by FY25

In FY20, Dexus committed to deliver an average 4 star NABERS Waste rating across the group office portfolio by FY25.

NABERS Waste	FY19	FY20	FY21	FY22	FY23	FY25 target
Group office portfolio average	-	2.7	2.7	3.0	3.3	4.0
Net lettable area covered (%)	-	-	70%	70%	79%	>95%

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Dexus (DXS) Portfolio

Dexus portfolio – Absolute and like-for-like inventories

Metric		Absolute				Like-for-like[2]		12 month change
		Base year[1]	FY21	FY22	FY23	FY22	FY23	
Energy consumption (MWh)								
Non-renewable energy	Natural gas	23,211	17,123	19,934	18,143	19,380	18,019	-7%
	Diesel	182	475	734	485	660	483	-27%
	Electricity – grid-purchases	74,290	38,388	0	0	0	0	
Total non-renewable energy consumption		**97,683**	**55,986**	**20,669**	**18,628**	**20,040**	**18,502**	**-8%**
Renewable energy	Electricity – GreenPower and LGC purchases	10,831	17,303	52,043	48,726	45,865	46,708	2%
	Solar energy	0	132	176	221	169	221	31%
Total renewable energy consumption		**10,831**	**17,435**	**52,219**	**48,946**	**46,034**	**46,928**	**2%**
Total energy consumption		108,514	73,421	72,887	67,574	66,073	65,430	-1%
Percent electricity from renewable sources		13%	31%	100%	100%	100%	100%	0%
Percent energy use from renewable sources		10%	24%	72%	72%	70%	72%	3%
Water (kL or cubic metres)								
Potable water from water authorities		619,078	474,539	395,415	417,974	342,311	392,369	15%
Recycled water recovery		0	13,954	12,281	11,774	12,281	11,774	-4%
Total water consumption incl. recycled water		**619,078**	**488,494**	**407,696**	**429,747**	**354,591**	**404,142**	**14%**
Percent water use from recycled sources		0.0%	2.9%	3.0%	2.7%	3.5%	2.9%	0%
Waste and recycling (tonnes)								
Waste to landfill		1,350	2,040	1,723	1,964	1,310	1,928	47%
Recycled waste		1,931	1,233	1,108	1,427	933	1,388	49%
Total waste		**3,280**	**3,274**	**2,831**	**3,390**	**2,243**	**3,317**	**48%**
Diversion from landfill		59%	38%	39%	42%	42%	42%	1%
Percent waste data coverage (office & retail)		68%	100%	100%	99%	100%	99%	-1%
Greenhouse gas emissions (t CO_2-e)								
Scope 1		4,335	7,018	5,594	4,745	5,229	4,621	-12%
Scope 2 – location-based		78,702	45,844	42,152	35,311	37,400	34,196	-9%
Scope 3 – location-based GHG emissions		14,521	9,299	8,542	8,176	7,317	7,970	9%
Scope 2 – market-based		70,581	38,967	0	0	0	0	
Scope 3 – market-based GHG emissions		13,096	8,521	4,173	4,613	3,444	4,505	31%
Total Scope 1, 2 & 3 location-based GHG emissions		**97,558**	**62,161**	**56,288**	**48,232**	**49,946**	**46,787**	**-6%**
Total Scope 1, 2 & 3 market-based GHG emissions		**88,011**	**54,506**	**9,767**	**9,358**	**8,673**	**9,126**	**5%**
Adjustments due to voluntary offsets surrendered by Dexus		0	-312	-9,767	-9,358	-8,673	-9,126	0%
Total net greenhouse gas emissions		**88,011**	**54,194**	**0**	**0**	**0**	**0**	
Equity – accounted lettable area under landlord control (annual weighted average square metres)								
Office		528,437	876,951	839,530	747,566	738,171	715,190	-3%
Retail		9,459	54,395	55,139	39,196	24,254	24,424	1%
Industrial		394,517	368,343	427,102	404,424	360,204	359,716	0%
Healthcare		0	2,676	5,272	5,180	5,272	5,180	-2%

(1) FY08 is the base year for energy, water and greenhouse gas emissions. FY12 is the base year for waste diversion from landfill.
(2) Properties under landlord control for FY22 and FY23 periods.

Dexus portfolio – Energy and emissions productivity

Energy and emissions productivity (market-based)					
	Base year[1]	FY21	FY22	FY23	
Revenue ($m)[2]	702	1,378	1,324	1,304	
Energy productivity ($m revenue per GJ consumed)	1,798	5,212	5,047	5,361	2.98x energy productivity
Scope 1 & 2 emissions productivity ($m revenue/t.$CO_2$-e)	9,373	29,956	236,702	274,869	29.33x emissions productivity
Scope 1, 2 & 3 emissions productivity ($m revenue/t.$CO_2$-e)	7,979	25,272	135,573	139,365	17.47x emissions productivity

(1) FY08 is the base year for energy, water and greenhouse gas emissions. FY12 is the base year for waste diversion from landfill.
(2) Total Operating Segment Revenue

Dexus portfolio – Consumption/emissions on an intensity basis

Metric		Dexus portfolio			Like-for-like[2]		12 month
	Base year[1]	FY21	FY22	FY23	FY22	FY23	change
Listed Office portfolio							
Energy consumption (MJ/sqm)	169	78	78	82	81	83	2%
Water consumption (kL/sqm)	0.86	0.39	0.33	0.40	0.34	0.40	20%
Scope 1 & 2 emissions ($kgCO_2$-e/sqm)	134	56	51	48	53	49	-7%
Scope 1 & 2 market based emissions ($kgCO_2$-e/sqm)	118	49	6	5	6	6	-13%
Waste diversion from landfill (%)		37%	39%	40%	39%	40%	0%
Listed Retail portfolio							
Energy consumption (MJ/sqm)	1,362	55	60	55	101	83	-18%
Water consumption (kL/sqm)	8.54	0.50	0.55	0.57	0.64	0.78	24%
Scope 1 & 2 emissions ($kgCO_2$-e/sqm)	712	32	34	27	47	40	-15%
Scope 1 & 2 market based emissions ($kgCO_2$-e/sqm)	712	32	7	7	14	12	-19%
Waste diversion from landfill (%)		40%	39%	46%	49%	46%	0%
Listed Industrial portfolio							
Energy consumption (MJ/sqm)	16	5	8	9	9	10	5%
Water consumption (kL/sqm)	0.22	0.29	0.20	0.22	0.21	0.23	7%
Scope 1 & 2 emissions ($kgCO_2$-e/sqm)	14.3	4.0	6.2	6.3	6.7	6.6	-1%
Scope 1 & 2 market based emissions ($kgCO_2$-e/sqm)	14.3	4.0	0.5	1.0	0.5	0.9	90%
Healthcare portfolio							
Energy consumption (MJ/sqm)		75	102	134	102	134	31%
Water consumption (kL/sqm)		0.31	0.44	0.51	0.44	0.51	15%
Scope 1 & 2 emissions ($kgCO_2$-e/sqm)		48	56	65	56	65	16%
Scope 1 & 2 market based emissions ($kgCO_2$-e/sqm)		48	7	13	7	13	81%

(1) FY08 is the base year for energy, water and greenhouse gas emissions. FY12 is the base year for waste diversion from landfill.
(2) Properties under landlord control for FY22 and FY23 periods.

Dexus portfolio - NABERS

NABERS portfolio average (star)[1]	FY18	FY19	FY20	FY21	FY22	FY23
Dexus listed office portfolio						
NABERS Energy with GreenPower	4.9	5.0	5.0	5.1	5.3	4.9
NABERS Energy	4.7	4.8	4.8	5.0	5.0	4.9
NABERS Water	3.6	3.6	3.7	4.5	4.8	4.6
NABERS Waste[2]	–	–	2.6	2.6	2.9	3.3
NABERS Indoor Environment[2]	–	–	4.1	4.8	4.9	4.7
Dexus listed retail portfolio (star)[1]						
NABERS Energy with GreenPower	2.0	2.0	2.5	3.0	4.0	3.5
NABERS Energy	2.0	2.0	2.5	3.0	4.0	3.5
NABERS Water		2.0	2.0	2.0	3.5	2.0

Dexus portfolio - Green Star Performance

Green Star Performance average (star)[1]	FY18	FY19	FY20	FY21	FY22	FY23
Dexus listed portfolio - All sectors	2	2	5	5	5	5

(1). As at 30 June each year.
(2). Dexus commenced publishing portfolio average ratings for NABERS Waste and NABERS Indoor Environment in FY20.

Dexus Industria REIT (DXI)

Dexus Industria REIT portfolio – Absolute and like-for-like inventories

Metric		FY20[1]	FY21[1]	FY22	FY23
Energy consumption (MWh)					
Non-renewable energy	Natural gas	107	146	220	245
	Diesel	0	0	23	7
	Electricity – grid-purchases	1,636	1,773	0	0
Total non-renewable energy consumption		**1,743**	**1,919**	**244**	**252**
Renewable energy	Electricity – GreenPower and LGC purchases	383	414	2,144	1,121
	Solar energy	135	150	308	197
Total renewable energy consumption		**518**	**564**	**2,452**	**1,317**
Total energy consumption		2,261	2,483	2,696	1,569
Percent electricity from renewable sources		24%	24%	100%	100%
Percent energy use from renewable sources		23%	23%	91%	84%
Water (kL or cubic metres)					
Potable water from water authorities		14,375	19,668	18,818	13,200
Recycled water recovery		0	0	0	0
Total water consumption incl. recycled water		**14,375**	**19,668**	**18,818**	**13,200**
Percent water use from recycled sources		0%	0%	0%	0%
Waste and recycling (tonnes)					
Waste to landfill		-	28	222	275
Recycled waste		-	58	45	72
Total waste		**-**	**86**	**266**	**347**
Diversion from landfill		-	67%	17%	21%
Percent waste data coverage		-	20%	79%	77%
Greenhouse gas emissions (t CO_2-e)					
Scope 1		20	27	146	209
Scope 2 – location-based		1,635	1,763	1,693	803
Scope 3 – location-based GHG emissions		644	281	554	537
Scope 2 – market-based		1,635	1,763	191	0
Scope 3 – market-based GHG emissions		644	281	378	419
Total Scope 1, 2 & 3 location-based GHG emissions		**2,298**	**2,071**	**2,393**	**1,548**
Total Scope 1, 2 & 3 market-based GHG emissions		**2,298**	**2,071**	**715**	**628**
Adjustments due to voluntary offsets surrendered by Dexus		0	-2,071	-715	-628
Total net greenhouse gas emissions		**2,298**	**0**	**0**	**0**
Equity – accounted lettable area under landlord control (annual weighted average square metres)					
Industrial		59,927	62,913	64,606	49,139

(1) Data collected under APN Property Group prior to Dexus ownership.

Dexus Industria REIT (DXI) portfolio – Energy and emissions productivity

Energy and emissions productivity (market-based)				
	FY20[1]	FY21[1]	FY22	FY23
Revenue ($m)[2]	-	66	93	105
Energy productivity ($m revenue per GJ consumed)	-	7,339	9,579	18,545
Scope 1 & 2 emissions productivity ($m revenue/t.$CO_2$-e)	-	36,642	275,742	501,372
Scope 1, 2 & 3 emissions productivity ($m revenue/t.$CO_2$-e)	-	31,676	129,956	166,901

(1) Data collected under APN Property Group prior to Dexus ownership.
(2) Total Operating Segment Revenue

Dexus Industria REIT (DXI) portfolio – Consumption/emissions on an intensity basis

	FY20[1]	FY21[1]	FY22	FY23
DXI Industrial portfolio				
Energy consumption (MJ/sqm)	37.7	39.5	41.7	31.9
Water consumption (kL/sqm)	0.24	0.31	0.29	0.27
Scope 1 & 2 emissions ($kgCO_2$-e/sqm)	27.6	28.5	28.5	20.6
Scope 1 & 2 market based emissions ($kgCO_2$-e/sqm)	27.6	28.5	5.2	4.3

(1) Data collected under APN Property Group prior to Dexus ownership.

Dexus Industria REIT (DXI) portfolio – NABERS

NABERS portfolio average (star)[1]	FY20	FY21[2]	FY22	FY23
DXI Industrial business park portfolio				
NABERS Energy with GreenPower	-	4.5	5.0	4.9
NABERS Energy	-	4.5	5.0	4.9
NABERS Water	-	4.6	4.1	4.9

Dexus Industria REIT (DXI) portfolio – Green Star Performance

Green Star Performance average (star)[1]	FY20	FY21	FY22	FY23
DXI Industrial business parks	-	-	-	3

(1). As at 30 June each year.
(2). Data collected prior to acquisition of APN Property Group by Dexus.

Dexus Convenience Retail REIT (DXC)

Dexus Convenience REIT portfolio – Absolute and like-for-like inventories

Metric		FY22	FY23
Energy consumption (MWh)			
Non-renewable energy	Natural gas	0	0
	Diesel	0	0
	Electricity – grid-purchases	0	0
Total non-renewable energy consumption		**0**	**0**
Renewable energy	Electricity – GreenPower and LGC purchases	196	250
	Solar energy	0	0
Total renewable energy consumption		**196**	**250**
Total energy consumption		**196**	**250**
Percent electricity from renewable sources		100%	100%
Percent energy use from renewable sources		100%	100%
Water (kL or cubic metres)			
Potable water from water authorities		23,516	54,339
Recycled water recovery		0	0
Total water consumption incl. recycled water		**23,516**	**54,339**
Percent water use from recycled sources		0%	0%
Waste and recycling (tonnes)			
Waste to landfill		175	258
Recycled waste		126	128
Total waste		**301**	**386**
Diversion from landfill		**42%**	33%
Percent waste data coverage		26%	58%
Greenhouse gas emissions (t CO_2-e)			
Scope 1		0	0
Scope 2 – location-based		156	183
Scope 3 – location-based GHG emissions		325	520
Scope 2 – market-based		0	0
Scope 3 – market-based GHG emissions		303	485
Total Scope 1, 2 & 3 location-based GHG emissions		**482**	**703**
Total Scope 1, 2 & 3 market-based GHG emissions		**303**	**485**
Adjustments due to voluntary offsets surrendered by Dexus		-303	-485
Total net greenhouse gas emissions		**0**	**0**
Equity – accounted lettable area under landlord control (annual weighted average square metres)			
Convenience Retail		16,588	16,771

Dexus Convenience Retail REIT (DXC) portfolio – Energy and emissions productivity

Energy and emissions productivity (market-based)		
	FY22	**FY23**
Revenue ($m)[(1)]	55	59
Energy productivity ($m revenue per GJ consumed)	78,683	65,854
Scope 1 & 2 emissions productivity ($m revenue/t.$CO_2$-e)	-	-
Scope 1, 2 & 3 emissions productivity ($m revenue/t.$CO_2$-e)	183,085	122,494

(1) Total Operating Segment Revenue

Dexus Convenience Retail REIT (DXC) portfolio – Consumption/emissions on an intensity basis

	FY22	FY23
Convenience Retail portfolio		
Energy consumption (MJ/sqm)	12	17
Water consumption (kL/sqm)	1.42	3.24
Scope 1 & 2 emissions (kgCO_2-e/sqm)	9.8	12.6
Scope 1 & 2 market based emissions (kgCO_2-e/sqm)	0.0	0.0
Waste diversion from landfill (%)	42%	33%

Dexus Convenience Retail REIT (DXC) portfolio – Consumption/emissions on an intensity basis

	FY22	FY23
Convenience Retail portfolio		
Energy consumption (MJ/sqm)	12	17
Water consumption (L/sqm)	1	3
Scope 1 & 2 emissions ($kgCO_2$-e/sqm)	10	13
Scope 1 & 2 market based emissions ($kgCO_2$-e/sqm)	0	0
Waste diversion from landfill (%)	42%	33%

Sustainability Approach and Procedures

dexus

Sustainability Approach and Procedures

The Sustainability Approach and Procedures explains how Dexus manages the economic, environmental and social impacts related to its business.

It aligns with the Global Reporting Initiative (GRI) Standards and the SASB Real Estate Standards, which prescribe organisations to disclose details of their approaches to managing material sustainability issues they have identified.

The Sustainability Approach and Procedures is a component of the 2023 Annual Reporting Suite. It should be read in conjunction with the 2023 Annual Report, 2023 Sustainability Data Pack, and the 2023 Corporate Governance Statement.

Enhancing impact reporting

Reporting is crucial for providing decision-useful information to Dexus stakeholders, and for enhancing our strategy and approach over time through benchmarking our performance. To address these objectives, our approach to reporting includes the following aspects:

- Regular materiality assessments that inform both strategy and reporting (refer to Dexus 2023 Annual Report, Materiality assessment)
- Alignment of sustainability reporting content with the GRI Standards and the SASB Real Estate Standards
- Publication of an integrated Annual Report since 2019, aligned with the International Integrated Reporting Council <IR> Framework

The Dexus Sustainability Approach directs the business to create sustained value through delivering a positive impact (and reducing any negative impacts) for its stakeholders and the environment, as expressed through its objectives.

We use the principles of impact mapping to communicate how our sustainability approach activities lead to benefits for employees and customers and for Dexus. The outputs, outcomes and impacts in the impact map also serve as indicators for us to evaluate our performance and continuously enhance our approach.

1.0 Corporate governance

Dexus aspires to the highest standards of corporate governance and has embedded policies and procedures to enhance corporate performance and protect the interests of key stakeholders.

1.1 Overview

Dexus believes that good corporate governance supports:

- A culture of ethical behaviour resulting in an organisation that acts with integrity.
- Improved decision-making processes
- Better controls and risk management
- Improved relationships with stakeholders
- Accountability and transparency
- Creation of sustainable value for investors.

Dexus's Corporate Governance Framework applies to-the Dexus group.

Dexus's structure is well established and ensures we always operate in the best interests of our investors. We promote transparency, ongoing dialogue, and compliance in order to avoid conflicts of interest and have embedded a governance framework that enhances our performance.

1.2 Corporate governance framework

Our corporate governance approach supports the group's strategic objectives. The group's governance structure ensures accountability and a balance of authority by clearly defining the roles and responsibilities of the Board and executive management. This enables the Board to provide strategic guidance while exercising effective oversight. Dexus's corporate governance is summarised on the following page.

Corporate Governance framework

Dexus Board (Board)	Responsible Entity Boards for unlisted Funds | Co-owner Committees for Joint Ventures
Board Committees	**Sub-committees**
Audit Committee | Nominations Committee | People & Remuneration Committee | Risk Committee | Environmental, Social & Governance Committee	Advisory/Unitholder Committees | Investment Committees

Group Management Committee (GMC)

Responsible for risk management and ensuring statutory, legal and regulatory compliance, including ongoing compliance with Dexus policies and procedures.

Corporate Executive Committee (CEC)

Responsible for overseeing the implementation of Dexus's strategy in relation to ESG policies and practices as well as overseeing portfolio risk and compliance initiatives, linking these to business operations and corporate governance.

Operational oversight

Risk team | Compliance | Governance

Management Frameworks

Risk Management Framework | Compliance Management Framework | Governance Framework

Reporting and transparency

Management reporting | ASX disclosure | Performance disclosure | Regulatory reporting | Sustainability reporting

Board and management committees

Dexus Funds Management Limited (DXFM) is the Responsible Entity of each of the trusts that comprise Dexus. DXFM, along with other responsible entities in the group, is also responsible for management of third-party funds on behalf of the group's third party capital partners.

The Board implements a corporate governance framework that applies to the Dexus group.

To assist stakeholders in accessing key documents outlining our approach to corporate governance, we maintain a Corporate Governance section on our website.
www.dexus.com/corporategovernance

We publish a Corporate Governance Statement that presents our governance framework against the ASX Corporate Governance Principles & Recommendations – Fourth Edition (ASX Principles) and discloses how we continue to meet each of the ASX Principles during the financial year.

While the framework adopted by Dexus meets the requirements of the ASX Principles, it also addresses additional aspects of governance which the Board considers important.

The Dexus board has five Board Committees to assist in the fulfilment of its responsibilities. There are management committees including the Group Management Committee (comprising senior executives of the organisation).

Employees can make recommendations through these forums as well as directly to senior management.

The table below describes Board and management committees with a focus on governance, risk management and assurance.

Committee	Governance role
Dexus Board (Board)	The Board sets the tone, culture and objectives of risk and compliance management at Dexus. It sets the corporate standard and culture, establishes effective governance, oversees business performance and provides ultimate accountability for the group. The Board implements a corporate governance framework that applies to the investments of Dexus and its funds and third-party capital partners.
Board People & Remuneration Committee	Oversees all aspects of Director, Group Management Committee (GMC) and Key Management Personnel remuneration and aspects of human resource management. The Committee reports directly to the Board.
Board Audit Committee	Reviews the integrity and quality of the group's financial statements and disclosures including auditing, accounting and financial reporting processes. The Committee reports directly to the Board.
Board Risk Committee	Oversees group risk management, WHS and compliance. The Committee reports directly to the Board.
Board ESG Committee	Oversees the implementation and management of sustainability/ESG practices and initiatives throughout Dexus. The Committee reports to the Board.
Board Nomination Committee	Oversees all aspects of Dexus Board renewal, Board and Committee performance evaluation, Board Committee membership, and Director nominations.
Group Management Committee (GMC)	Oversees business operations including its management of compliance, risk, governance and sustainability. The GMC comprises the executive team and is chaired by the CEO. The Committee reports to the Dexus board.
Corporate Executive Committee (CEC)	Oversees the implementation of Dexus's strategy in relation to ESG policies and practices as well as portfolio compliance and risk initiatives. The Committee is accountable to the GMC and comprises of the Chief Operating Officer (Chair), Chief Financial Officer, and General Counsel. The Committee also oversees the activities of the Anti-Modern Slavery Working Group, Climate Resilience Working Group, Energy Procurement Working Group, Social Impact Working Group and Reconciliation Action Plan (RAP) Working Group.
Property Executive Committee (PEC)	Chaired by the Chief Executive Officer (CEO), PEC members include the Chief Investment Officer (CIO), Chief Financial Officer (CFO) and Executive General Managers overseeing operational and strategic objectives relating to property performance, development and trading and funds management
Investment Committees	Reviews and endorses all major investment proposals (including acquisitions, divestments, developments and major capital works) concerning Dexus and each of our third-party capital partners and funds.

1.3 Governance for unlisted Funds

For the unlisted Funds within the group, dedicated Boards have been established that are comprised wholly or predominantly of non-executive directors and independent of the Dexus Board. In addition, Advisory /Unitholder Committees have been established comprising Unitholder appointed representatives.

The appointment of external directors to those Boards requires the endorsement of the relevant Funds' Advisory/Unitholder Committee.

All Dexus Boards are subject to Terms of Reference and meet on a regular basis. Agendas and packs are issued prior to Board meetings and minutes of meetings are recorded.

Board performance is subject to an annual review which involves non-executive directors and Executive directors completing surveys and participating in interviews. For DXFM and DXAM the process is facilitated by an independent external expert every third year.

Responsible Entity Boards are responsible for reviewing and approving recommendations in respect of each of the Fund's major decisions, including acquisitions, divestments, developments, major capital expenditure and the approval of the annual Investment Plan.

Investment Committees

Dexus has established Investment Committees to consider and approve (or endorse as appropriate) acquisition and divestment proposals, developments, major capital expenditure and certain leases relating to Dexus and each of its Funds and third-party capital partners. The authority delegated to the Investment Committee by the various Boards and third-party capital partners may vary depending on the risk appetite of the relevant Board and third-party capital partner.

The relevant Fund Manager must vote in favour of a transaction referred to an Investment Committee that impacts the Fund (or third-party capital partnership) for the transaction to be approved.

Advisory/Unitholder Committees

Advisory/Unitholder Committees have been established to assist in the oversight of governance practices. Membership consists of investor representatives and are governed by Charters that may only be amended by an ordinary resolution of investors of the Fund.

Advisory/Unitholder Committees are responsible for making recommendations to the Responsible Entity in accordance with their Terms of Reference which may address:

- conflicts of interest involving transactions and other dealings between related parties
- approval or rejection of proposed new Investors of the Fund
- a proposed candidate for a replacement Fund Manager
- the endorsement of the appointment of external directors to the Board of the Responsible Entity
- any proposal to materially change the Fund's Investment Policy
- the Fund's investment strategy and material changes to the strategy.

Resolutions of Advisory/Unitholder Committees are not binding on the Responsible Entity, however the Responsible Entity must call an Investor meeting if requested to do so by the Advisory/Unitholder Committee as outlined in the relevant Terms of Reference or Constitution.

1.4 Co-owner Committees

Co-owner (or Joint Venture) Committees have been established for Dexus's third-party capital partner arrangements. The Committees' Terms of Reference are established via agreement between the parties. Membership consists of owner representatives.

Approval of significant transactions such as asset acquisitions, disposals, developments, significant leases and capex, generally requires approval of the co-owners (in accordance with the co-owner agreements).

Meetings are generally convened on a quarterly basis. An agenda is issued, and minutes of the meetings are recorded.

1.5 Operational oversight

Risk team

The dedicated Risk team, led by the Head of Risk, is responsible for the development, implementation and oversight of Dexus's risk management, insurance and WHS&E programs.

The Risk team enables, empowers and supports the creation of safe, resilient spaces where people thrive and ensures Dexus's objectives are achieved within the group's appetite for risk.

Dexus's risk management process is an integral part of management and decision-making, and is integrated into the structure, operations and processes of the organisation. Dexus's process for managing risk aligns to ISO31000:2018 and involves the systematic application of policies, procedures and practices including but not limited to:

- Communication and consultation with appropriate external and internal stakeholders
- Defining the scope of risk management activities, understanding the external and internal context in which Dexus operates and defining the risk criteria relative to objectives.
- Conducting risk assessments performed to identify, analyse and evaluate risks.
- Planning and implementing risk treatment, assessing the effectiveness of controls and determination that the risk profile is aligned with Dexus's risk appetite, strategy and culture.
- Monitoring and review of risks to provide assurance and improve the quality and effectiveness of process design, implementation and outcomes.
- Reporting to Management and Boards including the Fund Boards, Corporate Executive Committee, Group Management Committee, Dexus Board Audit Committee and Dexus Board Risk Committee
- Providing induction and training to support all employees' awareness of and ability to execute their risk management responsibilities.

Compliance team

Dexus has established a dedicated Compliance team reporting to the Head of Compliance.

The Compliance team seeks to ensure Dexus's approach to compliance is shaped by the leadership team applying core values, ethical and community standards and strives for continuous improvement through open communication in relation to governance and compliance practices. The Compliance team encourages awareness, demonstrates commitment and fosters a strong compliance culture.

Dexus has developed and maintains a Compliance Management Framework that complies with the guidelines of the International Standard for Compliance Management Systems – ISO 196001. The framework is based on the principles of good governance, proportionality, transparency and sustainability.

Functions of the Compliance team include:

- Supporting the identification and ongoing review of applicable compliance sources and obligations
- Assessment of compliance risks
- Review and analysis of exceptions
- Drafting and agreeing compliance policies and procedures
- Provision of induction and training to all Dexus employees on relevant compliance matters in accordance with an annual Compliance Training Plan
- Conducting monitoring and review procedures to avert or detect incidents of non-compliance in accordance with an annual Compliance Monitoring Plan
- Oversight of financial crime (AML/CTF) compliance, privacy, financial services complaints, compliance incident framework and conflict management
- Reporting to management, Boards and third-party capital partners on Compliance Incidents and compliance initiatives.

Governance team

Dexus has established a dedicated Governance team reporting to the Head of Governance.

The Governance team is responsible for overseeing governance and company/committee secretarial arrangements across all Boards and Board Committees and works closely with the Funds Management team in supporting our third-party capital partner arrangements.

The team is responsible for:

- Best practice Corporate Governance for the group
- Company Secretarial support and corporate governance advice
- Preparing agendas, collating and distributing packs and recording minutes of meetings of the Boards, Board Committees, Co-owner Committees and Joint Venture Committees
- Ensuring the delivery of Dexus's Internal Audit Program
- Managing investor due diligence questionnaires and assisting in the verification of key documents
- Undertaking monitoring of Fund and Co-owner agreements and socially responsible leasing activities.

1.6 Operational practices

We have developed a Compliance Management Framework and a Risk Management Framework outlining how we identify and address compliance and risk management.

These frameworks support the development and implementation of compliance, risk management and corporate governance procedures across the business. The Risk Management Policy applies to all Dexus employees who are required to understand, promote and be responsible for ensuring that controls are in place to effectively manage risks that apply to activities within their day-to-day responsibility.

The management frameworks support customers, third party capital partners, people development, supplier partnerships and engagement within communities.

The frameworks are reviewed on an annual basis to ensure they remain current and adequately address the risks inherent in managing the business.

Compliance Management Framework

Compliance is a vital component of our corporate governance approach and assists in:

- Building trust with investors, customers and clients
- Protecting our brand and reputation
- Promoting our values
- Demonstrating to industry and the community that we act with integrity and do the right thing.
- Complying with laws, regulations and industry standards

Dexus's Compliance Management Framework satisfies the requirements of the International Standard for Compliance Management Systems – ISO 37301:2021. Activities conducted within the framework comply with the relevant Australian legislation and regulations including the Corporations Act, Privacy Act, Competition & Consumer Act, Tax & Stamp Duty legislation, Retail Leases Act, Real Estate Licensing Acts, Environmental Acts and Regulations, and Anti- Money Laundering & Counter Terrorism Financing Act and ASX Listing Rules.

We promote a culture of compliance through a framework in which all employees contribute and participate. The Compliance team oversees the compliance management framework while the entire business is responsible for ensuring that their business procedures adhere to Dexus's policies.

Activities within the Compliance Management Framework include:

- Legislative and regulatory change
- Employee training
- Compliance monitoring and reporting
- Handling exceptions and incidents of non-compliance
- Handling investor complaints
- Communication
- Continuous improvement

Record keeping

We have a Records Management Policy which provides guidance in relation to the storage and retention of records for Dexus. Records must be created and maintained to satisfy business and regulatory requirements as well as industry operating standards. The policy covers all types of records including paper and electronic media.

Delegations of authority

We have operating limits in place that set out the authorities of employees to contract on behalf of a Dexus entity or a fund that Dexus manages.

Conflicts of interest

Management of conflicts of interest at Dexus is addressed by the following policies:

- Directors' Code of Conduct
- Employee Code of Conduct (incorporating Gifts, benefits & entertainment)
- Conflicts of Interest and Related Party Transactions Policy
- Securities Trading Policy (including Inside Information)

Together they inform employees of what constitutes a conflict of interest and describe the processes in place for identifying and managing them. Conflicts may arise in a variety of situations:

- Related party dealings and other business conflicts
- Allocating property transactions amongst clients or third-party capital partners
- Tenant (customer) conflicts
- Transfer of assets between schemes or clients
- Personal conflicts

Dexus board members are required to adhere to the Directors' Code of Conduct. Directors must comply with the legal framework governing the operations of Dexus, which includes anti-corruption policies and procedures.

All actual or potential conflicts are reported to Dexus's Compliance team so that necessary controls are put in place to effectively manage the conflict. These controls may include:

- Ensuring a transaction is conducted at arm's length.
- Removal of conflicted employees or teams from a transaction or decision
- Establishing information barriers so that employees and teams operate solely in the interests of the respective funds or third-party capital partners.
- Avoiding a transaction

We maintain a Conflict-of-Interest Register which provides a central record of all material conflicts to ensure that they are effectively identified and managed. Conflicts of interest are reported to the Board Risk Committee quarterly.

Anti-bribery and corruption

We are committed to achieving the highest corporate standards and working against corruption in all its forms, including extortion and bribery.

The Fraud, Corruption and Bribery (Prevention and Awareness) Policy outlines expectations for employee conduct relating to lobbying, meetings with law makers and receiving gifts and benefits. Dexus does not make political donations or provide gifts to politicians or public servants. As per the Dexus Political Donations Policy, Dexus employees and Directors are prohibited from using Dexus funds for political contributions. Where we engage with government we do so in an ethical and transparent manner. Section 5.4 Stakeholder Engagement provides additional detail on our approach to engaging with government.

Transparency and continuous disclosure

We take an industry-leading approach to transparency and disclosure of responsible investment practices. This is supported by the Property Council of Australia's Voluntary Best Practice Guidelines for Disclosing Funds From Operations (FFO) and Adjusted Funds From Operations (AFFO). These measures enable a transparent comparison of financial performance between Dexus and its listed property peers.

We are committed to providing investors, the broader market and other stakeholders with accurate and timely information about material activities. We comply with the continuous disclosure requirements of the Corporations Act and ASX Listing Rules. A Continuous Disclosure Committee oversees compliance with the Continuous Disclosure Policy.

We respond annually to several investor surveys and benchmarks, publish research papers, and formally disclose group performance in accordance with best practice frameworks published by the International Integrated Reporting Council (IIRC) and the Global Reporting Initiative (GRI). The Fraud, Corruption and Bribery (Prevention and Awareness) Policy

Compliance monitoring

We conduct ongoing compliance monitoring to ensure that business units are operating in accordance with legal and internal requirements. We also ensure that management and the Board have sufficient risk and compliance information to enable them to exercise their responsibilities and discharge their duties effectively.

Internal Audit program

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve our operations.

Internal audit assists in improving business performance by providing an independent and disciplined approach to evaluate and strengthen risk management, business processes, internal controls and governance activities across the organisation.

The Corporate Executive Committee (CEC) oversees the group's risk management, compliance management and Internal Audit program. KPMG performs the activities of an Internal Audit function which reports to the CEC and Board Audit Committee.

We maintain an Internal Audit Charter which sets out the roles, responsibilities, authorisation, activities and reporting relationships of the Internal Audit function. The Charter is reviewed and approved by the Board Audit Committee on an annual basis.

The Internal Audit function includes examining, evaluating and monitoring the adequacy and effectiveness of governance, risk management, financial and operational controls designed to manage risks and achieve objectives.

Internal Audit program activities involve:

- Developing and implementing a flexible annual internal audit plan, adopting an appropriate risk-based approach, which is approved by the CEC and Board Audit Committee
- Assisting us to promote awareness of key risks, our risk culture and risk mitigation activities.
- Supporting audit activities through facilitation, process design and advisory services
- Reporting on the outcomes of internal audits to senior management, the CEC and Board Audit Committee and, depending on the scope of the audit, other relevant Board Committees
- Keeping our employees informed of emerging trends and successful practices in internal auditing.
- Assisting in the investigation of significant suspected fraudulent activities and notifying findings to the CEC, Board Audit Committee and Board Risk Committee
- Conducting follow up activities on the status of agreed significant, high and moderate rated recommendations.

Board evaluation

We recognise that performance measurement and management are integral to our Board's success, and we believe that Board evaluations can contribute significantly to performance enhancement at the organisational, Board and Director levels.

The Board Nomination Committee oversees the Board performance evaluation program. The evaluation process looks at the performance of the Board and its committees.

Individual Director performance is also evaluated. When appropriate, an independent expert is retained to conduct the evaluation. Any areas for improvement identified in the performance evaluation process are agreed by the Board Nomination Committee which oversees the implementation of process enhancements.

The Performance Evaluation Policy outlines a formal approach to review and improve performance management.

External feedback and grievance procedures

We are committed to continuous improvement and seek to appropriately address feedback received from investors, customers, employees and other stakeholders. Any grievance escalated to the Head of Governance or Head of Compliance is addressed through grievance or complaints policies and procedures. For example, an investor complaint may relate to grievances involving our financial products/services or privacy matters.

A customer complaint may relate to a significant issue relating to poor service or a poor customer experience.

We maintain policies and procedures to address grievances formally raised by stakeholders in relation to Dexus, our products or services, or the processes we use for dealing with feedback itself. Our grievance process emphasises conciliation to ensure that inappropriate and unlawful practices cease and that grievances are resolved in a sensitive and timely manner.

Resolution is subject to an agreed rectification plan that is developed and actioned in accordance with the Dexus Compliance Management Framework. Regulatory authorities may be notified and involved in the procedure to resolve the incident if required.

The complaints policies and associated procedures are designed to ensure that:

- Investor, customer, client and potential client complaints are dealt with fairly, promptly and consistently
- Regulatory requirements are complied with
- Any underlying control problems or weaknesses identified by a complaint are appropriately addressed

In accordance with the Australian standards for complaints handling, we seek to:

- Resolve complaints through mutually agreed solutions
- Treat complaints and complainants appropriately
- Provide adequate assistance particularly to those who face barriers to access
- Improve business procedures to prevent reoccurrence
- Provide clear guidelines of the resolution process and time frame
- Provide reasonable access to resources
- Ensure processes and outcomes comply with regulations
- Maintain open communication regarding progress
- Ensure the complainant is protected as stipulated in the Privacy Act

Should a complaint require subsequent remedial action, this may involve training, amendments to procedures or controls, or enhancements to monitoring or review processes.

A register of grievances is maintained and reported to the Board Risk Committee and the Board ESG Committee.

Internal grievances and whistleblowing

To maintain a positive and productive work environment, we have implemented a whistleblower program.

An important part of the program is the open and honest discussion of ethical issues. We encourage employees to raise problems with their manager.

Should this not be possible for any reason, employees are encouraged to raise their concerns of possible breaches of law or procedure, irregularity, compliance issue, ethical issue or anything else of concern with representatives from either the Governance team, the General Counsel, Dexus's statutory auditors, or Dexus's appointed internal auditors.

We have also appointed an independent disclosure management service provider, Your-Call, to enable employees, and employees of services providers on site to report securely, anonymously and confidentially information about dishonesty, fraud, unsafe environments, unethical and other inappropriate behaviour in the workplace.

Tax and overseas operations

The Dexus group operates and earns revenues exclusively in Australia. All revenues remain in Australia and Dexus does not shift profits to other jurisdictions. The Dexus Annual Report discloses additional information about the group's approach to taxation.

Risk Management Framework

Effective risk management is critical to value creation and requires an understanding of risks during all phases of investment from asset selection, acquisition, allocation, ownership and management through to divestment. Responsible investment and active property management principles are integrated into our sustainability approach.

All Dexus employees are required to understand, promote and be responsible for ensuring that controls are in place to effectively manage risks that apply to activities within their day-to-day responsibility, including risks associated with business decisions, processes, systems or people and external events.

Dexus's Risk Management Framework articulates our approach to managing risk. The framework is aligned to the Australian and New Zealand Standard for Risk Management – Guidelines

ISO 31000:2018. The key objective of the Framework is to provide Dexus employees with a foundation from which the business can achieve its strategy by effectively identifying and managing the risks and opportunities that impact on the realisation of that strategy.

The framework defines Dexus's process for managing risk and involves the systematic application of policies, procedures and practices including but not limited to:

- Communicating and consulting with appropriate external and internal stakeholders
- Defining the scope of risk management activities, understanding the external and internal context in the environment in which Dexus operates and defining the risk criteria relative to objectives.
- Conducting risk assessments to identify, analyse and evaluate risks.
- Planning and implementing risk treatment, assessing the effectiveness of controls and determining that the risk profile is aligned with Dexus's risk appetite, strategy and culture.
- Monitoring and review of risks to provide assurance and improve the quality and effectiveness of process design, implementation and outcomes.
- Reporting to management and boards including to the Corporate Executive Committee (CEC), Group Management Committee (GMC), Board Audit Committee and Board Risk Committee
- Providing training to support employees' awareness of and ability to execute their risk management responsibilities. This extends to our key business partner CBRE via annual risk roadshows addressing risk, operational and ESG topics.

Our property portfolio varies by geographic location, asset type and tenant type. These variables present specific risks that are managed, monitored and audited in relation to health and safety, building safety, environmental, security and insurance risks.

External review of work health and safety (WHS) and environmental procedure management is conducted through a comprehensive risk audit and review program to identify, evaluate and mitigate risk in the following areas:

- **Health and safety audits:** compliance/ spot audits, ISO 45001:2018 audit/ gap analysis, ISO certification audit, principal contractor audit, incident investigations (as and when they occur)
- **Building safety:** Property risk assessments (including and not limited to confined space, height safety, and plant risk assessment), and facade condition audits.
- **Environmental:** Hazardous materials assessment and audit, Environmental management assessment and audit, ISO 14001 audit/gap analysis, ISO certification audit
- **Security:** security risk assessment, external security review
- **Insurance risk:** underwriting assessment, insurance valuations program, risk engineering program

We have developed an in-house property risk management and auditing tool, Periskope, that provides systematic and rigorous property risk profiling. Periskope is a single point of access for tools and data, assisting in property risk management.

Dexus completes an annual review of its risk management framework applicable to all employees. Risk management policies, procedures and governance committee structures are reviewed to ensure continuous improvement and to minimise the risk of ethical or corruption breaches.

The review process involves the facilitation of risk workshops with senior management to review and update the risk register. Dexus has a Fraud, Corruption and Bribery (Prevention and Awareness) Policy that outlines its commitment to ethical behaviour.

Risk appetite

Risk appetite is the amount of risk a business is willing to accept to achieve its strategy. It promotes the principle of 'freedom within boundaries' to assist management in executing the strategy. In accordance with the ASX Corporate Governance Principles

& Recommendations and ASIC Regulatory Guide (RG) 259, the Board of each Responsible Entity sets the risk appetite for the business. The risk appetite consists of statements which are a combination of principles which align to our strategic objectives.

The Risk Appetite Statement helps to guide decisions by outlining risks for which we have no appetite and risks we may be willing to accept provided it is transparent, prudently managed and justified by the returns of the business in the pursuit of strategic objectives.

Risk Appetite Statements are subject to annual review, or more frequently if there is a significant change to the business or operating environment and approved annually by the respective boards.

1.7. Work health and safety (WHS)

We recognise our duty of care to our customers, employees, investors, agents, contractors, service providers and the wider community to ensure all Work Health, Safety and Wellbeing (WHS&W) risks arising from our business are appropriately managed. To achieve this, we have implemented a comprehensive ISO 45001:2018 accredited workplace health and safety management system to ensure the effective management of WHS&W risks across the portfolio.

We believe that teamwork is essential in everything we do. Therefore, while management plays a key role in creating a safe and healthy work environment, optimal success can only be achieved when responsibility is shared between all stakeholders.

We also recognise our duty of care to the health and safety of contractors. As the activities of contractors can be of a high-risk nature, we implement contractor management software across all managed properties to ensure all properties across the portfolio have a standard approach and a system for the WHS&W management of contractors that complies with relevant Legislation, Codes of Practice, Standards and the Dexus WHS&W system.

1.8. Evaluation and process improvement

We seek to continuously improve our governance approach through:

- An annual review of the Compliance Management Framework and Risk Management Framework
- Independent reviews such as internal audits and reviews undertaken by industry experts.
- Attending industry forums and seminars, including those provided by law firms and regulators.
- Circulars and newsletters from law and accountancy firms and regulators

2.0 Customers and communities

Supporting the success of our customers, the wellbeing of building occupants, the strength of our local communities and the capabilities of our suppliers.

2.1 Overview

Dexus owns and manages a diverse property portfolio including office, industrial, retail and healthcare properties. Our customers vary in size from small businesses to major corporate and government organisations including:

- Listed and privately held companies in the fields of banking, property management, insurance, legal, transport and logistics, retailing, telecommunications and mining.
- State and federal government agencies that require minimum building performance standards.
- Small to medium enterprises including accountants and consultants.
- Major supermarkets and department stores
- Media and entertainment cinema operators
- Small independent retailers, cafes and restaurants

Focus areas for our Future Enabled Customers approach include:

- Customer workplace and professional services: providing a seamless, efficient customer experience that maximises customer satisfaction with their workplace and with property management.
- Networking and customer connection: facilitating connections within customer communities through networking events, exclusive offers from retailers, and community partner activations.
- Occupant health, safety and wellbeing: prioritising health and safety at our properties, engaging with customers about healthy and safe workplaces, and connecting customers with products and services that support their wellbeing.
- Customer environmental sustainability: collaborating with customers to understand how we can assist them to meet their sustainability aspirations through resource efficiency, green leasing and workforce engagement.

The boundary for our approach encompasses all customers within the Dexus group portfolio, with impacts felt across their businesses and their employees.

2.2 Management framework

Several areas of our business, under the leadership of the Board and Group Management Committee (GMC), collaborate to deliver our objectives of Future Enabled Customers and Strong Communities. Insight into the relevant management structure and policy framework is provided below.

Future Enabled Customers management framework

Dexus Board (Board)

Oversight and approval of targets and general strategies for customer experience

Board ESG Committee

Oversight of processes and mechanisms for building relationships with customers (including review of complaints from customers and third-party capital partners)

Group Management Committee (GMC)

Ultimate responsibility for alignment of customer experience and community contribution activities with Dexus's strategy

Property Executive Committee (PEC)

Management sub-committee with responsibility for overall guidance of effective property management

Delivery functions

Customer | Project Delivery Group | Property Management | Sponsorship and Events | Marketing | Communications and Corporate Affairs | Sustainability | Risk | Compliance | Building Technology

Focus areas

Customer experience | Networking and customer connection | Health, Safety and Wellbeing | Environmental sustainability | Community partnership activations

Policy Framework

Work Health, Safety and Wellbeing Statement | Corporate Responsibility | Complaints Policy | Dexus Customer Promise

2.3 Management practices

Our Customer Promise

Our aspiration is to be renowned for customer centricity and property. Our Customer Promise drives the way in which we operate and contributes to our goal of being a workplace partner of choice. We know that our customers are more likely to be satisfied when we listen to their concerns and address their needs. Our customer-centric approach is underpinned by our Customer Promise to:

- Listen, understand and respond to customer needs.
- Make things 'simple and easy'.
- Innovate to enrich the customer experience.

We take an active leasing approach to drive portfolio performance and reduce forward lease expiry. Our 'simple and easy' lease is designed to simplify negotiations and adopts a common-sense approach centred on creating a partnership with our customers in the execution of the lease.

Our portfolio-wide approach to forward leasing provides flexibility to accommodate customers' needs within the group portfolio, enhancing customer retention and minimising downtime.

We value our customers' opinions and actively engage to assess customer satisfaction levels, gather feedback on our performance, and gain insights to drive innovation.

We have conducted annual customer surveys since 2013 to understand customer sentiment, drive improvements, and monitor the impact of initiatives. Our survey encompasses the performance of our people, buildings and services, plus customer future needs and general feedback.

Customer workplace and professional services

Dexus's product and service offering aims to provide a seamless, efficient customer experience that maximises customer satisfaction with their workplace and with property management. We understand that when our customers are satisfied, they are more likely to renew their lease with us for longer periods and refer us to their peers.

Listening to our customers, we have curated a range of services that are carefully designed to satisfy their everyday needs and enhance the experience of the people who work in our properties. The services we provide are grouped into the four key pillars of Wellbeing, Convenience, Community and Sustainability.

- Wellbeing: Offering services and amenities that promote the health and wellbeing of customers through quality end-of-trip facilities, yoga, Pilates and fitness classes

- Convenience: Delivering a convenient work experience through five-star concierge, transport solutions, simple and easy leases, and access to Dexus Place, a tailored extension of our customers' work environment that includes meeting, training and conference facilities and bespoke event space supported by state-of-the-art technology
- Community: Creating customer communities through activations in our office foyers, on-site retailers and online property portals providing workplace news and information, events and retail offerings
- Sustainability: Working with our customers to achieve energy, water and waste efficiencies for their tenancies along with sustainable fit-out designs

Our approach to building technology

Dexus's approach to building technology seeks to digitally enable our buildings to maximise value for all stakeholders. Technology can maximise value through managing risk, reducing costs and increasing revenues. It can also enhance the health and wellbeing of customers as well as their overall experience with the building, while reducing energy consumption and impact on the environment. Meeting these objectives necessitates an approach that directs investment into scalable solutions.

Dexus's Building Technology Team leads the delivery of our Building Technology Strategy and Smart Building Blueprint. Dexus's cross-functional Smart Building Collaboration Team combines internal expertise with contributions from external partners including consultants, suppliers, and industry groups to ensure a consistent, holistic approach to technology deployment across our assets.

The motivation, value drivers, strategic outcomes, and priority enablers of our Building Technology Strategy are summarised in the table below.

Dexus has developed a Smart Building Blueprint for deployment across the portfolio which continues to evolve through research and stakeholder feedback. Some technologies delivered through the blueprint include:

- Premium in-building mobile phone connectivity
- Frictionless, touchless access management, cardless visitor management, digital concierge
- Occupancy sensors with real time people tracking.

Building technology supports the delivery of the Dexus Sustainability Approach through enabling emissions reductions, healthy indoor environments, and building resilience. Some key areas where building technology overlaps with sustainability include:

- Building management system functionality analysis to identify low cost, high value opportunities for enhancing energy efficiency.
- Technology audits to support life cycle analysis and upgrade forecasting.
- Digital layering of buildings, mobility services, public realm, and infrastructure information to inform precinct-level design opportunities at the concept phase of development projects.
- Facilitating healthy buildings through CO2 removal and air treatment
- Real time occupancy counting to maintain occupant health and safety.
- Touchless technologies
- Platforms for enabling peer-to-peer energy trading and the integration of embedded networks, battery storage and electric vehicles at the appropriate time.

Networking and customer connection

Every Dexus office property is a community of individuals. As a landlord, we support the customer experience by facilitating connections within property communities through networking events, exclusive offers from retailers, and community partner activations. We know that when individuals feel connected to others and to their workspace, they look forward to coming into work and are more engaged, which has a positive impact on our customers' businesses.

We facilitate networking and community connection within many of our office buildings through:

- Online building portal – a platform to inform customers of important information and activations within the property, including events and activations.
- Events and activations – a curated program of networking events, wellbeing activations, cultural and diversity celebrations that create community cohesion and enhance customer experience.
- Retail offerings, partnerships and promotions – exclusive offers that connect Dexus customers to each other, and provide them with the services and products that they need.

2.4 Customer health and wellbeing

Our customers have access to a range of health and wellbeing services, offerings and amenities within their properties and via online building portals. Types of amenities available include end-of-trip facilities, bicycle storage, group fitness, yoga and Pilates classes.

Maintaining safe buildings for customers, occupants and visitors

We seek to be a market leader when it comes to the safety of our properties, including the prevention of physical harm, stopping the spread of disease, and providing healthy workplace environments.

All Dexus-managed properties are covered by a safety management system that is certified against ISO 45001:2018 to address work health, safety and liability property risks.

Hazards and risks are assessed through a range of mechanisms including regular inspections, third party audits, and ongoing communication with customers, facility managers, and other stakeholders.

The inspection and audit program are designed to identify, assess and monitor risks associated with Dexus properties including general housekeeping, fire, essential services, plant and equipment, building structure, and emergency. The inspection and audit program are systematically implemented with frequency requirements generally based on risk. Where hazards are found, corrective actions are established and logged in Dexus's risk management system (Periskope) to be tracked until resolution of hazard.

Customer involvement is critical for ensuring a safe and productive workplace environment. Dexus engages with customers where required, to identify, assess and mitigate workplace hazards/impacts, review risk processes, introduce or change monitoring procedures and propose changes to premises, work systems, plant or substances used.

The Dexus Work Health Safety & Liability Manual contains detailed instructions on hazard and incident reporting, including key steps to be taken by stakeholders for each type of hazard or incident.

Certain incidents must be escalated to Dexus senior management and to the relevant regulator depending on the nature of the incident, as specified in the manual. Dexus senior management provides a quarterly report to the Board Risk Committee with an update on WHSE performance including incidents and injuries experienced at Dexus assets (and Dexus workplaces).

Healthy buildings – indoor environmental quality

We believe we have an important role in enhancing the health and wellbeing of our customers by providing a healthy physical environment. We recognise industry trends towards healthy living and evidence-based research demonstrating the costs of ill-health to corporate productivity.

The following activities are incorporated into our operational plans to ensure healthy indoor environments:

- Conducting air filter reviews and replacements/upgrades
- Reviewing procedures to ensure adequate fresh air ventilation, filtration of return air and acceptable thermal comfort.
- Updating the air quality specifications in Dexus's Environmental Management Manual (which will help set expectations for future procedures and investment related to indoor air quality)
- Establishing alerting protocols to forewarn customers of ambient air quality conditions as well as specify mitigating actions for facility teams to follow.

We actively manage property accessibility, indoor environment (internal temperature, humidity and air quality), acoustics, access to natural light, and overall performance to create comfortable indoor working environments that maximise health and productivity.

Dexus has also expanded the use of NABERS Indoor Environment (NABERS IE) ratings across the portfolio, to help benchmark indoor environmental quality and inform continued enhancement of how we ensure healthy buildings across the portfolio. Dexus is targeting a 5-star average NABERS IE rating for its office portfolio by 2025. At select developments, we elect to obtain WELL Certification to further enhance a property's health and wellbeing performance.

Customer environmental sustainability

We actively manage the environmental performance of our properties and target continuous improvement to reduce energy consumption, water use, and carbon emissions, as well as provide optimal working environments. This assists our customers in meeting their own sustainability objectives and priorities by providing workplaces that are designed and operate to the highest sustainability standards. Customers directly benefit via reduced costs from resource consumption efficiencies and productivity improvements from healthier working environments.

We engage with customers on sustainability upgrades to their buildings and how they can achieve efficiencies in their tenancies. We provide fit-out guides that encourage the use of sustainable products and whole-life costings, which enable customers to understand how reuse and recycling can have positive impact towards costs and carbon emissions.

We aim to drive improvements in customers' energy efficiency through green building committees and other programs. These programs include involvement in the annual Earth Hour campaign and the NABERS Energy and Water ratings and tenancy ratings.

2.5 Evaluation and continuous improvement

Dexus uses the below impact map to communicate and evaluate the expected outcomes and impacts of its Future Enabled Customer activities.

Future Enabled Customers impact map

Activities	Outputs	Customer outcomes	Customer benefit	Dexus benefit
Customer experience				
– Customer Support Centre – Project Delivery Group – Security services – Concierge services – Mobility services – Dexus Place – Speculative suites – National leasing team	– Improved customer access to products/ services, including their workforce. – Reduced customer business downtime – Facilitate customer future needs, including expansion to new space. – Improvements to customer workplace – Improved navigation for guests and visitor experience	– Customer satisfaction with workspace, overall property, and property management – Reduced customer operating costs	– Increased customer likelihood to renew. – Enhanced customer capabilities, productivity – Strengthened customer capabilities and workforce engagement, enhancing customer productivity	– Strong customer relationships – Increased customer renewals – Increased property occupancy (reduced vacancy), WALE, building valuations. – Non-rent revenue streams – Expand reach of Dexus platform to non-customers
Networking and customer connection				
– Online building portal – Events and activations – On-site retail offerings, partnerships and promotions	– Improved customer access to products/ services, including their workforce. – Customer participation in events, activations, portal – Increased exposure for retailer customers	– Customer satisfaction with property – Enhanced networks among customers and their workforces – Enhanced customer workforce engagement, talent attraction and retention	– Increased customer likelihood to renew. – Enhanced customer capabilities, productivity – Strengthened customer capabilities and workforce engagement, enhancing customer productivity	– Increased customer renewals – Increased property occupancy (reduced vacancy), WALE, building valuations. – Non-rent revenue streams
Health, safety and wellbeing				
– Health and wellbeing offering – End-of-trip facilities – Workplace indoor environmental quality – Maintaining building safety	– Improved customer access to products/ services, including their workforce. – Customer workforce awareness of wellbeing information – Increased participation in health and wellbeing activities and use of facilities provided for active transport. – Customers have high quality indoor environments	– Customer satisfaction with workplace, overall property, and property management – Enhanced networks among customers and their workforces – Enhanced customer workforce engagement, talent attraction and retention – Enhanced occupant health and wellbeing	– Increased customer likelihood to renew. – Enhanced customer capabilities and workforce engagement, productivity – Strengthened customer capabilities and workforce engagement, enhancing customer productivity	– Increased customer renewals – Increased property occupancy (reduced vacancy), WALE, building valuations. – Non-rent revenue streams – Expand reach of Dexus platform to non-customers – Sustain Premium grade office buildings
Customer environmental sustainability				
– Resource efficiency – Reducing fit-out waste – Green leasing	– 5 Star average NABERS Indoor Environment by 2025 – WELL Certification for select developments. – Reduced emissions from customer workplace – Customer space uses less energy, water and generate less waste. – Uptake of green leases	– Measure and verify our operational efforts to ensure healthy indoor environments. – Verify the holistic health and wellbeing performance of new buildings. – Reduced customer operating cost – Enhanced customer workforce engagement, talent attraction and retention – Facilitate customers' own environmental objectives	– Increased customer likelihood to renew. – Strengthened customer capabilities and workforce engagement, enhancing customer productivity	– Increased property occupancy (reduced vacancy), WALE, building valuations. – Non-rent revenue streams – Expand reach of Dexus platform to non-customers – NABERS and Green Star Performance ratings

3.0 Strong Communities

We interact with the broader community where we operate.

Our most material community-related issues are health, safety and security; and economic impact on local communities.

3.1 Overview

We interact with the broader community where we operate.

Our most material community-related issues are:

Health, safety and security

We have a duty of care to ensure our properties are safe and deliver healthy environments. We promote health and wellbeing through community programs and activities and in the design of spaces.

Economic impact on local communities

We are a major stakeholder in the communities where we operate, and contribute to local communities via corporate giving, community collaborations and partnerships, providing local employment opportunities both through our developments and through our customers' occupation of our properties, and through delivering community infrastructure including creating spaces where the community can interact. It extends to our contributions to First Nation peoples and reconciliation in Australia through creating opportunities for career development and economic participation for First Nations peoples in the property industry and enabling Dexus employees and customers to participate in meaningful activities that will strengthen their awareness and cultural understanding.

The boundary for our approach encompasses initiatives and activations with our two major community partners, Planet Ark and Black Dog Institute, as well as activities with community partners in the communities in which we operate.

3.2 Strong Communities management framework

Several areas of our business, under the leadership of the Board and Group Management Committee (GMC), collaborate to deliver our objective of Strong Communities. The table below provides insight into the relevant management structure and policy framework.

Strong communities' management framework

Dexus Board (Board)
Oversight and approval of targets and general strategies for customer experience and community contribution

Board ESG Committee
Oversight of the implementation and management of sustainability/ESG practices and initiatives throughout Dexus

Group Management Committee (GMC)
Ultimate responsibility for alignment of customer experience and community contribution activities with Dexus's strategy

Corporate Executive Committee (CEC)
Management sub-committee overseeing the integration of social impact initiatives into the Dexus Sustainability Approach

Social Impact Working Group (SIWG)
Internal working group implementing Dexus's social impact strategy, including management of the major community partnerships

Reconciliation Action Plan Working Group (RAPWG)
Internal working group implementing Dexus's 'Reflect' Reconciliation Action Plan including awareness, education and engagement activities

Delivery functions
Customer | Sustainability | Office, Industrial and Healthcare Property Management | Retail Operations and Development Sponsorship and Events | Marketing | Communications and Corporate Affairs

Focus areas
Community investment through corporate philanthropy | Activations and partnerships | Employee volunteering | Reconciliation

Policy framework
Social Impact Strategic Framework | Dexus Community Guidelines | Dexus 'Reflect' Reconciliation Action Plan | Modern Slavery Statement and related policies

3.3 Management practices

Social Impact Strategic Framework

Local community contribution and engagement across our property portfolio ensures we can support the prosperity, cohesion and wellbeing of the communities in which we operate.

This section describes local community contribution and engagement across our property portfolio. Dexus also consults with the community on new developments and refurbishments to address community concerns, and to incorporate features that benefit our customers and the broader community.

Dexus's capacity to create value is influenced by the strength of its relationships with the communities in which it operates. During FY23, the Social Impact Working Group (SIWG) continued to implement Dexus's Social Impact Strategic Framework.

The Framework aligns with Dexus's Sustainability Approach and is designed to streamline community activities and maximise the value created for the communities in which we operate.

As part of the Framework, Dexus has a tiered partnership model, detailing how charity contributions and activities will be approached, covering:

- Sponsorship
- In kind contribution
- Workplace giving
- Employee volunteering, participation, and donations
- Mentoring and networking
- Brand recognition for charity partners

Employee guidelines for supporting community organisations

We encourage our people to participate in activities that help to support the community – this can be done during work hours or during their own personal time. We have established guidelines for how our people can fundraise or volunteer for community organisations and make a positive social impact.

Any community activity being undertaken by an employee where they are representing Dexus or involving our suppliers, customers or the broader team should align with the Dexus Sustainability Approach across the areas of:

- Health and Wellness
- Strong Communities
- Diversity and Inclusion
- Environment

Community partnerships that drive sustained value

Dexus's two major community partners, Black Dog Institute and Planet Ark, complement Dexus's Sustainability Approach and strengthen its social impact as an organisation, delivering positive outcomes for the communities in which we operate, our people and our customers.

Dexus continues to work with these partners in the following areas:

Black Dog Institute: Is the only research institution in Australia dedicated to mental health and suicide prevention with a national focus across all age demographics with a key focus on:

- Evolving the mental health awareness and education of our people in line with our Safe & Well program
- Engaging with the communities in which we operate through targeted and meaningful activations across our retail, industrial and office spaces.
- Aligning the extensive research of the Black Dog Institute to our Sustainability Approach and utilising it to support our people and customers across various initiatives.

Planet Ark: Is one of Australia's leading environmental behaviour change organisations, with a focus on working collaboratively and positively with communities, the government, and businesses with a key focus on:

- Educating our people and customers on environmental sustainability topics, including resource reduction and recycling
- Empowering our people and customers to make positive environmental changes.
- Improving Dexus buildings' environmental footprint

Community investment through corporate philanthropy

Employee volunteering

We provide our people with one day of paid volunteering leave per year, to enable them to contribute their time to a charity of their choice. We also encourage teams to volunteer together to both support community causes and build team cohesion. Examples of team volunteering activities have included bush care, preparing meals for families at shelters, and assisting with larger fundraising events.

In-kind support, activations and partnerships

A key component of Dexus's community contribution comes from the use of our assets for community causes. Dexus-managed retail centres act as community hubs, and leverage relationships within their local catchments to deliver fundraising events that support local causes.

Key areas of contribution include:

- Use of Dexus retail space or office lobby space (at no charge) by community organisations seeking to fundraise or enhance awareness of their cause.
- Activating public spaces creating vibrant spaces and experiences, using placemaking to bring the community together
- Working with local authorities and the community to proactively maintain safe precincts, retail centre management works with at-risk youth through local youth groups and schools to promote safer communities
- Connections with other local organisations such as local councils, chambers of commerce and industry groups on community issues

3.4 Evaluating outcomes and benefits

Dexus regularly reviews its community engagement strategy and maintains regular contact with its community partners. We use the following key performance indicators to measure the outputs and impacts of our community engagement program.

Community contribution objective	Outputs	Impacts
Community investment through corporate philanthropy	– Financial value of cash donations to charitable organisations and community partners	– Direct support for community issues – Enhanced reputation within the communities in which we operate
Activations and partnerships	– Financial value of space provided for use by charitable organisations and community partners. – Financial value of use of awareness-raising tools such as online portals and lift screens for our community partners	– Enhanced connections between our customers and local communities – Support for community issues by providing access to customers. – Partnerships that drive meaningful value and create impact
Employee volunteering	– Total community volunteering hours and percentage participation of all Dexus employees	– Enhanced employee engagement and wellbeing – Enhanced connections between our employees and community organisations and partners

4.0 Supply chain

A strong network of supply chain partners who support delivery of our services to customers.

4.1 Overview

Dexus partners with suppliers to achieve operational efficiencies, enhance customer amenity and positive environmental outcomes. We develop long-term partnerships that address sustainability impacts and create shared value.

Dexus acknowledges our responsibility to ensure that standards relating to people, the environment and the communities in which we operate are maintained and continuously improved throughout our supply chain. We recognise that we can have a positive influence on our suppliers, contractors and their employees, products and services and through positive, collaborative relationships, we will create shared value. We recognise the central role that suppliers play in optimising asset performance, managing risk and delivering customer amenity.

Dexus partners with its suppliers to:

- Provide products and services that represent good quality and value, are fit for purpose, and comply with all legal requirements and standards.
- Operate accordingly to sound environmental principles including reducing carbon emissions in line with Dexus's commitments.
- Consider the impacts of their activities on the social and environmental sustainability of the communities in which we operate.
- Manage their employees and upstream service providers ethically by upholding human rights, fair labour management practices and diversity and inclusion principles, and addressing modern slavery, in line with Dexus's signatory commitment to the United Nations Global Compact
- Provide their employees with a safe work environment, and the appropriate equipment, training and support

4.2 Supply chain management framework.

We adopt a long-term approach to managing and maintaining supplier relationships through a robust set of business procedures which guide supplier screening, selection and engagement. A suite of policies, principles and performance standards underpin our supply chain approach.

As a signatory to the United Nations Global Compact and the United Nations-supported Principles of Responsible Investment (PRI), we manage our supply chain to account for human rights, environmental, social and economic factors in its purchasing decisions.

Our Sustainability Procurement Procedure and Supplier Code of Conduct helps minimise potential impacts from our upstream supply chain. Sustainable procurement is built into all supplier engagements through requiring supplier compliance with the policies listed in the table below. Refer to our website at www.dexus.com for publicly available policies.

In addition to this procedure suppliers providing services to Dexus managed properties who do not endorse Dexus's Supplier Code of Conduct via an annual attestation are prevented from undertaking new work with the business.

The table below outlines our governance structure and approach to supply chain management.

Supply chain management framework

Dexus Board (Board)

Responsibility for approving and overseeing compliance with supply chain policies and statutory disclosures

Board Risk Committee

Responsibility for reviewing and overseeing incorporation of suppliers into Dexus risk and compliance frameworks

Board ESG Committee

Oversight of Dexus's approach to managing modern slavery risk in the supply chain platform wide

Group Management Committee (GMC)

Oversight of Dexus's procurement framework and coordinating its application across the group

Property Executive Committee (PEC)

Responsibility for oversight of property-level projects and work health and safety issues, including where projects and issues involve suppliers

Corporate Executive Committee (CEC)

Management committee overseeing the management of modern slavery risk and other ESG considerations in Dexus's supply chain.

Governance, Sustainability, Risk and Compliance teams

- Oversight of modern slavery policies and procedures
- Providing training to Dexus people about modern slavery
- Monitoring compliance
- Investigating whistleblower matters and other grievances.
- Assisting with the assessment of modern slavery risk

Dexus/CBRE Facilities management teams

- Operational procurement
- Supplier due diligence
- Supplier contractual monitoring
- Awareness training for high-risk industry workers
- Supplier assessment and engagement on modern slavery
- Suppliers spend analysis and overall risk assessments

Policies and Procedures

Sustainable Procurement Procedure & Supplier Code of Conduct | Tendering | Human Rights | Environment Policy & Statement | Work Health Safety & Wellbeing Statement | Fraud, Corruption and Bribery (Prevention and Awareness) Conflicts of Interest | Dexus Operating Limits | Embargo Supplier Procedure and List | External Service Providers | Procurement Procedure | Purchasing | Travel | Corporate Card

Implementation practices

Procurement

- Business procedures for procurement
- Category based evaluation standards, minimum requirements and weightings.
- Risk and opportunity assessment
- Supplier engagement and new supplier engagement process
- Pre-qualification process
- Tendering process
- Modern slavery risk ranking, performance

Supplier monitoring

- Supplier audited Internal Controls Reports (e.g. GS007) annual or as contracted.
- Supplier attestations quarterly or as contracted confirming compliance to contract, SLAs, and Supplier Code of Conduct
- Informed 365 Modern Slavery Questionnaire
- EcoVadis ESG Assessments and Corrective Action Plans
- Targeted 3rd party Modern Slavery Audits
- Regular Monitoring of contract KPIs and SLAs
- Rapid Induct contractor management system.
- In-house property risk management system
- Project Control Group meetings and reports
- Transactional, Preferred, Strategic, and Critical supplier segmentation.
- Spend and criticality analysis.
- Supplier self-assessments
- Contractor spot checks and corrective action plans
- Tier 2 supplier identification

4.3. Supply chain objectives

Whilst always conscious of delivering appropriate commercial outcomes for our customers and investors, we aspire to and dedicate focus towards using our aggregate spend to positively influence environmental, social, and governance standards with our suppliers, products, and workers.

We take a long-term view to partner with our suppliers to achieve quality service and appropriate commercial outcomes for our customers, investors, and suppliers. We collaborate with suppliers to take action and report on progress to address specific environmental, social and governance outcomes through enhanced due diligence, risk profiling, 3rd party assessments, and continuous improvement plans.

General supply chain management priorities

Dexus's supply chain encompasses a diverse range of products and services which are grouped into procurement categories.

Our supply chain goals are to:

- **Maintain an efficient procurement process:** operating under sound governance that achieves the best value for money, meets business and client requirements and delivers financial and sustainability outcomes based on a whole-of-life costing.
- **Identify key risks and opportunities:** particularly in high value, high impact contracts and improve the overall impacts of the products and services we procure.
- **Mandate that suppliers abide by all minimum standards and laws:** in the countries in which they operate.
- **Maintain safe workplaces:** in line with our goal for 'no harm', safe work environments with zero fatalities.
- Treat suppliers and contractors fairly: with respect and dignity demonstrating probity, equity and transparency.
- **Partner on ESG outcomes:** continue to develop and manage relationships with suppliers and contractors to encourage them to promote a best practice approach to employment practices, social impact and the environment.
- **Challenge suppliers:** to deliver tangible, innovative and sustainable solutions that deliver mutually beneficial outcomes.
- **Assess and evaluate performance:** Continue to assess each contract's merits against a set of sustainability principles and ensure environmental and social impacts are assessed in line with our policies and objectives, emerging best practice and industry standards.
- **Communicate on objectives:** Mandate that all suppliers acknowledge and abide by the Dexus Sustainable Procurement Policy & Supplier Code of Conduct. Ensure prospective and new suppliers understand sustainability-related contract criteria and requirements.
- **Build and maintain key competencies:** Maintain sustainable procurement capability by engaging and upskilling employees and implementing sustainable procurement training for procurement and contract managers.
- **Engage and seek feedback:** Collaborate with suppliers and seek feedback as part of contract management.
- **Target spending based on aligned goals:** Where appropriate, increase the purchase of products that support community-based charities, are carbon neutral or have a lower carbon footprint, or are more efficient or meet internationally recognised sustainability performance standards.
- **Support communities:** Where appropriate, we partner or encourage supplier participation in charitable community engagement, and support suppliers to take action to promote equity, diversion and inclusion in our community.

Supplier Segmentation

Dexus's supply chain encompasses a diverse range of products and services which are grouped into procurement categories. Dexus segments its suppliers into four segments to focus on suppliers that have the biggest impact on these categories, objectives and goals.

- We define a critical supplier as: a material outsourced supplier whose failure could significantly impact the corporate or portfolio operations.
- We define a key supplier as: a supplier integral to ongoing operations, typically a partner, or strategic relationship, whose failure could significantly impact the operations at an individual asset or Dexus in the short term.
- We define a preferred supplier as: having been assessed against commercial, sustainability and risk criteria and is approved for use as a preferred supplier in accordance with the sustainable Procurement Policy

A list of preferred, key and critical suppliers is maintained for each procurement category and. The list is published internally. The preferred supplier list is updated on a regular basis as an outcome of procurement or supplier management activity.

- We define a transaction supplier as: any supplier which is approved for Dexus to transact with.

We regularly assess and rationalise transactional suppliers where possible by identifying partners that can best meet our needs and optimise their engagement across our portfolio. This leads to fewer suppliers and closer relationships with our business and a greater alignment of interest. It also presents a greater opportunity to embed our sustainability approach with suppliers.

- We define an embargoed supplier as: a supplier that does not meet our required standards and is not approved to transact with. Dexus maintains a list of Embargoed suppliers in accordance with Dexus's internal Embargo Policy.

Dexus's internal Embargo Policy outlines our approach to managing contractors and service providers that do not meet our required standards. It identifies the circumstances in which a contractor or service provider will be placed on the embargo list and sets the criteria in which a supplier can be assessed to be removed. Should we determine to place a supplier on the embargo list, we will not engage with that contractor or service provider until the issues of concern have been appropriately addressed. The embargo list is updated on an ongoing basis.

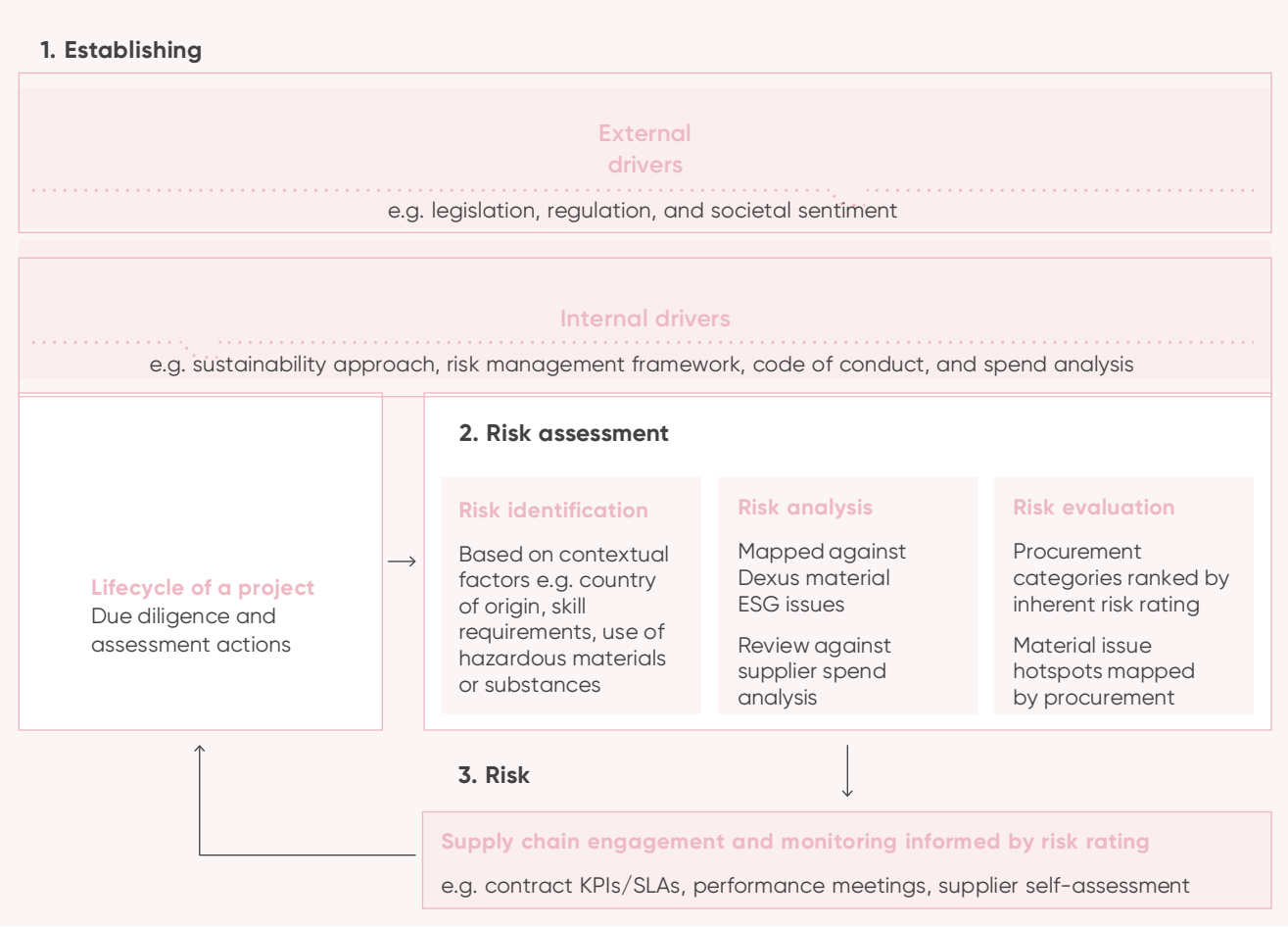
Understanding supply chain sustainability risk exposure

Dexus undertakes risk assessments of our supply chain, this risk assessment takes into account external factors such as industry of operations, country of operations, criticality to our business, procurement category and volume of spend.

Upon verification of risk level, we request selected preferred, key and critical suppliers to participate in EcoVadis, a 3rd party ESG risk assessment. This assessment is tailored to the size and industry of the supplier and covers across 4 key themes: Environment, Labour and Human Rights, Ethics and Sustainable Procurement.

The outcomes of this assessment are evaluated to verify any residual risks of individual suppliers and benchmark their performance across the 4 themes. Any residual risks are managed using a corrective action plan with the supplier with set time frames to address improvement areas. Suppliers taking part in this assessment also have access to learning resources to assist in their development of policies, implementation and reporting on strategies to address sustainability risk within their business and can then be reassessed once those items addressed.

Understanding supply chain sustainability risk exposure



The outcome of the risk assessment is a risk matrix of sustainability risk exposures across each of our major supply chain categories. The matrix informs procurement processes and sustainability ambitions, including specification of requirements, and questions during tendering and the screening of suppliers and corrective actions required of existing suppliers.

In addition, the matrix is referenced for establishing contract key performance indicators (KPIs) and the adoption of best practice sustainability management and monitoring over the lifecycle of the project.

Procurement and supply chain management approach

Our staged procurement and contract management process optimises performance and supplier service levels, manages risk, maintains symbiotic supplier relationships in order to realise shared value.

The overall risk rating for the procurement category and spend details the extent to which due diligence and supplier monitoring is undertaken.

The lifecycle for managing categories, procurement and supplier monitoring comprises:

Project stage	Due diligence actions	Assessment outcomes
0. Supply chain sustainability risk assessment and spend analysis		– Periodic risk assessment conducted in accordance with our Risk Management Framework to evaluate our procurement categories against external contextual factors. – Procurement categories are ranked by inherent risks material to Dexus to inform procurement and supply chain monitoring activities
1. Project is proposed	– Project owners follow procurement procedures to develop and present a project business case to decision makers. – Project assigned risk level in accordance with Tendering and Operating Limits Policies Articulate project sustainability goals	– Internal Audit of Operating Limits policy
2. Project is approved	– Project owners procure services directly within agreed limits and preferred panel, or work with our procurement team to procure major services via formal tender	– Internal Audit of Operating Limits policy
3. Quotes obtained or formal tender is issued	– Business units work with our procurement team to issue project brief to service providers. – Service providers may be prequalified and selected on our preferred supplier panel. – Sustainability prequalification criteria specified	– Internal Audit of Operating Limits policy
4. Service provider is selected	– Service providers are evaluated during a rigorous and structured screening and ranking of suppliers, using a category specific balanced scorecard to assess service provider capability, ESG performance, service delivery and value	– The standard balanced scorecard as applied to each category
5. Service provider is appointed	– We review proposed services to confirm fair value upfront and avoid later uplift. – Service providers contractually agree to the Dexus Sustainable Procurement policy and Supplier Code of Conduct	
6. Service is undertaken		– Supplier management systems track on-site contractor activity and ensure contractors maintain licences and insurances. – The Supplier management framework specifies frequency of review meetings between Dexus and suppliers
7. Service is monitored	– Our procurement team monitors supplier performance through site feedback, regular performance meetings and tracking against KPIs	– Site-level contractor spot checks evaluate performance and inform corrective action plans where required. – Evaluation against contract KPIs and SLAs – Suppliers periodically complete a self-assessment to provide us with insights into their business-related sustainability issues and gather feedback on its performance as a partner
8. Project completion	– We evaluate the effectiveness and value for money as part of retaining service providers. – We conduct a supplier spend analysis to maintain a current view of critical suppliers and commodities	– Suppliers periodically complete a self-assessment to provide us with insights into their business-related sustainability issues and gather feedback on its performance as a partner

Tender documentation and service agreements integrate sustainability policies and key performance indicators. Dexus communicates its expectations and ESG requirements to all suppliers and requires each one to operate in line with our Sustainable Procurement Procedure & Supplier Code of Conduct as well as understand Dexus's requirements and commitments outlined in its Human Rights Policy.

With each supplier engagement Dexus seeks to ensure that investment considerations:

- Address impact on supply chains and comply with Dexus's Supplier Code of Conduct including materials, contractors, consultants and other professional services.
- Are in line with recognised and accepted local labour and employment practices where that investment results in employment or engagement of suppliers, contractors and professional service providers fit for purpose, and comply with all legal requirements and standards.

Specific standards regarding ESG are agreed with suppliers based on the prepared design brief. All work carried out must comply with the brief. We prioritise supplier engagements based on the commodity/ service involved, the size of the contract, supplier values and its criticality to Dexus's business operations.

A supplier assessment process takes into account labour practices, social, environmental and human rights issues.

Suppliers are encouraged to work with us to reduce carbon emissions, adopt sound environmental principles, manage their people ethically, drive positive supplier relationships and consider the impacts of their activities on the communities in which they operate.

Ongoing data collection and performance analysis provides a benchmark for site teams that oversee supplier services. This provides valuable insights on how performance trends vary over time and across sites. This data is used as an input into initial reviews of supplier contracts and periodic reviews of our panel of preferred suppliers.

4.4 Addressing modern slavery risk in our supply chain

We are aware of the following modern slavery risk factors across our supply chain:

- Use of low-skilled, contract, and/or migrant labour
- Subcontracting and use of third-party labour hire agencies
- A highly competitive and cost driven business sector.
- Procurement of specific materials (the production of which may involve modern slavery)
- Supplier operations in countries with weak or opaque commitments to human rights

Based on this understanding of modern slavery risk factors, our supply chain sustainability risk assessment suggested the following categories as focus areas: cleaning and waste management services, security services, capital works at operational assets, development works, IT, corporate merchandise, and procurement of materials sourced from overseas.

Relevant contractual documentation contains modern slavery requirements and we have enhanced the consideration of modern slavery risk factors during the supplier selection process. We also deliver awareness campaigns to educate suppliers and their workforces about modern slavery and how to report concerns, through integration of modern slavery information into site induction terminals and signage in key locations across assets in our portfolio.

We conduct due diligence on suppliers both before and during our engagement with them, to understand human rights risk exposure and any potential breaches. As part of the Property Council of Australia Modern Slavery Working Group, we collaborated with industry peers through to develop a common supplier due diligence Modern Slavery Questionnaire, and this is implemented across our supplier base.

We are using the responses to the PCA Modern Slavery Questionnaire to identify higher risk suppliers with whom we should engage to ensure modern slavery risks are appropriately identified and managed with further 3rd party ESG assessment. We also conduct surveys of the employees of our suppliers to measure the effectiveness of the Anti-Modern Slavery practices implemented by our suppliers.

We have established procedures to enable individuals within our supply chain to identify and escalate concerns. The Dexus Whistleblower policy specifies grievance mechanisms available to stakeholders to safely and anonymously raise concerns about modern slavery in our operations and supply chain. The Whistleblower Policy includes reference to modern slavery and specifies that its coverage includes the workforces of Dexus suppliers, as well as their spouses and dependents. We included this material to make it clear to individuals in our supply chain that Dexus wants to hear from them if they have concerns, and that they will be covered under the protections specified in the policy.

When a concern is raised, or we otherwise become aware that an individual in our supply chain may be impacted by modern slavery, we investigate the matter further and take appropriate action. The appropriate action would depend on whether Dexus has caused the impact, contributed to the impact, or is linked to the impact through our business relationships. In all cases, the focus is on mitigating the risk to the individual(s) experiencing the impact and using our leverage to foster continuous improvement.

More information on our approach to addressing modern slavery risk in our supply chain is provided in Dexus's annual Modern Slavery Statement, which is available on the Dexus website.

4.5 Procurement and supply chain monitoring procedures

Our procurement procedures outline the procurement process for Dexus and by authorised third party property managers. The procedures accompany the Dexus procurement-related policies in the Supply Chain Management Framework. The procedures ensure that:

- Service providers are engaged based on merit and are only appointed after appropriate due diligence.
- Contracts with suppliers are adequate and are in accordance with legal and regulatory requirements.
- Performance of suppliers and compliance with contractual and service level arrangements are monitored and reviewed.
- Conflicts of interest are appropriately identified and managed.
- Our interests are legally protected (including the avoidance of fraudulent transactions)
- Our insurances are not compromised.

An important step in this process is engaging with suppliers during tender evaluation to determine their alignment with Dexus's to evaluate the effectiveness of Dexus's sustainability aspirations and ongoing alignment after engagement.

Tendering

Our tender process ensures that service providers are chosen based on merit and capacity to deliver works, acceptance of Dexus's or agreed Terms and Conditions and Supplier Code of Conduct and alignment with Dexus's sustainability aspirations. The number of organisations invited to tender varies taking into account a project's size, complexity, and procurement guidelines. We are committed to a transparent and competitive tendering process. The process is subject to detailed monitoring and oversight.

Major tenders involve a prequalification process and assessment by a panel against agreed financial and non-financial metrics.

A Project Control Group (PCG) is established for high value projects. The PCG includes appropriately qualified representatives from Dexus, co-owners and senior representatives of the core service providers and contractors or consultants, for example builders, architect, project manager or leasing agents.

Employee responsibilities and training

Our employees receive periodic training on procurement best practices as well as property-related products, services, and requirements. This provides them with the required skills and industry knowledge to appropriately select and appoint service providers.

All employees with responsibility for selecting, appointing, and monitoring service providers must ensure performance and compliance with contractual agreements via standard contract templates.

Supplier monitoring and relationship management

We monitor the performance of major contracts through:

- Supplier audited Internal Controls Reports (e.g., GS007) annual or as contracted review process.
- Supplier attestations quarterly or as contracted confirming compliance to contract, SLAs, and Supplier Code of Conduct review process
- Regular performance review meetings with site teams that assess performance against KPIs and SLAs. Where required these are reviewed by Risk Committees and relevant Boards
- A Non-Conformance Reporting (NCR) process
- Customer surveys covering the Net Promoter Score (NPS) from the end users' perspective on the services being delivered.
- Select contractor worker surveys conducted via the contractor management system.
- A requirement for annual attestation of compliance with the Dexus Supplier Code of Conduct
- Management of insurances, licences, and induction training via the Contractor Management system
- Annual contractor surveys of the preferred suppliers that invite 360-degree feedback.
- Performance metrics embedded in the contract.
- High-level performance reviews that occur at least half yearly and incorporate formal feedback from internal stakeholders.
- Site and corporate team feedback, which is discussed with suppliers to directly manage exceptions against performance expectations.

Service agreements set out the level and frequency of monitoring. Suppliers must perform an appropriate level of monitoring, which may include a combination of physical monitoring of activities and performance reports.

4.6 Supplier Health and Safety

Dexus recognises its duty of care to manage work health and safety risks across its managed property portfolio, including activities of its suppliers or contractors. Dexus's Work Health, Safety and Wellbeing (WHS&W) Statement outlines how we manage risks at our properties. It states the group's commitment to maintaining safe properties, working with stakeholders to manage hazards, risks and continuous monitoring.

Dexus implements a safety management system that is certified against ISO 45001:2018 to address WHS&W risks across the portfolio.

Dexus uses a third-party contractor management system across all Dexus managed assets to assist in contractor engagement and monitor contractor compliance with Dexus WHS&W system.

Contractor employees are required to identify the appropriate risk assessments such as Safe Work Method Statement (SWMS) and permits prior to commencing works on-site in the Contractor Management system (Rapid). Safety alerts are delivered directly to the contractor employees when they sign in.

The Dexus Work Health Safety & Liability manual sets out a consistent approach for contractor management across our portfolio. We focus on contractor health and safety at our sites through:

- Delivering Dexus Contractor Induction and site-specific inductions that confirm contractor qualifications and make them aware of site-specific risks and procedures before work commences.
- Ensuring contractors are using the contractor management system and that they have supplied current documentation (e.g., contractors' licences, insurance certificates, Safe Work Method Statements, WHS Plans)
- Confirming that contractors correctly use the risk assessments and permits relevant to their activities
- Consulting with contractors on WHS activities through 'tool-box talks' or using the Health & Safety meeting agenda available in Dexus's safety management system
- Reviewing contractor health and safety performance through conducting regular contractor spot checks, which are to be conducted monthly for Building Management personnel

4.7 Grievance mechanism

Feedback from or about a contractor that becomes a formal grievance is addressed through Dexus's Complaints Policy.

Contractor employees also have access to Dexus's whistleblower service, Your-Call, to enable contractor employees to report grievances using a secure, anonymous and confidential mechanism.

4.8 Evaluation and process improvement

Our procurement process is subject to ongoing, risk-based auditing and monitoring via the Risk team and Compliance team. Potential breaches of procedures are investigated and may result in disciplinary action if substantiated. The table below outlines our supply chain management and sustainable procurement framework.

Objective	Output	Impact
Supply chain management and sustainable procurement		
Maintain value aligned partnerships	– Number of critical key and preferred suppliers – Supplier relationship satisfaction score (0 to 10) – Value for money	– Stronger supplier relationships – Maintained service continuity. – Minimise costs associated with service disruptions
Effective service delivery	– Customer satisfaction survey – Feedback from customers and/or facility managers – Supplier conformance and legal compliance (fines, penalties and breach notices) – Contract non-conformance reporting – Achievement of contract KPIs and SLAs	– Customer satisfaction – Increased likelihood to renew leading to sustained revenue generation. – Reduced compliance costs
Human rights		
Readiness for Modern Slavery legislation	– Supplier Code of Conduct in contracts affirmed by the contractor on an annual basis. – Spot checks monthly – Identification of high-risk industry participants or suppliers with high-risk country of operations – 3rd part ESG assessments conducted with selected preferred, key and critical suppliers with corrective action plans. – Targeted audits of suppliers in the high-risk industry grouping or with residual risk – Supplier KPIs related to human rights due diligence. – Supplier coverage of modern slavery due diligence questionnaire – Number of grievances – Incidents of non-conformance	– Reduced compliance costs associated with human rights. – Enhanced reputation through minimal human rights impacts at Dexus
Fair Working Conditions	– Incidents of non-conformance – Corrective action plans	
Health and safety		
Maintain a safety culture	– A 'zero harm' safe workplace targeting zero fatalities. – Selection and engagement of suitable – contractors via comprehensive due diligence – process – Establishment of contractor WHSE metrics including lead and lag indicators – Contractor WHSE training, communication and engagement (e.g., induction, safety alerts, contractor meetings) – Contractor risk management (e.g., SWMS, WHSE Project plans, permits) – Monitoring of contractor performance in accordance with Dexus WHSE system and contract requirements	– Enhanced worker health and wellbeing and engagement – Increase efficiency in risk management. – practices and achieving desired/ – positive outcomes – Reduced incidence of injury – Reduced compliance costs associated with WHS. – Enhanced reputation through minimal WHS impacts at Dexus sites and positive outcomes achieved. – Reduced insurance costs

5.0 Real assets

Developing, managing and transacting real assets to create a high-quality portfolio across Australia's key cities.

5.1 Overview

As a real asset company, Dexus's properties and infrastructure assets are central to how we create value. We actively manage our real estate and infrastructure portfolio to enhance its potential, while unlocking value through development to further enhance quality or for higher and better uses.

Our real assets portfolio is concentrated in Australia and New Zealand's major cities, which we contribute to shaping as leading destinations to live, work and play.

Our Leading Cities objective contributes to urban prosperity by directing us to invest in, develop and manage world class, sustainable properties and precincts that enhance local amenity and vibrancy. Across our buildings, we seek to attract high calibre customers whose businesses support local, regional and national economies.

We expand our reach and engage local communities through collaboration and consultation with authorities and industry associations and work together with peers and other stakeholders to lift urban development standards and share insights.

Focus areas for our approach to Leading Cities include:

- **Generating economic impact:** Responding to local community interest in precincts and development projects that contribute amenity, vitality and economic prosperity to their area.
- **Integrating ESG into transactions:** Ensuring that sustainability factors are considered in transaction activity, to manage our portfolio's exposure to emerging risks and identify potential opportunities.
- **Showcasing sustainable development:** Using our development projects to demonstrate how the urban form can minimise its environmental impact and enhance wellbeing.
- **Stakeholder engagement:** Working with our stakeholders to understand what matters to them and using their insights to enhance how we operate.

The boundary for our approach encompasses Dexus's group portfolio, including development projects, with impacts mainly felt by Dexus's customers, suppliers and local communities.

5.2 Management framework

Several areas of our business, under the leadership of the Board and Group Management Committee (GMC), collaborate to deliver our objective of Leading Cities.

Publicly available policies are available at www.dexus.com/corporategovernance

The framework below provides insight into the developments and transactions management structure and policy framework, which is an important contributor to our Leading Cities objective.

Leading cities management framework

Dexus Board (Board)

Approval of business plans, investment strategies, property acquisitions, Dexus divestments and developments unless delegated to another committee

Group Management Committee (GMC)

Responsibility for developing short, medium and long-term strategies and business plans for achieving those strategies

Investment Committee

Consideration and approval or endorsement of investment and divestment proposals, developments, major capital expenditure and certain leases concerning Dexus and each of its managed funds and clients

Chief Investment Officer	Chief Operating Officer	Co-Heads of Infrastructure[1]
Oversight of group strategic direction, capital allocation, and creating value through development	Oversight of Dexus Sustainability Approach, government and other relevant stakeholder engagement	Oversight of Dexus Infrastructure funds management business*

Capital Transactions and Origination, and Developments team	Strategy team	Communications, Technology, Sustainability and Property Management teams	Funds Management, Asset Management, and Origination teams
Office | Retail | Healthcare | Industrial			Transport | Energy | Health & Aged Care | Student Accommodation | PPPs

Transaction and Origination responsibilities:	Development responsibilities:	Responsibilities:	Responsibilities:	Responsibilities:
– Identify and evaluate direct investment opportunities (and risks) – Develop and execute business processes relating to due diligence, documentation and onboarding of acquisitions and developments. – Origination and execution of development opportunities	– Actively manage developments. – Set project objectives including the Dexus feasibility, vision and standards to meet and exceed customer expectations. – Manage authority approval process. – Manage the design and construction process including meeting Dexus's and customers' briefs. – Ensure the handover of completed projects to asset management	– In Identify and evaluate emerging opportunities (and risks) – initiate and undertake regular stress-testing of business model and positioning. – Engage with Board and Senior management in determining and agreeing business priorities. – Develop and execute business cases for targeted initiatives. Origination and execution of corporate transaction opportunities	– Provide technical advice on execution of sustainability objectives. – Integrate emerging stakeholder issues into business strategy. – Government and other relevant stakeholder engagement	– Identify and evaluate investment opportunities (and risks) – Active investment management through voting rights on boards and board sub-committees – Sharing of best practice between investee companies – Developing and executing on new product offerings, including separately managed accounts and comingled funds

Policy Framework

Development and Construction | Due Diligence | Investment Procedures | Transactions Handbook | Capital Transactions Excellence Method | Development Excellence Method | Environment | Biodiversity | Work Health, Safety & Wellbeing | Investor Communications | Continuous Disclosure

1 Dexus and AMP Limited ("AMP") finalised binding documentation for an alternative Transaction structure for the acquisition of Collimate Capital's real estate and domestic infrastructure business under a two-stage completion process, with First Completion occurring on 24 March 2023. The alternative transaction structure allows First Completion of the Transaction without satisfaction of the condition precedent relating to the transfer of AMP's ownership interest in China Life AMP Asset Management ("CLAMP") out of entities being acquired by Dexus under the Transaction.
First Completion enables integration of the Collimate Capital business into the Dexus platform, with Dexus entitled to the economics from First Completion. Final Completion remains dependent on the ownership of CLAMP being transferred out of the relevant entities that Dexus has agreed to purchase.

5.3 Management practices

Investment due diligence

Dexus has a rigorous process for evaluating the risks and opportunities relating to investment decisions. This includes reviewing long-term asset plans and conducting appropriate environmental due diligence on acquisitions so that ESG risks are identified and effectively managed.

The Investment Committee reports to the General Management Committee and is responsible for reviewing all investment, divestment and development proposals for Dexus and its third-party capital partners.

The Investment Committee recognises its fiduciary duty to act in the best interests of Dexus and its third-party capital partners and uses a formal process and templates to collect and evaluate a wide range of data relating to risks, opportunities and impacts before approving or endorsing each investment decision.

The due diligence process is used to identify ESG risks, such as exposure to physical climate risk and the ability to attract and meet customers' demand based on asset energy performance.

This process requires details (and external peer review by specialist consultants) on the potential acquisition's environmental performance, including NABERS and Green Star ratings, energy and water consumption and climate change impact assessments. Building upgrade and improvement plans, past energy and water audits and environmental risk assessments are also reviewed, along with costings required to implement upgrades to the property in line with the group's net zero emissions ambition.

Potential acquisitions are screened to ensure responsible investment principles are upheld. Outcomes of the due diligence process influence Dexus's investment decisions are categorised as:

1. Material issues could lead to the abandonment of the potential investment.
2. Less significant issues, risks and opportunities may influence the investment price or the terms of sale and may present opportunities to reposition and add value to under-performing properties through environmental, carbon and climate resilience initiatives.
3. No material issues are identified.

In summary, if an investment fails to meet the ESG due diligence criteria, it may prevent a transaction from proceeding.

Developments

The Development team identifies ESG issues in the due diligence process that may affect an investment and are reviewed and approved by the Investment Committee. It then categorises them as:

1. Material issues that may lead to the abandonment of the development option.
2. Less significant issues, risks and opportunities that impact the decision and/or the investment metrics, or the scheme recommendations.
3. Insignificant issues that are not deemed to affect Dexus or its third-party capital partners.

If an issue is uncovered, decisions are made whether to pursue the development opportunity or mitigate the impact. We review environmental metrics for development opportunities with reference to our environmental targets and objectives.

We seek peer reviews by specialist consultants on insights on matters including but not limited to general sustainability, climate-related risks and the climate resilience of the development's design.

Development helps enable the delivery of our strategic objectives and Dexus has a strong track record in developing high quality office, industrial, retail and healthcare properties in key Australian markets. Our developments have a focus on delivering superior risk adjusted returns through quality, sustainability and enhancing public amenity.

Drivers for sustainable development

Our approach to integrating sustainability into our development projects responds to a range of internal and external drivers that underpin ongoing investment in property efficiency and financial and environmental sustainability. These include:

Driver	Rationale
Improving rental returns	The desire to reduce operating costs and manage risk associated with utility prices. Reduced outgoings can mean that Dexus is able to increase profit margins. Evidence has shown that the most efficient and sustainable buildings attract premium rents
It makes financial sense	Investing in energy technology during design to reduce greenhouse gas emissions. Project investments are paid back through reduced utility and maintenance costs in a reasonable timeframe.
Partnership approach to ESG to meet customer demand and responding to changing consumer sentiment	Incorporating customers' functional needs and ESG aspirations results in a tailored development response that meets customers' long-term space needs. Customers, led by government agencies, are increasingly demanding high performing, low carbon buildings to support them to meet their ESG needs.
Improving rental returns	Optimising design elements such as façade, lighting, and air conditioning to maximise energy efficiency reduces outgoings for customers, leading to increased demand for space, premiums rents and shorter vacancy periods.
Industry leadership and benchmarking	Applying suitable focus to ensure that new properties are leaders in their respective markets. Green Star, NABERS and WELL ratings enable our customers, investors, and other interested stakeholders to assess the relative ESG performance of Dexus properties against industry benchmarks
Future proofing	Ensuring new properties are best placed to deal with potential future issues including introduction of environmental minimum standards, taxes or financial penalties associated with resource use and greenhouse gas emissions, and new legislation
Attracting and retaining investors	Meet increasing investor appetite for low carbon investments.

Demographics and accessibility

Development design is informed by our Research team, which provides insights into market and demographic trends.

These insights are combined with local community engagement feedback and incorporated into development briefs to ensure that the completed property will meet market and demographic demand now and into the future.

Properties are designed to offer flexibility and adaptability in tenancy design. Where appropriate, Dexus invokes inclusive design by engaging local communities, governments, employees, and other groups to contribute to the design, so the built outcome is reflective of the interests and diversity of its users and other stakeholders.

All developments are required to ensure accessibility in accordance with the provisions of the Australian Disability Discrimination Act 1992.

Site selection and design

A large proportion of our developments, particularly across the office, industrial, healthcare and retail portfolios, occur within existing developed areas (i.e., brownfield sites). We seek development opportunities in properties in highly connected urban environments and integrate our developments with multi modal transport networks and facilitate active transport options. Our developments aim to create city precincts that enhance the amenity and vitality of Australia's central business districts.

When selecting sites in greenfield locations and developing site design, our projects seek to protect, restore and conserve aquatic ecosystems, farmland, floodplain functions, and habitat for threatened and endangered species.

These features are often protected through development approval conditions that we comply with and at times seek to exceed in order to achieve a net positive biodiversity outcome (see Dexus's Biodiversity Policy).

Development approval conditions and other measures included in development contracts help minimise negative impacts of construction by directing projects to:

- Manage waste by diverting construction and demolition materials from disposal.
- Manage waste by diverting reusable vegetation, rocks and soil from disposal.
- Protect air quality during construction.
- Protection of surface water and aquatic ecosystems by controlling and retaining construction pollutants
- Protect and restore habitat and soils disturbed during construction.

Developments seeking Green Star Buildings certification are directed to minimise negative impacts of construction through the redefined Responsible and Positive categories.

Environmental impact assessments are carried out at all sites and on selected sites social impact assessments are undertaken.

Integrating sustainability factors into development projects

We partnership led approach with our customers in the preparation of design briefs for new developments and refurbishments. Design briefs describe the scope and nature of the development works and incorporate requirements and minimum standards relating to sustainability issues and performance for key areas including:

- Biodiversity and habitat
- Location and transportation
- Building safety
- Supply chain
- Climate change and adaptation
- Water consumption
- Energy consumption and greenhouse gas emissions
- Waste management
- Environmental and health attributes of building materials
- Health and wellbeing during construction and for future occupants

Each design brief is unique to the development or retrofit, however an overarching document is created for each works project for the purposes of tendering and holding contractors to account against a fully documented list of requirements.

Dedicated project control groups are established to oversee various aspects of each development through its design, construction and commissioning.

Green building certifications

Dexus selectively rates new developments against the Green Building Council of Australia's (GBCA) Green Star certification and continues to present Green Star opportunities to all pre-lease construction opportunities. Dexus targets to achieve at least 5 Star Green Star ratings for projects registered in the legacy Green Star Design & As Built v1.3 rating or 4 Star under the new Green Star Buildings v1 ratings across all new office and healthcare developments as well as select industrial developments.

Selected office developments seek excellence in property health and wellbeing by targeting WELL certification from the International WELL Building Institute.

Infrastructure Investment and Due Diligence

Dexus Infrastructure invests in assets with core risk return profiles, particularly brownfield PPPs, regulated energy utilities, transport, health, aged care, and student accommodation. We consider ESG issues as a key component of our mainstream investment process as demonstrated by explicit protocols across the full scope of our investment process, from the identification of new opportunities, throughout origination and due diligence, and in post-acquisition management of the investment.

Rigorous investment process controls are in place to ensure high quality consideration of ESG issues regardless of sector, fund, investment style or geography. These are reinforced by Dexus's integrated corporate responsibility framework that commits our organisation to making responsible investment decisions on behalf of our investors.

When considering the key sustainability issues likely to impact our infrastructure investment portfolios, we assess the physical location of a facility or service, environmental impacts and constraints, community and social implications, the dynamics of the sector or industry in which they operate and the business practices of related counterparties. Furthermore, we consider the scope of governance arrangements in place to protect the long-term interest of investors. The materiality of specific issues will vary greatly between each investment given its unique characteristics and the contractual arrangements between counterparties. Common sustainability considerations include environmental legislation, biodiversity, occupational health and safety, community safety, stakeholder management, community grievances, board composition, shareholder rights, succession planning, audit processes and sustainability considerations.

Pre-Investment Approach

When originating new investment opportunities, we apply both a qualitative and quantitative approach in assessing the risks, opportunities and potential impact of sustainability issues. Sustainability issues are considered in the very early stages of investment analysis and addressed throughout the investment approval process. We believe the process of quantifying the financial impact of sustainability risks provides a greater appreciation of commercial significance and the sustainability of business operations. Our investment team has sought to continuously improve the way in which we incorporate quantitative analysis into our investment process.

To achieve the highest standards of quality in sustainability integration, the following process controls are present throughout the investment process:

Stage 1 - Opportunities pipeline report: The Infrastructure division produces regular reports on the status of transactions underway. The opportunities pipeline report provides an overview of investment characteristics, deal metrics, key investment risks and the status of each opportunity. Sustainability risks are included in the key investment risks sections and are sector or transaction specific, dependant on the status of the deal.

Stage 2 - Concept approval paper: An investment concept paper is prepared for the Infrastructure Investment Committee and required to contain a prescriptive list of transaction specific sustainability issues that the investment team will explore during detailed due diligence. The concept paper must also include identification of any sustainability resources required during due diligence (i.e., collaboration and/or secondment of internal expertise and/or specialist external consultants).

Stage 3 - Due diligence: Following concept approval, an investment opportunity is taken through an exhaustive process of due diligence. Given the complex nature of infrastructure transactions, the infrastructure team may appoint external advisors where specialist skills or technical knowledge are required, e.g. engineering and environmental consultants. The investment team is responsible for allocating transaction specific sustainability issues and drawing a conclusion on sustainability due diligence in order to 'Price, Transfer or Monitor' any sustainability factors associated with the transaction.

Stage 4 - Final approval paper: A detailed investment paper is presented to the Infrastructure Investment Committee for final approval. This paper provides conclusions from sustainability due diligence and the methodology to price, transfer or monitor sustainability issues. Pricing sensitivities on specific sustainability issues are presented to provide transparency of their commercial relevance. An explicit strategy to mitigate all material sustainability risks (through price, transfer, and monitor approach) must be provided prior to Committee approval.

Stage 5 - Completion noting paper: Subsequent to financial close, a completion paper and investment pack (consisting of all due diligence research and data room materials, internal approvals and documentation associated with the transaction) is compiled for future reference. The investment completion paper must be submitted to the Infrastructure Investment Committee within 28 days of transaction completion. All sustainability due diligence materials are retained within this pack.

Post-Acquisition Management

The following approaches are utilised by Dexus Infrastructure following acquisition of an Infrastructure asset:

- Active ownership and asset management: Dexus places a strong emphasis on the active management of its infrastructure assets. Transparency and influence of sustainability performance is typically achieved through board representation, CEO and senior management dialogue, strong relationships, and contractual arrangements with third-party operators. Dexus also initiates sustainability focused research and strategic propositions, based on a wealth of internal experience in the asset class and across responsible investment themes. Each Infrastructure investment is assigned a dedicated asset manager, whose responsibilities include sustainability monitoring and management.
- Board representation: Board representation allows Dexus to play a direct and active role in monitoring, assessing, and influencing the financial and sustainability performance of our investments. Board members are responsible for ensuring sustainability issues are considered in the context of the operational performance, corporate strategy, and broader stakeholder relationships. Board representation also ensures strong governance and enforcement of legislative compliance, approval of risk management frameworks, and implementation and engagement of sub-committees. Board representation is shared amongst senior members of the Infrastructure Team and external appointees who have the necessary industry experience and skill.
- Third-party operators: While core infrastructure assets generally have their own board and in-house management team to address corporate and operational issues, some social infrastructure investments rely heavily on third-party operators to provide operational support, maintenance, and facilities management activities. Where infrastructure asset managers are responsible for managing third-party service delivery, monitoring, and driving improved sustainability performance is an important aspect of the role. Monitoring of sustainability related activities is facilitated through standardised reporting, site visits/inspections by the investment team and regular forums with stakeholders to progress sustainability initiatives for each of the investments.
- Periodic Sustainability Appraisals: Sustainability factors and management practices are appraised on an asset specific basis. Evaluation conclusions are incorporated into investee company dialogue, co-investor engagement, budgeting, valuation and asset management practices. While sustainability appraisal outcomes are typically focused on improved transparency and risk management, strategic propositions may also be developed where opportunities exist to leverage sustainability factors for improved profitability.
- Leveraging best practice: Each new due diligence process, periodic sustainability appraisal or implemented initiative typically identifies new learnings that can be of benefit across our global portfolio of assets.

5.4 Stakeholder engagement

Building and nurturing strong working relationships with our stakeholders is critical to our value creation. Our key relationships include investors, third party capital partners, customers, communities, our people, suppliers, government, and media. Stakeholder engagement supports these relationships and enhances Dexus's capacity to create value through the following objectives:

- Helping Dexus identify and act on value creation opportunities (e.g., acquisitions)
- Identifying megatrends and material issues for Dexus to integrate into its corporate strategy and Sustainability Approach
- Understanding the impacts that Dexus has on its stakeholders, including local community impacts.
- during development activity, and how Dexus can enhance positive impacts and minimise negative impacts.

- Learning about best practice initiatives in sustainable development that can enhance Dexus's leadership in managing environmental, social and governance (ESG) issues.
- Providing feedback to Dexus on what is working well, and how Dexus can improve its service delivery.
- Collaborating with peers, partners and suppliers to improve industry standards and enhance the benchmark for Australian real estate.

Dexus maintains an active program of engagement activities to support value creation. Dexus's values comprise Openness and Trust, Empowerment, and Integrity which all underpin its approach to stakeholder engagement.

We aim to build lasting relationships with our stakeholders through an active program of engagement activities. As part of our periodic materiality assessment, we involve groups of our key stakeholders to help identify key issues that impact our ability to create value for our stakeholders over the short, medium and long term.

Dexus has developed an overarching Stakeholder Engagement Guideline that identifies its key stakeholder groups and relevant engagement objectives and typical engagement activities. The Dexus Stakeholder Engagement Guideline at www.dexus.com/corporategovernance

5.5 Evaluation and continuous improvement

We continuously evaluate our overall strategy and employ several mechanisms to monitor performance against strategic objectives, report progress to the GMC, and drive continuous improvements from the lessons learned.

The table below specifies key performance indicators that we use to evaluate our Leading Cities outputs and impacts.

Leading cities	Output	Impact
Economic contribution	– Value of portfolio – Portfolio occupancy rates – Constructions jobs supported at development projects. – Gross value added to the economy from development projects	– Leading destinations that attract economic activities to our cities – Economic contribution to location communities
Sustainable development	– Green building certifications achieved at selected development projects including but not limited to Green Star (5 Star Green Star Design & As Built v1.3, or 4 Star Green Star Buildings v1), NABERS, WELL – Design to achieve net zero emissions in operation	– Demonstration of sustainable development outcomes – Environmental and health impacts as described elsewhere in this document (e.g., improved health from reduced pollution, enhanced occupant wellbeing)
Stakeholder engagement	– Meetings with investors, government, and other stakeholders – Benchmark ESG performance – Disclosures via Annual and half-year reporting – Media reach – Social media analytics (followers and engagement) – Community engagement for all development activities – Fit for purpose engagement methods	– Enhanced reputation from strengthened stakeholder sentiment and strong, consistent communication – Enhanced communication to general public – Enhanced reputation from strong positioning of brand and business activity – Understanding and responding to trends of interest – Positive relationships during and after development – Enhanced reputation

6.0 Thriving People

Building an engaged, capable, and inclusive workforce, adopting high performance ways of working, to deliver on our strategy.

6.1 Overview

Our Thriving People objective recognises the direct relationship between the capability of our people and the success of our business.

When we effectively engage our people, develop their capabilities, and provide opportunities for growth, we can harness realise their full potential and enhance our sustained value creation.

The focus areas for our approach to Thriving People are:

- Employee engagement and retention: the more enthusiastic and engaged our people are, the more likely they are to remain at Dexus and contribute positively, leading to greater productivity outcomes, lower recruitment costs and increase employee satisfaction. We are focused on creating and supporting a culture where our people are fulfilled by their work and have opportunities to grow.
- Professional development: creating learning opportunities and offering development is a core component of attracting and retaining a talented workforce. We support the ongoing growth of our people by providing targeted and structured learning and development that meets their unique needs.
- Inclusion and diversity: an inclusive workplace with a diversity of views is a driver of competitive advantage. Diversity means valuing an individual's race, gender identity, age, religious belief, ethnicity, cultural background, economic circumstance, disability, expression of thought and sexual orientation as well as their experiences, skills, and capabilities to create a business environment that embraces a range of perspectives.
- Workplace health, safety, and wellbeing: we have a duty of care to our people, as well as investors, customers, agents, contractors, service providers and the wider community to ensure workplace health, Safety and Wellbeing (WHS&W) risks are appropriately managed. We recognise that safety incorporates more than physical safety, with psychological safety and wellbeing contributing significantly to productivity outcomes and employee engagement. We value our people and recognise the intrinsic importance of their health and wellbeing as well as its impact on business performance.

The boundary for our approach encompasses all Dexus employees across our corporate offices and site-based teams within the Dexus group portfolio.

6.2 Management Framework

Several areas of our business, under the leadership of the Board and Group Management Committee (GMC), collaborate to deliver our objective of Thriving People.

Several policies are publicly available at www.dexus.com/corporategovernance

The table below provides insight into the relevant management structure and policy framework.

Thriving People management framework	
Dexus Board (Board)	
Responsibility for approving remuneration outcomes and people policies	
Board People & Remuneration Committee	
Oversight of people practices by reviewing and endorsing key policies and practices around employee engagement, professional development, succession planning, culture, inclusion, and diversity.	
Group Management Committee (GMC)	
Responsibility for alignment of Dexus's corporate culture with its goals and objectives and sustaining competitive advantage by maximising available human and other resources and encouraging employee commitment	
People and Culture team	**Risk team**
Responsible for executing Thriving People strategy across: – Employee culture and engagement – Talent attraction and retention – Learning and development – Remuneration and benefits – Inclusion and diversity	Oversight of workplace health and safety
Policy Framework	
Employee Code of Conduct | Inclusion and Diversity | Flexible Working | Work Health, Safety and Wellbeing Human Rights | Whistleblower | Training and Education | Workplace Behaviour | Leave	

6.3 Employee engagement and performance

We nurture and sustain an engaged, high-performing workforce that embraces our purpose and is motivated to deliver on Dexus's strategy. Employee Engagement represents the level of pride, enthusiasm and connection employees have with Dexus. It is a measure of how motivated people are to put in extra effort and a sign of how committed they are to staying. Engaged employees are more likely to generate and implement innovative ideas, apply discretionary effort and act as brand custodians.

Purpose and values

Our culture is critical to the foundation of our operating model. This year, we undertook an approach to define our aspirational culture and have launched a new purpose, set of values and employee value proposition. This incorporated top-down and bottom-up insights to bring the desired future cultural qualities to life through the articulation of target mindsets and behaviours.

This year we launched our new purpose "**Unlock potential, create tomorrow",** which captures our unique capability to expand what is possible and use that potential to deliver long-term value for our investors, people, customers and communities. Our new values**, "rally to achieve together"** and **"build trust through action"** describes the behaviours and mindsets that bring to life our evolving culture.

Employee Listening Strategy

We survey our people at least twice per year to understand levels of engagement and sentiment around the employee experience and workplace circumstances such as inclusion and diversity, career and development, leadership, change management, health and wellbeing.

An outcome of these surveys is an Employee Engagement Score, which we use as a key metric comprised of five engagement questions which encompass connection, motivation, and commitment. We also analyse survey results by a range of demographics, including gender, location, and business unit to understand how sentiment varies across Dexus and to identify areas of opportunity. Survey results and insights are used to develop management actions to lift engagement where required.

Employee attraction and retention

Ensuring the effective attraction, engagement and retention of employees is an integrated and continuous process of measurement and adjustment. The GMC conducts a capability assessment, talent and succession review and the Board People & Remuneration Committee oversees this process.

To attract new employees, we use recruitment technology to support an enhanced best practice recruitment process, supported by hiring managers who have been educated on inclusive communications and engagement. We operate a careers website and advertise roles across a range of search platforms to capture talent pools for key job segments. This enables efficient and effective access to a diverse range of talent pools, enabling the group to attract the best available talent in the market.

To support the retention of existing employees, we encourage all employees to have individual development plans, recognise and reward professional and personal achievements, invest in learning and career development and actively support internal mobility of our talent.

Performance management and role clarity

Employees undertake ongoing check-ins with their managers to agree on and evaluate progress against targets and objectives, career and development and day-to-day employee experiences including needs.

We adopt a Scorecard methodology to manage executive and employee performance, which measures contribution and achievements against threshold, stretch and outperformance targets. Scorecards also motivate all leaders and employees to strive for outperformance within their teams.

Key performance indicators (KPIs) are agreed with each employee in collaboration with their manager, to provide a measurable yardstick against actual performance. KPIs align with organisational goals and values and vary for each employee depending on their role. Our 3+1 approach to setting personal objectives directs employees to set three individual KPIs that align with organisational goals, and a personal Thrive goal that identifies the one simple thing they need to thrive.

Thrive goals can relate to factors such as career, passion, flexibility, development, health or volunteering.

Reward, recognition and benefits

Employees are rewarded for contributing to the success and growth of the group. Our remuneration structure is based on market competitiveness, alignment with the achievement of financial and operational objectives. We combine a targeted mix of remuneration components including immediate performance payments and deferred performance payments linked to returns over the longer term.

The Board People & Remuneration Committee reviews trends in employee reward structures and strategies in other comparable companies. The annual employee remuneration review considers gender pay gaps to maintain gender pay equity.

All employees are employed in Australia and are paid a living wage above the Australian National Employment Standards.

Key components of our reward and recognition program are:

- **Fixed Pay –** each position is matched to a comparable industry role using benchmark data and continually reviews and assesses our position with an aim to be market leaders.
- **Benefits –** comprises a Wellbeing Subsidy, Dexus Days (5 days of additional leave annually), Employee Share Ownership Plan and other employment, lifestyle and financial benefits.
- **Incentives –** Group Incentive Plan, Recognition Pool, Short- and Long-Term Incentive plans. Performance is generally assessed over a one-year period commencing 1 July however, senior management and executives also focus on a longer time horizon through the deferred elements of the Short-Term incentive plan (1 and 2 years) and the Long-Term incentive plan (3 and 4 years)

Our Recognition Pool ensures that we reward performance that goes beyond daily tasks, allowing for the acknowledgement of great performance through non-financial means.

Some of the rewards in the Recognition Pool include peer acknowledgement, additional time off beyond standard allowances, supporting education and experiences of interest to the individual.

Dexus offers several employee benefits in line with contemporary Australian market practice. Benefits are offered regardless of full-time or part-time employment status but may be pro-rated in the case of leave and life insurance benefits, which are based on the employee's regular salary level.

Temporary employees engaged via a labour hire agency or contracting agreement receive benefits from their primary employer, the cost of which is factored into the hourly rate or service fee paid by Dexus. Temporary employees are not eligible for the following benefits: leave benefits, life and disability insurance, membership to the corporate discount program, study assistance.

Minimum notice periods for Dexus employees

Notice periods at Dexus vary depending upon level of seniority of the role. The position of CEO must provide 6 months' notice of intention to resign, and senior executives must provide three months' notice of their intention to resign from their respective positions. The minimum notice period for termination of fixed term and permanent employees' employment is two weeks' during probation and one month notice once ongoing employment has been confirmed. For casual employees, the notice period is one~~1~~ week.

Managing organisational changes

Effectively delivering against both our strategic and operational requirements now and in the future results in consideration of our organisational capacity and the need for change.

Change initiatives vary in size and nature but can include adjustments to organisation structures, policy, process, behaviours or a combination of these factors.

Organisational changes are managed by identifying and assessing the change objectives, likely impact, stakeholders, dependencies, risks and benefits. When a program of change is endorsed, the business unit or leader sponsoring the change is accountable for overseeing stakeholder management, communications and reporting progress to Management.

Where a change involves organisational redesign, consideration is given to the capability requirements aligned with our strategic and operational goals.

Where organisational redesign results in significant changes or the closure of a role, employees are informed in a reasonable timeframe and wherever possible, impacted employees are provided development to meet the role requirements or internally redeployed. Employees who involuntarily leave Dexus may be eligible for career transition support services, including personal coaching, retraining, tools, and support to assist with exploring career options.

We provide career transition support that is tailored to the seniority of the individual and the role opportunities that match their experience and skillset. All levels of career transition support include access to a marketplace of services for the individual to use "points" allocated to select the wellbeing, career coaching, reskilling, and career strategies to meet their personalised goals.

Employees remain eligible for our Employee Assistance Program for up to three months post their employment to provide additional personal support through any transition.

Learning and development

At Dexus we take a blended learning approach, recognising that the most impactful learning and development comes from a combination of a variety of sources:

- **Experience**: learning through doing
- **Exposure:** learning through others
- **Education:** formal learning such as classroom sessions and online learning

We design and implement a comprehensive learning and development curriculum to build employees' skills, knowledge and experience to deliver business objectives. The Training and Education Policy outlines the objectives for training employees with a focus on strategic training needs that Dexus has identified.

Managers work with their direct reports to ensure they have the necessary capacity, competence, knowledge, training, seniority, and skills to perform their role.

Our people work with their managers to prepare and implement individual development plans (IDPs) to maintain and build upon their skills, knowledge and experiences to perform in their current role and progress toward career goals and milestones. Activities within a development plan may include role shadowing, individual strengths assessments, coaching, mentoring, learning programs, professional memberships, project opportunities, study assistance or a talent management process designed to promote employee development.

Training activities also extend to developing the capabilities of the group's partner providers, including on-site training of facilities management teams in the operation of enhanced building management systems, procurement, emergency practice procedures and customer service.

Leadership development

Dexus Leadership capabilities are defined by Management and endorsed by the Board People and Remuneration Committee. The agreed leadership capabilities are embedded across the talent lifecycle, including psychometric assessment process for candidates, expectations set for leaders and employees in induction and in the design of leadership development programs, resources, and experiences.

We conduct leadership development programs to build and maintain the capability of management and to drive commercial and cultural change. Our leadership programs include individualised development plans that target improvement in specific behaviours, skills and knowledge, along with experiences to enable success in the leadership role. Lead@Dexus is our core leadership suite, including a one-day induction program to set expectation to all new leaders, whether they are leading others, teams, or the organisation. Launched in 2023, Lead@Dexus Leadership Conversations Mastery is a further program to equip Leaders with the tools to build high performing and engaged teams.

An online performance management system is used to manage and improve the abilities of managers and to facilitate employee self-development.

People managers are engaged in regular management forums to guide them through the annual people cycle, including just in time capability build and resources to deliver key people management experiences such as goal setting, talent and succession, performance reviews, career and development planning, as well as ad-hoc deep dives on topics such as mental health and flexible working. Forum content is regularly reviewed to ensure it will continue to meet the capability and role needs of leaders and managers.

In 2023, we also extended our internal learning program to include Grow@Dexus, a program that provides inclusive development opportunities for all employees.

6.4 Inclusion and diversity

We are committed to attracting and retaining a diverse workforce that brings a range of perspectives and helps us execute our strategy in an ever-changing business environment.

Diversity policies and practices

Our Inclusion and Diversity Policy embraces diversity in gender identity, race, age, disability, sexual orientation, nationality, education, socioeconomic background, work experience, relationship status, family/ carer responsibilities and personality. These factors influence the unique perspectives that our employees bring to the workplace. Our people should feel safe and empowered to bring their whole selves to work every day.

Gender diversity and pay parity

Dexus is committed to closing the gender pay gap, with a goal to achieving and maintaining pay parity in like-for-like roles.

Our approach to achieving gender pay parity is consistent with Workplace Gender Equality Agency (WGEA) guidance, and includes:

- Reducing the absolute pay gap through progressive action and target to achieve 40:40:20 gender representation in senior and executive management roles
- Monitoring the market-relative pay gap, which benchmarks employee pay against appropriate market benchmarks, and taking action to rectify any material variation between how females or males are positioned against the relevant benchmarks
- Monitoring the peer-relative pay gap, which compares the average female and male full-time fixed pay where the same role is occupied by at least three individuals from each gender, and taking action to rectify any instances where female and male pay varies significantly in these 'like-for- like' roles

Dexus's approach to achieving gender pay parity has been endorsed by WGEA. It is designed to progressively close the gender pay gap, provide assurance that the remuneration offered to employees is both 'fair' and 'equitable', and identify where there may be cases of conscious or unconscious bias in the application of our remuneration approach.

Other initiatives focused on supporting gender diversity include:

- **Future Leaders in Property –** this program targets high school girls interested in exploring career opportunities within the property industry, and is aligned to active projects in Dexus's development pipeline
- **Property Council of Australia's Girls in Property Program -** an industry partnership that aims to raise awareness among high school students of the various career paths available across the property industry
- **Champions of Change Coalition –** Darren Steinberg, Dexus CEO, champions gender equity within the property industry as part of the Champions of Change Coalition
- **Conferences and panels –** Encouraging gender balanced forums and panels for internal and external events, as well as encouraging Dexus's external partners, suppliers and conference organisers to adopt Dexus's approach.

Supporting parents and carers

For employees where Dexus's parental leave policy applies, we provide paid parental leave for both primary and non-primary carers regardless of gender. All parental leave benefits exceed statutory minimums and are available to eligible employees regardless of whether they are also eligible for government-issued benefits. For employees that have joined Dexus from AMP Capital during the year, the pre-existing AMP parental leave policies continues to apply and those employees will transition to the Dexus parental leave policy in FY24.

We do not have a minimum employment period eligibility requirement for access to these benefits.

We recognise the gender imbalance regarding traditional caring responsibilities and actively encourage male employees to access paid parental leave entitlements. We ensure continuity of superannuation throughout unpaid parental leave and provide a return-to-work program to supporting employees transitioning from parenting to work (both part-time and full-time).

Our inclusive Parental Leave Policy complements our goals of attracting and retaining the best talent and our purpose to unlock potential, create tomorrow. This is demonstrated by:

- Return to work targets being consistently achieved, which is indicative of our strong engagement with working parents, our strategic talent framework and inclusive culture
- An increase in males taking paid primary carer leave which supports our gender equality agenda
- Employees supported with learning and development, career continuation within the first year of employment
- Continued membership with parents and carer support organisations including 'Pink Elephants'. Dexus's support of this charity that supports employees and families who've experienced miscarriage and early pregnancy loss.

Parent and care support at Dexus goes further than support during the early stages of parenthood. We have partnered with 'Parents At Work', a leading expert consultancy providing work and family education to provide Dexus parents and carers with access to their Work + Family Hub. The hub provides resources to support employees as they prepare for leave, manage their carer responsibilities or plan to support someone else.

Employees are invited to join interactive webinars throughout the year to connect with others and share experiences on how to make the work-life juggle work.

Flexible job design

We strive to create a work environment which encourages and promotes a healthy work-life balance and offers flexible working hours to support this. Our Flexible Work Policy enables our people to request access flexible working arrangements with their manager.

The policy seeks to enable a culture of inclusion and gender equity by empowering employees to adjust their working arrangement to best manage their work and life commitments. The policy aims to enhance employee wellbeing and employee engagement, team performance productivity and talent retention.

Diversity networks, initiatives, events

We have established several networks and initiatives that embed inclusion across the organisation and recognise diversity in all its forms:

- The Dexus **TRIBE Network** is an employee-led group that celebrates LGBTI+ inclusion in the workplace, supporting Dexus's broader commitment to enabling psychological safety at work
- The **Reconciliation Action Plan Working Group (RAPWG)** is a cross-functional and national working group, established to progress the main objectives of the Reflect RAP and to ensure that we deliver a meaningful contribution to reconciliation. **NAIDOC Week and National Reconciliation Week** are recognised annually to acknowledge the history, and celebrate the culture and achievements of First Nations people
- Dexus also celebrates cultural diversity on through the acknowledgement and celebration of various days of cultural significance throughout the year
- **International Women's Day** is celebrated annually to recognise the success of all the women across Dexus

6.5 Human rights

Our Human Rights Policy outlines commitments to sustainable procurement, First Nations rights, equal opportunity and human rights legislation. Dexus reviews and monitors human rights against the policy internally and with key service providers and business partners. Section 4.0 Supply Chain details our approach to supply chain management, including upholding human rights and addressing modern slavery.

The Dexus People and Culture team use a human rights due diligence process including an identity and visa status check during the recruitment process. Any material issues such as a candidate's inability to evidence their right to work will lead to the abandonment of potential employment. All Dexus employees earn wages above Australian legal minimums and are free to associate and enter into collective bargaining agreements.

We uphold human rights in our workplace through:

- Building an inclusive and diverse workplace that is free from discrimination, bullying and harassment, and that offers equal opportunity in career advancement
- Providing leave entitlements and other benefits enabling employees to enjoy the right to family, recreation and work-life balance
- Focusing on employee health and safety through risk management and wellbeing initiatives
- Training employees so they can recognise the occurrence of discrimination, modern slavery, and other human rights abuses, and feel confident to speak up

Other focus areas identified by our People and Culture team in recent human rights assessments include:

- Addressing the gap in superannuation to primary carers due to taking parental leave
- Reviewing policies and support systems available to employees suffering from domestic violence
- Providing services and support systems to employees experiencing mental health concerns

We conduct exit surveys for staff that leave the business. The surveys help Dexus determine whether organisational culture or human rights considerations contributed to an employee's departure.

6.6 Employee Health and wellbeing

Dexus has established a Safe & Well framework to support the mental, physical, financial and work wellbeing of our people. Safe & Well provides a breadth of resources, freely accessible to Dexus employees. These resources work alongside our partnership with Benestar (also known as the Employee Assistance Program), which offers counselling and coaching services to all employees and their families. We also partner with the Black Dog Institute who specialise in the research of mental health and provide support through programs, digital tools, apps, clinical services and public resources.

Maintaining a safe workspace Health and wellbeing

Our Work Health, Safety and Wellbeing (WHS&W) statement demonstrates Dexus commitment to WHS&W. We recognise we have a duty of care to our investors, tenants, employees, agents, contractors, service providers and the wider community to ensure all Work Health, Safety and Wellbeing (WHS&W) risks arising from our business are appropriately managed. To achieve this, we have implemented a comprehensive ISO 45001:2018 accredited workplace health and safety management system to ensure the effective management of WHS&W risks across the portfolio. The Statement governs the development, management and monitoring of tailored WHS&W risk management systems, training of personnel, and designation of responsibilities and resources to meet program obligations. It also governs the group's Return to Work policy for injured employees, in addition to the monitoring, evaluating and reporting of our WHS&L W performance.

The key legislation governing Work Health and Safety (WHS) at Dexus is the Work Health and Safety Act and Regulations that varies across the states where Dexus operates.

We implement a comprehensive workplace health and safety program

that is certified under ISO 45001:2018, an internationally applied standard for occupational health and safety management systems. Through this system, we comprehensively monitor the health and safety of employees and manage solutions to prevent workplace incidents, risks and occupational diseases.

Employee health and safety is supported by our Periskope risk management system, which contains information on WHS and asset- related incidents and risk assessments, manuals, guidance material, tasks management and audit information.

Upon inception and at least annually, employees are trained on Dexus's health and safety management system and the use of systems including Periskope. Employees are made aware of their roles and responsibilities regarding risk identification and reporting. Incident reports must be completed for all incidents within 24 hours or as soon as reasonably practicable. If the incident involves a Dexus employee, it also must be reported to the Return-to-Work coordinator and the Risk team as soon as reasonably practicable.

We encourage our people to come forward with concerns and report incidents without fear of reprisals. The Dexus Whistleblower Policy and independent disclosure service are also available to Dexus employees who wish to raise concerns under the protections available to whistleblowers per Australian legislation.

Health and safety programs are subject to annual external audit and improvement plans are monitored by the Risk team and the Dexus Workplace Health, Safety and Environment (WHS&E) Committee. WHS risk management is also overseen by the Corporate Executive Committee (CEC), Group Management Committee (GMC), Board Risk Committee and the Board.

Dexus Workplace Health, Safety & Environment Committee

The Dexus Workplace Health, Safety & Environment (WHS&E) Committee is open to all employees and functions to:

- Champion health, safety and environment initiatives in the workplace
- Participate and consult in WHS&E matters
- Ensure Dexus workers are represented in health and safety matters
- Facilitate co-operation in instigating, developing and carrying out measures to improve the health and safety of workers
- Assist in the ongoing development of safety standards, rules and procedures
- Consider and address findings from health and safety audits or monitoring reports

Ergonomics

An important component of our approach to ensuring a safe and healthy work environment is the provision of appropriate workstations and resolving any ergonomic issues that may arise. All employees complete an ergonomic self-assessment and develop an action plan (if required) with their manager. If an employee identifies an ergonomic hazard, it is to be reported to their manager who will report the issue to the Risk team or the People & Culture team.

To support an autonomous hybrid working model, our employees complete a Flexible Working Hazard checklist for workspaces outside of a Dexus corporate office location. The checklist ensures that employees engaging in flexible or remote work are in a safe and appropriate environment.

In addition to incorporating WHS training and an ergonomic self-assessment, the checklist evaluates the proposed working environment for common hazards such as electrical, fire, trip hazards, and other potential concerns. All checklists must be reviewed and signed off by the employee's manager.

Employee Work Health & Safety Training

We ensure all our employees are provided with adequate information, instruction and training to perform their job safely.

All Dexus employees undertake the Dexus WHS&E induction upon commencement of employment. Our People and Culture team maintain a record of employee attendance and ensures that employees can access the Dexus Employee Handbook.

The WHS&E representatives, Risk team, and People and Culture team identify all additional WHS&E competencies for the organisation and assign training to employees as required. The People and Culture team assists our employees in maintaining a training plan that is documented in each employee's performance management process and reviewed twice per year.

Additional WHS&E training responsibilities are assigned to employees with regard to:

- WHS&E competency requirements of existing policies and procedures.
- WHS&E competency requirements of safe work practices
- Levels of risk associated with work roles
- Specific licensing requirements (if any)
- Any industry qualifications that may be required to carry out particular task

6.7 Thriving People evaluation framework

We use the principles of impact mapping to communicate how our sustainability approach activities lead to benefit for Dexus and our stakeholders. The outputs, outcomes and impacts in the impact map also serve as indicators for us to evaluate our performance and continuously enhance our approach. Several of the indicators are reported annually in our Annual Reporting Suite.

The table below summarises our approach to impact mapping to communicate how our sustainability approach activities lead to benefit for Dexus and our stakeholders.

Thriving People impact map

Activities	Outputs	Employee Outcomes	Employee benefit	Dexus benefit
Employee engagement and performance				
– Employee listening strategy – Performance management and role clarity – Recognition, reward and benefits – Activating the Dexus purpose – KPI setting process for each employee	– Employee confidence in role purpose – Employee confidence in role goals/objectives – Employee performance reviews – Employee satisfaction with enabling systems and processes – Participation in internal networking and events	– Employees feel appropriately matched to their roles – Enhanced employee satisfaction with their team and manager – Employee trust in management – Employees feel they have a pathway to advance at Dexus – Employees build connections, friendships, networks at work	– Increased employee engagement – Increased retention – Improved sense of fulfillment at work	– Reduced employee turnover costs and associated morale challenges – Enhanced employee productivity
Learning and development				
– Management training – Leadership training (including inclusive leadership) – Culture training – Technical / customer training	– Number of employees participating per training activity	– Enhanced employee skills in time management, managing people – Improved self-awareness of development opportunities – Enhanced capacity for influencing, negotiating, strategic problem solving – Employee understanding of expected values and behaviours – Enhanced understanding of customer needs	– Increased employee engagement – Increased retention – Improved sense of fulfillment at work – Customer NPS – Team engagement –	– Reduced employee turnover costs and associated morale challenges – Enhanced employee productivity – Increased customer retention – Increased competitive advantage through enhanced capabilities
Inclusion and diversity				
– Policies and practices including leave entitlements – Flexible job design – Supporting parents and carers – Diversity networks, initiatives, events	– More diversity in workforce – 40:40:20 gender representation in Dexus senior and executive – management roles – Uptake of flexible working – Use of parent/carer support offering – Participation in diversity networks, initiatives and events	– Enhanced employee sentiment regarding their own inclusion – Enhanced employee sentiment regarding inclusion at Dexus – Enhanced employee awareness of inclusion and diversity issues – Minimised discrimination and harassment	– Increased employee engagement – Increased retention – Improved sense of fulfillment at work – Customer NPS – Team engagement	– Reduced employee turnover costs and associated morale challenges – Enhanced employee productivity – Reduced risk of compliance breaches

Thriving People impact map (continued)				
Activities	Outputs	Employee outcomes	Employee benefit	Dexus benefit
Health and wellbeing				
– Safe & Well program	– Employee uptake of flu vaccines, and other offers – Employee access to fresh food – Crisis/stress management support – Employee awareness of mental wellbeing tools – Employee participation in fitness activities – Access to Employee Assistance Programs	– Reduced incidents of flu – Increased employee consumption of fresh food – Improved employee physical fitness through sustained participation in fitness – Enhanced employee confidence regarding mental health	– Increased employee engagement – Reduced absenteeism – Improved employee health and wellbeing metrics –	– Reduced employee turnover costs and associated morale challenges – Enhanced employee productivity – Increased customer retention – Increased competitive advantage through enhanced capabilities

7.0 Enriched Environment

An efficient portfolio that minimises our environmental footprint through optimizing the use of resources and considers its surroundings.

7.1 Overview

We recognise we have a duty of care to our stakeholders: investors, customers, employees, agents and the wider community, to sustain and protect the environment during the management of our property portfolio.

The group adopts a holistic, precautionary approach to environmental challenges – from the boardroom to the plant room – to reduce operating costs, enhance property values and improve customer appeal, resulting in enhanced long-term returns for investors together with lower environmental risks.

Adopting a sustainable approach to property operations contributes to the following outcomes:

- Enhanced income through higher rental premiums for sustainable buildings
- Reduced operations and maintenance costs
- Improved customer comfort and amenity
- Enhanced business reputation
- Improved employee productivity and wellbeing
- Investor demand

Our material environmental issues include:

- **Energy consumption:** Optimising energy usage positively impacts the environment while reducing operating costs and exposures to volatility in energy prices. High performing buildings attract customers and increase occupancy and customer retention. This reduces financial risk, maximises the return on investment and gives customers an environmentally conscious space to occupy
- **Water consumption:** Improving water efficiency, on-site water recycling and rainwater harvesting preserves a precious natural resource and reduces utility costs which leads to reductions in outgoings and maintenance costs. These outcomes reduce operational financial risks, improve reputation, help to attract and retain customers and maintain each property's market competitiveness.
- **Waste management:** Minimising waste and increasing recycling through effective waste handling reduces raw material use and avoids environmental and health related hazards associated with sending waste to landfill.
- **Biodiversity:** Ecosystems and their species perform important biological functions in the environment around us. Protecting and enhancing biodiversity provides places for native flora and fauna to reside. Biodiversity contributes to protecting areas from soil erosion and floods, reducing climate change risks, recycling nutrients to boost farming productivity, capturing, and retaining water, assisting with controlling pollution as well as providing aesthetic value.

The boundary for these issues encompasses all properties within the Dexus group portfolio, with impacts felt across occupants and visitors, as well as local communities and habitats.

7.2 Environmental impacts management framework

We have established the following business goals to minimise the overall environmental impact of our operations and guide the development of environmental sustainability practices and initiatives:

- Achieve high environmental performance standards across Dexus's group property portfolio.
- Develop properties that are sustainable and minimise resource consumption and environmental impacts.
- Increase stakeholder awareness of the benefits of investing in sustainability and improved building performance.
- Effectively manage environmental risks for community health and wellbeing and to preserve the environment.

Several areas of our business, under the leadership of the Dexus Board and Group Management Committee (GMC), collaborate to deliver these goals.

The table below provides insight into the relevant management structure and policy framework.

Publicly available policies are available at www.dexus.com.

Environmental impacts management framework

Dexus Board (Board)

Oversight of the integration of environmental considerations into Dexus's strategy, risk management and statutory reporting

Board ESG Committee

Oversight of the implementation of environmental initiatives to maintain Dexus's position as a leader in sustainability

Group Management Committee (GMC)

Oversight of the integration of environmental initiatives into Dexus group strategy

Corporate Executive Committee (CEC)

Coordination of portfolio environmental initiatives, linking business operations and corporate governance

Property Executive Committee

Executive-level committee overseeing property performance, development, and customer objectives, including integration of environmental sustainability into asset operations

Dexus/CBRE Strategic Management Committee

Partnership committee across CBRE-managed properties providing oversight on delivery, performance team engagement and innovation

Retail Operations team

Team managing property and facility management operations across Dexus- managed retail centres

Enriched Environment delivery

Risk team

Responsibilities include:

- Risk management framework
- Environmental management system (ISO 14001 certified)
- Supporting the identification, assessment, and management of environmental risks

Sustainability team

Responsibilities include:

- Resource efficiency
- Employee engagement
- Industry engagement
- Continuous improvement targets
- Carbon neutrality
- Oversight of building environmental ratings
- Customer, investor engagement

Office, Industrial, Healthcare and Retail teams

Responsibilities include:

- Building operations
- Asset planning
- Customer engagement and green leasing
- Sustainable procurement

Developments and Capital Works team

Responsibilities include:

- New developments
- Major refurbishments
- Customer fit outs

Policies and systems

Environmental Statement | Biodiversity | Work Health Safety & Wellbeing Statement | Environmental Management System | Sustainable Procurement Policy | Supplier Code of Conduct

7.3 Environment Policy

Dexus's Environment Policy outlines its commitment to minimising the overall environmental impact of its operations. The policy covers the group's environmental commitments and details the management system that Dexus implements across the property portfolio, including:

- Managing and monitoring potential risks and opportunities of climate change
- Identifying and implementing compliance requirements
- Educating, training, and communicating to stakeholders about environmental impacts and commitments
- Actively developing and promoting initiatives to improve environmental performance.
- Providing transparent monitoring and reporting of environmental performance

7.4 Dexus's commitments and targets

In line with a precautionary approach to environmental challenges, each year we set, review, and update corporate commitments within our responsible investment framework and sustainability approach, which are focused toward minimising the overall environmental impact of our operations, in the development, management and refurbishment of properties.

7.5 Resource efficiency

We target continuous improvements in energy and water efficiency, and emissions reduction across the group property portfolio. We use smart meters to validate utility bills, identify consumption and report anomalies.

Energy and water submetering have been installed in key office properties to assist in quantifying opportunities and measuring efficiency.

Asset teams review and develop asset plans to assist and prioritise projects that maximise operational performance and reduce resource consumption. Asset plans covers the following key elements:

- Holistic building performance review
- Asset plan review
- Identify key opportunities.
- Develop business case to quantify investment and project.

Assessing these elements informs the building performance. This assists us to plan and implement optimum plant and equipment upgrades to maximise energy efficiency and customer's comfort.

We implement viable projects identified and aligned with a Strategic Improvement Plan within the asset plan to complement the life cycle replacement and building improvement investment.

Examples of energy efficiency initiatives include:

- Chiller replacements
- Use of energy efficient boilers
- Improvement of air tightness and building isolation/insulation
- Upgrades to building management and control systems (BMCS)
- Mechanical works and retro commissioning
- Installation of sub-meters and energy management systems
- Lighting upgrades
- 'Virtual engineer' building analytics
- Onsite renewables including solar PV and supportive infrastructure such as battery storage.
- Electric vehicle charging facilities.

We embed sustainability practices within industrial estate master planning for new developments and through targeted technology and controls upgrades. Master planning initiatives reduce water and energy including the use of solar hot water, rainwater for irrigation and toilets use and native landscaping.

We benchmark energy efficiency performance against the leading industry benchmarks, NABERS and Green Star. NABERS provides resource consumption profiles for each property and helps to identify improvements.

NABERS Energy and Water ratings are undertaken at least annually across the group's office and retail portfolios.

Water use

Nearly all water consumed across Dexus's portfolio is potable water purchased from local water utilities. Water consumption that is reported is sourced from local utility water providers. Dexus does not consume fresh surface water. Dexus consumes an immaterial amount of bore water at Willows Shopping Centre from a rechargeable source which is not included in the reporting for water consumption.

- Natural rainfall variability in Australia is large, reflecting the diversity of Australia's climatic zones and seasonal patterns. Dexus recognises we can have a positive impact by minimising water use across our portfolio and preserving available water sources for the general population. More efficient usage of water also delivers cost savings for us and our customers.

Our asset plan program also focuses on water management. Examples of initiatives that we have deployed include:

- Optimising or upgrading cooling towers
- Leak detection programs
- Use of water efficient appliances including fitting water efficient cisterns and fixtures in bathrooms to enhance water efficiency and treating wastewater through central blackwater and greywater treatment plants, reducing potable water consumption via the provision of clean recycled water for the washroom flushing system.
- On-site rainwater harvesting and recycled water is used in toilet facilities to irrigate gardens and decorative plantings.

All water from Dexus properties is discharged as sewage to water utilities and is never discharged directly to the natural environment. We ensure that our discharged water meets minimum requirements set out by local water utilities, including any requirements related to applicable trade wastewater permits. Stormwater is harvested for use on site or discharged via stormwater drainage.

Waste management

Waste generated by Dexus activities include:

- Construction and demolition waste from development projects
- Operational waste from the operation of buildings and associated with property usage by customers.
- Fit-out waste generated when de-fitting tenancies.
- Wastewater

Construction waste

Dexus-owned construction sites are wholly managed by third-party contractors.

Dexus does not have operational control of these sites and thus does not report on construction waste. At most sites, we require contractors to adopt principles of the Green Star certification that includes requirements for diversion of construction waste from landfill.

Environmental Management Plans at construction sites generally include Waste Management Plans that specify recycling targets for demolition and construction waste.

Operational waste

We contribute to and have adopted the City of Sydney's Better Buildings Partnership (BBP) best practice guidelines for operational and strip-out waste management.

We implement waste management plans for each property. Comprehensive recycling streams are standardised and implemented as part of cleaning and waste services. We also look at other recycling opportunities on a property- by-property basis, for example recycling of materials removed from the site when it is under development; recycling of demolition material and providing reusable materials during demolition to local community groups.

We collaborate with customers and waste contractors to introduce recycling systems within their tenancies and offer ad hoc services such as electronic waste collection based on customer needs.

Contractors also educate customers on recycling practices to maximise the amount of waste that can be diverted from landfill.

We report waste tonnage and recycling/ diversion rates for office and retail properties in line with best practice guidelines.

We include environmental sustainability criteria in tender evaluation processes for the provision of waste services to standardise waste management and recycling practices across the portfolio. We utilise weight-scales where feasible to directly measure waste and recycling performance and conduct bin profiling to assess contamination rates and identify opportunities. These enable us to capture relevant data on waste management and recycling.

De-fit (strip out) waste

Dexus supports and implements the BBP strip-out Waste Guidelines and for each tenancy de-fit project we aim to consistently achieve 80% materials diversion.

We achieve this through a structured approach including developing inventories, structured removal, and sorting practices, and establishing downstream materials receivers. We actively identify charities and markets for furniture re-use to increase waste diversion from landfill.

Hazardous waste

Any hazardous waste produced by Dexus or at Dexus assets is managed in accordance with the Dexus Environmental Management System. Dexus does not transport solid or liquid hazardous waste (as defined as hazardous under the Basel Convention Annex) from one location to another for treatment.

Biodiversity

Biodiversity risk exposure is reviewed during the due diligence process for new acquisitions and within periodic valuations. Given the location of our developments primarily in urban and brownfield sites, there is limited exposure to biodiversity risks and opportunities for biodiversity enhancement. Risk exposure typically extends to our industrial portfolio where sites may be greenfield or may be situated close to waterways.

Our Biodiversity Policy focuses on protecting and enhancing biodiversity in and around our properties. We aspire to have a net positive impact on biodiversity and have applied an approach to avoid, minimise, restore, and offset adverse biodiversity impacts within its properties. This includes making buildings and their surrounds a place for native flora and fauna to reside, and a place for people to enjoy.

Biodiversity is addressed in conjunction with the Green Star certification program, to determine if spaces can be created or improved in developments and building upgrades. For properties in operation, we work to incorporate biodiversity considerations within landscaping and grounds keeping activities. We do not engage in mining, exploration activities, operate manufacturing sites or conduct activities that lead to the extinction of International Union of Conservation of Nature (IUCN) listed endangered species.

We recognise that our suppliers can also impact on biodiversity. As outlined in our Sustainable Procurement Policy and Supplier Code of Conduct, we seek to source products or solutions that enhance, protect, and retain native biodiversity and collaborate with service providers on influencing their supply chain to assist us to achieve our biodiversity objectives.

7.6 Environmental risk management and hazardous materials

We conduct a comprehensive risk audit program to identify, evaluate and mitigate the following risks:

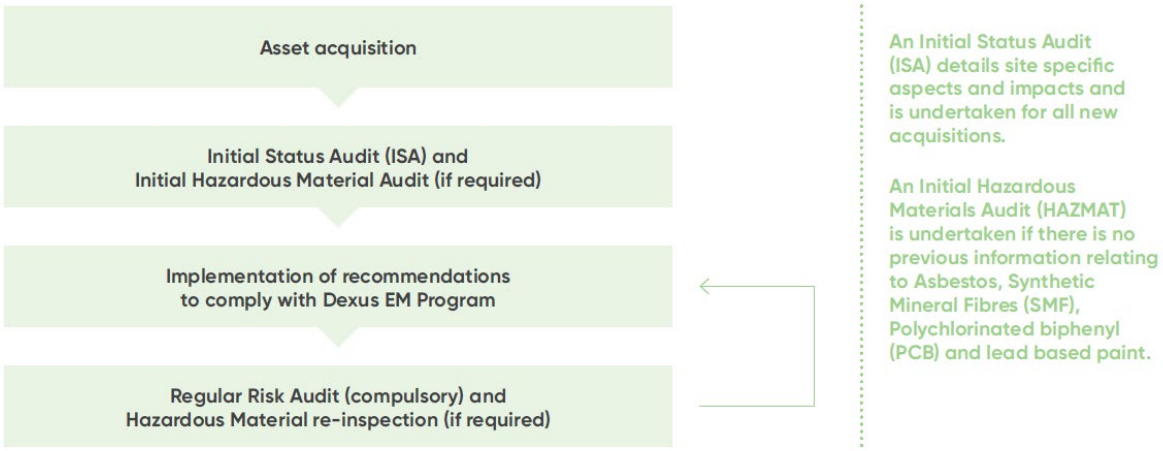
- **Personal health and safety audits:** compliance/spot audits, work health and safety risk profile, certification of safety system to international standard ISO 45001:2018, Principal Contractor audit, incident investigations
- **Building safety:** Property risk assessments (including and not limited to confined space, height safety, and plant risk assessment), and façade audits.
- **Environmental:** hazardous materials review, initial site audit, site re-inspections, certification of environmental management system to international standard ISO 14001
- **Security:** security risk assessment, external security review
- **Insurance risk:** underwriting assessment

We track the audit program via a proprietary online property risk management and auditing tool that enables systematic and rigorous property risk profiling. This provides a single point of access for tools and data and improves the disclosure of due diligence data.

Environmental management system

We maintain an environmental management system which is certified against ISO 14001. This system and accompanying manual form an integral part of the Dexus Environmental Management (EM) Program. The EM program has been designed to identify, assess, and manage environmental risks across our portfolio, specifically properties under management, developments and transactions, and to promote continual improvement.

The EM program involves the following environmental management approach:



Environmental aspects considered within the day-to-day activities at our managed properties include:

- **Storage of environmentally hazardous materials –** Environmentally hazardous materials can have a significant environmental impact if released to the environment.
- **Waste generation –** Management of solid and liquid waste materials requires safe handling and disposal.
- **Stormwater discharge –** Release of contaminants to stormwater may result in the degradation of stormwater quality, with potential subsequent impact on surface waterways.
- **Trade waste and wastewater discharge –** Discharge of wastewater to sewer requires a Trade Waste agreement. Release of unlicensed discharges to sewer may lead to prosecution.
- **Emissions to atmosphere –** Emissions to atmosphere (such as the discharge from cooling towers and kitchen exhausts, etc.) are managed to meet regulatory standards. We also recognise emissions of ozone depleting substances and refrigerants from air conditioning and refrigeration.
- **Noise emissions –** Noise and vibration may cause a nuisance to neighbouring properties or customers and give rise to complaints and subsequent prosecution under environmental legislation.
- **Site contamination –** Site contamination can result from loss of materials to soil and groundwater (leakage from underground storage tanks is a common source of soil and groundwater contamination)
- **Climate change –** The manifestations of climate change include higher temperatures, altered rainfall patterns, and more frequent or intense extreme events such as heatwaves, drought, and storms.
- **Energy management –** Energy management activities aim to reduce energy consumption including electricity, natural gas and diesel to minimise the overall environmental impact of operations.

7.7 Evaluation and continuous improvement

Our environmental programs are subject to annual external audit. Performance against goals is monitored by corporate leadership teams and the Risk team.

The Board ESG Committee, Board Risk Committee and the Board oversee the management of environmental and social issues across the group.

Our management reviews performance against its environmental objectives on a quarterly basis. We report on key environmental commitments every six months and report comprehensively on all commitments within our Annual Reporting Suite (available on our website). This is in line with requirements to transparently monitor and report performance as outlined in the Environment Policy.

We benchmark energy efficiency performance against the leading industry benchmarks, NABERS and Green Star. NABERS provides resource consumption profiles for each property and helps to identify improvements.

NABERS Energy and Water ratings are undertaken at least annually for applicable office and retail assets across its portfolio.

We employ measures to assess ESG performance including:

- Monitoring utility consumption (energy, water, and waste) patterns
- Billing data: We record energy and environmental data in a centralised environmental reporting system and facility managers (FMs) receive regular reports that track performance.
- Meter data: FMs use interval and sub-meter data for finer granularity.
- Asset plans include energy/water projects identified from audits and employee/customer suggestions.
- We conduct measurement and verification to confirm successful project implementation.
- Monitoring NABERS ratings for energy and water for all eligible properties. These ratings are heavily scrutinised as they form the basis for internal KPIs.
- Participating in investor and industry benchmarking surveys

Environmental performance undergoes ongoing review through:

- Live monitoring of building consumption by FMs
- Monthly sustainability team meetings involving stakeholders from Dexus and its managing agents.
- Monthly reporting of NABERS ratings activity and tracking targets
- Monthly review of energy and water billing data and investigation into adverse consumption trends
- Quarterly Board ESG Committee progress updates

We measure our success in environmental performance in the following ways:

- Completion of commitment milestones
- Achievement of targets
- Feedback from customers and employees
- Awards and external recognition
- Inclusion and rankings within sustainability and leadership indices
- Benchmarking against leading industry asset certifications such as NABERS, Green Star, and ESG benchmarks such as GRESB

The table below outlines key performance indicators that we use to measure outputs and impacts related to our environmental performance:

Topic	Outputs	Impact
Energy efficiency		
Maximise portfolio energy efficiency	– Energy intensity (MJ/sqm)	– Better utilisation of natural resources accounting for portfolio changes – Reduced energy costs
Water consumption and efficiency		
Target Australian best practice in building water performance	– NABERS Water portfolio star rating – Water consumption	– Reduction in use of potable water and better utilisation of water on site – Reduced water management cost
Waste management		
Maximise data collection coverage across office and retail portfolio. Increase recycling rate and reduce the percentage of waste sent to landfill across office and retail portfolio	– NABERS Waste portfolio star rating – De-fit waste resource recovery rate target of 80% – Waste data coverage = Percentage of total office and retail lettable area with waste data – Waste diversion (%) = total recycled waste / (total recycled waste + waste to landfill) – Waste to landfill intensity = total waste to landfill / total office and retails lettable area with waste data	– Understanding of Dexus waste management impacts – Reduced volumes of waste sent to landfill and associated avoided greenhouse gas emissions. – Diverted materials available for reuse, repurposing or recycling, reducing reliance on new raw materials. – Reducing waste management cost
Biodiversity		
Net positive impact and have integrated. biodiversity management within the business	– Green Star rating of ecological value/ nature credits for new developments – Biodiversity KPIs/SLA in landscaping contract – Investments in 'nature-based' carbon credit offsets	– Protect and promote local ecology, enhancing ecosystem productivity and agriculture, and maintaining ecological diversity

8.0 Climate action

Maintaining a resilient portfolio that is positioned to thrive in a climate-affected future.

8.1 Overview

We understand the increasing environmental and social challenges caused by climate-related impacts to the environment and their effects on our communities, and we recognise our role to limit those long-term effects of human-induced climate change in line with the goals of the Paris Climate Agreement.

Climate change presents a range of risks and opportunities to Dexus's portfolio and business strategy. These issues are described in detail in Dexus's Towards Climate Resilience report, and comprise:

- Transition issues associated with the transition to a low carbon economy (shifts to renewable energy, customer and market preferences for low emission properties, reputational considerations)
- Physical issues associated with climatic changes (increasing frequency and severity of extreme weather, and longer-term climate considerations such as sea level rise and higher maximum temperatures)

The risk to Dexus from the adverse effects of climate change are varied with new and updated information that continues to emerge regarding the scale, likelihood and geographic areas that could be impacted. In addition to understanding the physical risks to properties and populations, Dexus, its customers and local communities are also faced with transitional risks including socio-economic effects, resource availability, and health and wellbeing.

8.2 Climate resilience strategy

Dexus's climate change resilience strategy involves:

1. **Reducing our impact:** through decarbonisation, energy efficiency and renewable energy
2. **Adapting to physical and transition risks:** relevant to our properties, people, and operations, and leveraging climate change- related opportunities
3. **Influencing our value chain:** by engaging customers and suppliers to reduce climate impacts and engaging other key stakeholders on our climate resilience strategy.
4. **Robust climate governance:** to support a culture that understands and appropriately acts on climate- related issues at board and management levels.

Dexus seeks to build the capacity of individuals, communities, and systems in and around Dexus properties to adapt and grow with consideration to chronic stresses and acute shocks that may result from the effects of climate change.

The table below summarises Dexus's climate change resilience strategy, described in detail in its Towards Climate Resilience report.

Dexus climate resilience strategy

Reducing our impact	Adapting to climate change	Influencing our value chain
through decarbonisation, energy efficiency and renewable energy	Mitigating physical and transition risks relevant to our properties, people, and operations, and leveraging climate change- related opportunities	by engaging customers and suppliers to reduce climate impacts, and engaging other key stakeholders
Mitigating our contribution to climate change Achieving and maintaining net zero Scope 1 & 2 emissions: – through energy efficiency and renewable energy and minimal offsets – Climate resilient building technology: preparing our portfolio for a low carbon future. – Climate resilient developments: integrating life cycle thinking and net zero emissions targets into the design and development of city- defining properties and precincts	**Adaptations to enhance resilience** – Climate resilient operations: addressing physical and transition risks at the property level. – Climate resilient transactions: considering climate-related issues in transaction due diligence. – Climate resilient research: tracking environmental, social, economic, and political factors that could influence our resilience	**Lifting industry practice and unlocking opportunities** – Engaging with customers to adopt a whole building approach. – Adopt a life-cycle approach and net zero emissions targets in new developments (NABERS Energy and Green Star commitments) – Procuring for a low carbon supply chain

The strategy is supported by a robust climate governance approach to support a culture that understands and appropriately acts on climate- related issues at board and management levels.

Our climate resilience strategy responds to a range of climate-related issues that have been identified through our scenario analysis and risk management processes over the years, as described below. Our view of material climate-related issues is updated regularly based on research, evaluation of our climate resilience actions, and additional scenario analyses.

Dexus's material climate-related issues across time horizons

Short term (0 – 2 years)	Medium term (2 – 7 years)	Long term (7 – 15 years)
– Day-to-day acute physical risks to properties from climate-related events – Energy price volatility – Carbon offset pricing volatility – Integrate climate-related considerations into financial and operational planning and annual budgets. – Requirement to integrate climate-related issues and scenario analyses into transactions due diligence and development design processes. – Increasing costs of conventional waste management – Health and safety impacts at our assets – Growing customer and investor demand for sustainable products – Existing and emerging technology that can improve the efficiency of building operations	– Rise of peer-to-peer energy trading across decentralised energy networks – Introduction of carbon pricing schemes or changes to regulations – Increased demand for electric vehicles – Market demands for of circular economy waste management. – Potential policy shocks following increasing severity of physical climate impacts. – Demands to reduce embodied carbon across development and capital works projects. – Change in investor expectations and divestment away from business that do not articulate a clear strategy for addressing climate change risks	– Stranded asset risk (e.g. uninsurability, ability to lease/sell, capital market risk, excessive costs of adaptation/ remediation) – Sea level rise and other chronic physical risks (such as rising mean temperature, heat stress and water stress) – Changes to social and demographic makeup of cities because of migration – Ability of supply chain to effectively address climate-related impacts. – Requirements to support communities impacted by climate change. – Activation of climate tipping points create fundamental changes to operating environments

8.3 Climate action management framework

Dexus recognises its fiduciary duty for ensuring effective governance and risk management procedures are implemented to integrate climate risks and opportunities across the group's operations. Dexus's corporate governance framework supports a culture that understands the importance of sustainability and ensures that climate-related issues are addressed appropriately at board and management levels.

The table below summarises the governance framework applied to addressing climate-related impacts across Dexus group.

Climate action management framework

Dexus Board

Ultimate oversight of Dexus's strategy, including the appetite for climate-related risks and opportunities and approach to managing climate-related issues across its property portfolio and funds management activities

Board ESG Committee

Oversight of implementation of the Dexus Sustainability Approach, including its approach to addressing climate-related issues, and delivery of the group's environmental and sustainability initiatives and commitments, including performance, challenges, and opportunities

Board Risk Committee

Reviews management action to address risk tolerances exceeding measures set out in the Dexus Risk Appetite Statement, including those relating to climate change

Group Management Committee (GMC)

Leads and monitors the delivery of carbon reduction and climate resilience activities across the group

Corporate Executive Committee (CEC)

Responsible for overseeing the implementation of Dexus's climate resilience strategy, policies, and practices as well as overseeing portfolio risk initiatives and linking these to business operations and corporate governance

Climate Resilience Working Group

Cross functional group coordinating climate-related issue management across their respective teams, evaluating performance of initiatives, and maintaining a current view of climate-related risks and opportunities

Sustainability team

- Oversees day-to-day carbon reduction and climate resilience activities across the group, including regular review of climate-related risks and opportunities through scenario analysis.
- Reports annual energy and emissions in line with the National Greenhouse and Energy Reporting Act 2007 (NGER Act).

Risk team

- Supports the execution of the group's Risk Management Framework which includes Dexus's risk appetite for ESG, including climate change, and the inclusion of climate as a key risk.
- Responsible for Dexus's Environmental Management System that is certified to ISO 14001

Property Executive Committee; Dexus/CBRE Strategic Management Committee

- Operational accountability for managing climate-related issues, with support from the Sustainability and Risk teams

8.3 Climate action management framework continued

The Board ESG Committee complements the work of the Board Risk Committee on climate-related issues because of the inclusion of climate change in Dexus's Risk Appetite Statement and on Dexus's key risk register. Climate- related issues are considered as one of several risks and opportunities that guide decision making in line with Dexus's Risk Management Framework and overall strategy. The Corporate Executive Committee is tasked with ensuring effective management of risks that have the potential to impact Dexus's strategy and outlook. As climate change is a key strategic risk to Dexus with potential impacts over the medium to long term, it is actively reviewed and managed within Dexus's Risk Management Framework.

Climate-related issues are incorporated into the group's operations through integration of the Dexus Sustainability Approach into the group's strategy and through the consideration of climate change as a key risk, which has resulted in the development of control measures and detailed discussion of climate risk at leadership and board levels.

Climate change is a material issue for Dexus, and the Board ESG Committee is informed of climate-related risks and opportunities on a regular basis, along with planned and implemented actions to manage these issues. The Board ESG Committee meets quarterly to review and approve relevant corporate and compliance policies as well as review reports on ESG performance and climate-related risks, including active projects, achievements, and performance metrics.

The Dexus cross-functional Climate Resilience Working Group collaboratively coordinates climate risk management initiatives across the group, meeting periodically to evaluate performance and maintain a current view of climate-related risks and opportunities.

Climate change has been incorporated into relevant group policies and procedures to provide guidance to employees and inform all stakeholders of Dexus's commitment to managing climate-related issues.

This includes Dexus's Environment Policy and Environmental Management System (certified to ISO 14001), which apply across the group to properties under management as well as developments and transactions.

8.4 Climate risk management

Climate change is listed on the Dexus key risk register, which has resulted in the development of control measures and the detailed discussion of climate risk at board and management levels. The Board of Directors is ultimately responsible for risk management, including climate risk. The Board Risk Committee is responsible for reviewing the Group's enterprise-wide risk management framework, which is aligned to the principles of ISO 31000:2018.

Climate risk management

We use qualitative scenario analysis to help us understand and prepare for the impacts of climate change on our assets, markets, and economies.

This involves use of climate warming forecasts and modelling of plausible future events to build scenarios from which we can envisage the effects of climate change on our physical environment as well as the impacts on our future financial prosperity.

We test our physical resilience and ability to adapt by applying 'high impact' warming scenarios and we model events linked to rapid decarbonisation scenarios to highlight transition risks and opportunities.

Scenario (source)	How the scenario has informed Dexus's approach
Representative Concentration Pathway (RCP) 8.5 (Intergovernmental Panel on Climate Change)	Used to assess property physical risk exposure and identify likely high impact climate-related outcomes, including the magnitude and specific locations where they are likely to occur. The outcomes inform Dexus's acquisition strategy and physical property risk management activities.
Science Based Targets initiative sectoral decarbonisation trajectory using IEA 2°C scenario (International Energy Agency)	Used to inform energy use and price modelling out to 2030, with comparison against sector decarbonisation required to align with a 2°C warming trajectory, to support the development of Dexus's target to achieve net zero emissions.
Shared Socioeconomic Pathways (Intergovernmental Panel on Climate Change)	Used to define plausible trajectories of global warming within the scenarios developed for Dexus's Towards Climate Resilience report
Inevitable Policy Response, Forecast Policy Scenario (Principles for Responsible Investment)	Incorporated into the "Delay and disruption" scenario within Dexus's Towards Climate Resilience report, to test the business's strategy against a forceful policy response to climate change in the near term.
Various scenarios for future climate impacts and policy pathways (e.g., CSIRO, Australian Bureau of Meteorology, Australian Energy Market Operator	Incorporated into the scenario analysis contained within Towards Climate Resilience. The assumptions and references underpinning the Towards Climate Resilience scenarios are available in the Dexus Climate Scenario Analysis Supplement, available at www.dexus.com/sustainability-reporting-library.

As a result of the climate scenario analysis, we developed three company- specific climate scenarios to inform our climate resilience strategy.

These are described in detail in our Towards Climate Resilience report:

- The "Dedication and delivery" scenario: limits global warming to below 2°C by 2100 and represents an orderly transition to a low-carbon economy based on the prioritisation of sustainable development and global collaboration. This transition will be facilitated by decentralised energy grids, supportive policy, and a strong carbon price. The sharing economy becomes mainstream, to drive waste reduction and resource efficiency.
- The "Delay and disruption" scenario: represents a disorderly transition to a low-carbon economy based on abrupt policy shifts that occur after years of delay. Business-as-usual continues in the early 2020s, until the growing momentum for climate action leads to a forceful but disorderly set of policy responses before 2030 for which financial markets are underprepared.
- The "Division and deterioration" scenario: means global warming may exceed 3°C by 2100 and this scenario represents a failure to decarbonise. The mounting climate impacts lead to protectionism and a breakdown in international cooperation that stymies climate action. Governments deprioritise the low-carbon transition while stakeholders continue to mount pressure on business to fill the gap.

There are socio-economic disruptions associated with extreme weather and longer-term climate shifts, threats to global supply chains from extreme weather events and breakdowns in international free trade agreements as well as mass migration which contributes to notable demographic changes and political challenges.

Addressing physical risk

Since 2011, Dexus has undertaken portfolio-wide climate change risk assessments to understand the exposure of its portfolio to physical risks such as increasing frequency and severity of extreme weather, as well as longer-term shifts in climatic conditions.

The most recent physical risk assessments incorporated medium and long-term greenhouse gas emission scenarios from the Fifth Assessment Report of the Intergovernmental

Panel on Climate Change, as well as climate projections from the CSIRO and the NSW Office of Environment and Heritage.

The RCP 8.5 scenario (outlined on page 56) was chosen to identify high-impact climate-related outcomes, including the magnitude and specific locations where hazards are most likely to occur. A geospatial analysis was conducted to map our properties against their relevant climate zones and link to the scenario outcomes. Risk exposure was rated for each property using our two-dimensional risk rating matrix, which assesses likelihood and consequence for each type of physical risk.

We also reviewed property-specific scenario data including flood maps, and likely frequency and intensity of bushfires and storms to assess each property and identify hotspots in each geographical market. To sense-check these results we surveyed facility and operations managers to assess climate vulnerability at their properties. Analysis has informed the overall level of physical risk exposure across all existing properties and geographical hotspots. Data is used to inform future investments and establish mitigation plans for existing investments.

Properties which have been identified as elevated risk through the portfolio-wide climate risk assessment, undertake site-specific climate risk assessments to evaluate significant climate- related vulnerabilities and adaptation actions. At the property level, natural catastrophe risks are assessed as part of Dexus's risk engineering audit regime which uses a risk adjusted approach to selecting sites to audit. The assessment process involves sensitivity analysis and determination of climate risk level based on the inherent risk with reference to recent and historical natural disaster events such as flood, cyclone, hurricane, windstorm and earthquake, geographical factors, while factoring in climate change projections and previous loss data. Climate resilience is considered across all properties through its integration into Dexus's Environmental Management System. This provides a structured property risk management process for head office and site-based teams to evaluate sensitivities and vulnerability levels as well as develop adaptation plans and actions moving forward.

Addressing transition risk

Leveraging the business' existing climate risk approach and the climate scenario analysis disclosed in its Towards Climate Resilience report, Dexus has conducted an economic analysis of the climate- related transition impacts relevant to Dexus's customer base over the next 10 years.

The economic analysis explored the implications of transition risks to Dexus's customer base and the drivers of financial performance relating to specific economic indicators, such as white-collar employment, industry output, interest rates and Consumer Price Index (CPI).

The economic modelling aligns with the "Dedication and delivery" and "Delay and disruption" scenarios from Dexus's Towards Climate Resilience report and modelled climate-adjusted changes to the macro-economic environment.

The climate-adjusted economic analysis will be used by the business to forecast potential future financial impacts to revenue, arising from customer-related transition risks and opportunities.

We also conducted natural catastrophe loss modelling using the insurance industry catastrophe loss and exposure models AIR Touchstone v9.0 and Risk Frontiers. The modelling quantifies the potential economic loss associates with natural catastrophes and this analysis assists Dexus in assessing the suitability of its current insurance limits, which will assist both Dexus and its insurers with stability of access to Natural Hazard insurance cover.

These findings are used to:

- Integrate into the business's broader strategy.
- Identify suitable metrics for ongoing monitoring of climate transition risk.
- Indicate a pathway to future climate- related financial disclosures (such as climate-adjusted valuations and integration into the financial statements).

This approach can also be expanded to review key capital expenditure and operational costs over time.

Climate metrics and targets

We believe that ambitious targets lead to bold actions and the quest for innovative solutions. Our net zero emissions target has been verified by the Science Based Targets initiative as consistent with the effort required to limit global temperature increases to below 1.5°C.

Below is a list of climate-related metrics and targets that the business tracks, monitors and regularly discloses:

Metrics	Commitments and targets
– **Total carbon emissions:** Track total scope 1 & 2, plus scope 3 emissions from energy, water & wastewater, waste and recycling and corporate travel and consumables for evaluating overall portfolio impacts of Dexus's managed assets. – **Carbon footprint:** Track corporate carbon footprint which equates to total scope 1,2 & 3 emissions for voluntary offsetting of Dexus's management operations under Australia's Carbon Neutral Program – **Carbon intensity:** Track ongoing change in intensity for group office portfolio (to account for portfolio changes) against internal targets and external benchmarks. – **Emissions productivity index:** Track economic output that is derived from each tonne of greenhouse gas emissions generated	– Dexus has committed to a net zero future, a commitment that has been certified by the Science Based Targets Initiative as aligned with a global warming trajectory of under 1.5°C. – Achieve net zero operational carbon emissions by FY22 across the group-managed portfolio – Reduce energy intensity by 10% across the group-managed office portfolio by FY25 against a 2019 baseline. – Source 100% of electricity for base building power needs from renewable sources from FY22 across the group-managed portfolio.

Climate-related disclosures

Dexus discloses its approach to addressing climate-related issues within its Annual Reporting Suite, in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The TCFD recommendations provide an effective lens for us to communicate with investors on where direct and indirect risks and opportunities exist, and the action we are taking to address them.

In addition, Dexus's Towards Climate Resilience report identifies opportunities for evolving the business' approach to managing climate-related issues and describes actions that Dexus can take to support its resilience across a range of climate scenarios.

8.5 Reducing Dexus's emissions footprint

Dexus consumes electricity, natural gas, diesel, and solar energy for the operation of its property portfolio and aims to reduce emissions through improving resource efficiency, transitioning to clean energy sources and minimising waste impacts.

Emissions management

Our continuous improvement approach to addressing environmental issues includes a focus on reducing energy consumption and greenhouse gas emissions. Dexus aims to reduce its emissions by:

- Tracking greenhouse gas emissions across the group portfolio and ongoing disclosure of performance
- Setting continuous improvement targets
- Conducting ongoing energy management activities and initiatives across operations
- Implementing energy and water efficiency and fuel switching projects
- Generating energy on site from renewable sources
- Purchasing accredited, emission-free Renewable Energy Certificates and deploying renewable Energy Supply Agreements across the portfolio
- Incorporating environmental performance into new developments and investment decision making
- Maintaining carbon neutral certification under the Climate Active Carbon Neutral Standard via participation in the Climate Active Australian Government Carbon Neutrality Program
- Actively participating in industry collaborations including GRESB and the City of Sydney's Better Buildings Partnership

Renewable energy

We support the development of renewable energy and distributed energy generation across our managed portfolio. As a signatory to the RE100 Initiative, we are committed to sourcing 100% renewable electricity by 2030.

This is delivered through on-site solar generation and off-site renewable energy opportunities such as through renewable energy supply agreements.

Dexus has an active management approach towards its energy procurement which helps progress the group's net zero emissions target, leveraging its scale to secure competitive pricing, load flexibility and renewable electricity supplies. All current electricity tenders request 100% renewable electricity for base building consumption, which has become a standard approach across our portfolio. These agreements typically have a future start date and in the interim we purchase accredited GreenPower or Large-scale Generation Certificates (LGCs) until these agreements take full effect. Our approach is to source renewable electricity from GreenPower accredited power stations; primarily wind and solar.

We generate on-site energy across several properties, including emission-free solar hot water, solar photovoltaic (PV). Through these initiatives, we seek to harness natural resources to offset grid purchases of high-emissions coal-fired electricity production.

Carbon neutrality

We have set a pathway to net zero emissions through energy and resource efficiency, renewable energy and nature-based offsets.

We are a signatory to the Australian Government's Climate Active program and our corporate head office has been certified as carbon neutral since 2011. In line with the Climate Active Carbon Neutral Standard, we offset direct emissions from refrigeration and electricity usage and indirect emissions generated by waste to landfill, paper use, airline travel and car mileage for national employees, taxi travel, hire cars and employee commuting.

Carbon neutral certification is achieved through assessing our energy consumption and developing an emissions management plan. The plan focuses on reducing waste to landfill, increasing recycling, increasing the use of recycled products, reducing use of consumables and paper and introducing new technologies to reduce energy consumption.

In 2022, we achieved Climate Active certification as an organization across an expanded reporting boundary which now includes our managed property portfolio, and in addition have commenced certifying selected properties via the Climate Active Carbon Neutral Standard for buildings.

8.6 Stakeholder collaboration on environmental performance

We collaborate across our value chain and conduct ongoing activities to manage and improve environmental performance. Key stakeholders include customers, employees, facility management and suppliers.

Customers

- We collaborate with customers to improve their sustainability performance and awareness through initiatives such as City Switch, a national tenant energy efficiency program. We are both a signatory and a landlord within the program.
- We aim to drive improvements in customers' energy efficiency through green building committees and other programs. These programs include involvement in the annual Earth Hour campaign and supporting and encouraging tenancy-focused NABERS Co-Assess ratings. We undertake initiatives to receive regular, open feedback from our customers.

Customer feedback helps to determine the important sustainability issues that keep property performance on the right track.

Facility managers

Dexus directly manages the majority of properties within the group portfolio. The remaining co-owned properties are managed either by the co-owners or by a jointly appointed independent property manager.

We engage with co-owners and independent property managers to review their performance against the property management agreements, and to monitor alignment with our policies, procedures and KPIs.

We work closely with our facility manager partners for directly managed sites which involves day-to-day interaction regarding operations to maximise property performance, deliver customer service and respond to customer needs.

We employ dedicated retail management teams across directly managed retail centres. These teams work closely with the retail management team to maximise the performance of each centre within its local community.

Suppliers

We engage with like-minded suppliers on sustainability issues and practices. We work with preferred property services providers and equipment vendors to select best-of-breed products to minimise environmental impacts while meeting performance expectations. We communicate our sustainability expectations to all suppliers through the Dexus Sustainable Procurement Policy and Supplier Code of Conduct and suppliers contractually agree to support these policies.

Industry collaboration

Dexus's climate change resilience strategy not only involves mitigating its impact through decarbonisation, energy efficiency and renewable energy but also involves collaborating across its value chain, engaging with customers and suppliers to reduce their climate impacts as well as engaging with other key stakeholders. Dexus actively participates in industry collaborative initiatives to advocate for broader adaptation to climate-related issues, such as the promotion of circular economy principles in waste management, changes to building code specifications, and incentives that support investment in low carbon initiatives.

Dexus also actively participates in industry collaboration as a way of enhancing its understanding of climate risks and climate resilience to enable a more comprehensive integration of climate risks across the business activities.

For example:

- Dexus is a partner of the Green Building Council of Australia's Carbon Positive Roadmap for the built environment,
- Dexus representatives sit on the Property Council of Australia's National Sustainability Roundtable
- Dexus publicly supports the World Green Building Council's Net Zero Carbon Buildings Commitment
- Dexus is an active member of the Climate Leaders Coalition

Industry collaboration

Our environmental programs are subject to annual external audit. Performance against goals is monitored by corporate leadership teams and the Risk team.

The Board ESG Committee, Board Risk Committee and the Board oversee the management of environmental and social issues across the group.

Our management reviews performance against its environmental objectives on a quarterly basis. We report on key environment commitments every six months and report comprehensively on all commitments within our Annual Reporting Suite (available on our website). This is in line with requirements to transparently monitor and report performance as outlined in the Environment Policy.

We measure our success in climate resilience in the following ways:

- Completion of commitment milestones
- Monitoring of environmental risk program
- Achievement of decarbonisation targets
- Reductions in management costs due to effective management of transition risks

The table below outlines key performance indicators that we use to measure outputs and impacts related to our climate action performance:

Topic	Outputs	Impact
Energy consumption and greenhouse gas emissions		
Reduce like-for-like portfolio energy use and greenhouse gas emissions	– Absolute energy consumption (GJ) – Absolute scope 1 and 2 greenhouse gas emissions (t CO_2-e) – Source 100% of electricity for base building power needs from renewable sources across the Group-managed portfolio	– Reduction in extraction and use of fossil fuels – Mitigation of climate change
Climate change impacts		
Target Australian best practice	– Reduce energy intensity by 10% across the Group-managed office portfolio by FY25 against a FY19 baseline. – Greenhouse gas emissions intensity (kg CO2-e/sqm) through focus on leading performance – Climate risk assessments and minimise exposure	– Lower greenhouse gas emissions in building energy and emissions performance – Mitigate climate change and effectively manage physical and transition risks

Sustainability GRI Index and Assurance

dexus

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FY23 GRI Content Index

Standard Disclosures

Number	Disclosure	Reference	Remarks/Omissions
102–29	Identifying and managing economic, environmental, and social impacts	Annual Report – pages 22-26 – Key risks Annual Report – pages 28-29 – Materiality assessment Sustainability Approach and Data Pack – entire document Corporate Governance Statement – page 16 – Principle 7 – Recognise and manage risk	
102–30	Effectiveness of risk management processes	Annual Report – pages 22-26 – Key risks Sustainability Approach and Data Pack – 1.0 Corporate Governance – Risk Management Framework Corporate Governance Statement – page 16 – Principle 7 – Recognise and manage risk	
102–31	Review of economic, environmental, and social topics	Annual Report – pages 74-81 – Board of Directors Corporate Governance Statement – page 16 – Principle 7: Recognise and manage risk Annual Report – pages 28-29 – Materiality assessment	
102–32	Highest governance body's role in sustainability reporting	Corporate Governance Statement – page 12 – Sustainability and responsible investment Corporate Governance Statement – page 12 – 3.5 Sustainability and responsible investment	The 2023 Annual Report has been reviewed and approved by senior executives and managers across relevant business units.
102–33	Communicating critical concerns	Sustainability Approach and Data Pack – 1.0 Corporate Governance – 1.6 Operational practices Corporate Governance Statement – page 17 – Principle 7 – Recognise and manage risk	
102–34	Nature and total number of critical concerns	Annual Report – pages 23, 31, 41, 53, 59, 65, 78 – Board Focus Annual Report – pages 22-26 – Key risks Annual Report – pages 28-29 – Materiality Assessment Annual Report – page 57 – Strengthening and aligning our approach to risk management	
102–35	Remuneration policies	Corporate Governance Statement – page 18 – Principle 8 – Remunerate fairly and responsibly	
102–36	Process for determining remuneration	Corporate Governance Statement – page 18 – Principle 8 – Remunerate fairly and responsibly	
102–37	Stakeholders' involvement in remuneration	Annual Report – pages 53 – Board Focus Corporate Governance Statement – page 18 – Principle 8 – Remunerate fairly and responsibly Corporate Governance Statement – page 16 – Principle 6 – Respect the rights of security holders	
102–38	Annual total compensation ratio	Sustainability Approach and Data Pack – Data Pack – Thriving People – Remuneration	
102–39	Percentage increase in annual total compensation ratio	Sustainability Approach and Data Pack – Data Pack – Thriving People – Remuneration	
102–40	List of stakeholder groups	Dexus Website – www.dexus.com/corporategovernance - Stakeholder Engagement Guidelines	
102–41	Collective bargaining agreements	Sustainability Approach and Data Pack – Data Pack – Thriving People – Recruitment and Retention	
102–42	Identifying and selecting stakeholders	Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – page 29 – Real assets – Stakeholder engagement	
102–43	Approach to stakeholder engagement	Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – 5.0 Real assets – 5.4 Stakeholder engagement Dexus website – Discover Dexus – Sustainability – Sustainability approach	
102–44	Key topics and concerns raised	Annual Report – pages 28-29 – Materiality Assessment	
102–45	Entities included in the consolidated financial statements	Annual Report – Cover Page 2 – Highlights	
102–46	Defining report content and topic boundaries	Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – 1.0 Corporate governance, 2.0 Customers and communities, 3.0 Strong communities, 4.0 Supply chain, 5.0 Real assets, 6.0 Thriving people, 7.0 Enriched environment, 8.0 Climate action	
102–47	List of material topics	Annual Report – pages 28-29 – Materiality Assessment	
102–48	Restatements of information	Sustainability Approach and Data Pack – Data Pack – Enriched Environment	
102–49	Changes in reporting		For FY23, Dexus combined its Annual Sustainability Report and Annual Financial Report and is presenting it as one a single Annual Report aligned with the Integrated Reporting Framework.
102–50	Reporting period		Fiscal Year 2023 (1 July 2022 – 30 June 2023)
102–51	Date of most recent report		Fiscal Year 2022 (1 July 2021 – 30 June 2022)
102–52	Reporting cycle	Annual Report – Cover – page 2 – About this report	Reporting Cycle is annual, period ending 30 June 2023.
102–53	Contact point for questions regarding the report	Annual Report – page 123 – Making Contact Dexus Website – https://www.dexus.com/get-in-touch	
102–54	Claims of reporting in accordance with the GRI Standards	Annual Report – page 129 – Report Scope Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – page 1	
102–55	GRI content index	Sustainability Approach and Data Pack – Data Pack – GRI Index	
102–56	External assurance	Annual Report – page 188 – Assurance over Integrated Report Annual Report – pages 174-179 – Independent Auditor's Report Dexus Website – Sustainability Assurance Statement Corporate Governance Statement – page 13 – Sub-Section: 4.1 Board Audit Committee Dexus Website – Selection and Appointment of External Auditors Policy	PwC is an independent auditor engaged by Dexus to audit Dexus's financial reports and provide an Independent Limited Assurance Report over key aspects of Dexus's 2023 Sustainability Data as reported in the 2023 Annual Report and in the online reporting suite on the Dexus website.

Material Topic Disclosures

Economic data and resilience

GRI Standard	Number	Disclosure	Reference	Remarks/Omissions
GRI 103: Management Approach 2016	103–1	Explanation of the material topic and its boundary	Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – 2.0 Customers and Communities and 3.0 Strong communities	
	103–2	The management approach and its components	Sustainability Approach and Data Pack – 2.0 Customers and Communities and 3.0 Strong communities Sustainability Approach and Data Pack – 4.0 Supply Chain	
	103–3	Evaluation of the management approach	Sustainability Approach and Data Pack – 2.0 Customers and Communities and 3.0 Strong communities Sustainability Approach and Data Pack – Data Pack – Customer Experience, Supply chain, Giving and Volunteering Sustainability Approach and Data Pack – 4.0 Supply Chain	
GRI 201: Economic Data 2016	201-1	Direct economic value generated and distributed	Annual Report – pages 2-3 – FY23 highlights Annual Report – pages 30-73 – Financial Annual Results Presentation – page 66 Annual Report – page 39 Annual report – page 118 – Changes in Equity Annual report – page 119 – Cash Flows Corporate Governance Statement – page 18 – Principle 8 – Remunerate fairly and responsibly Sustainability Approach and Data Pack – Data Pack – Customer Experience, Supply chain, Giving and Volunteering	
	201-2	Financial implications and other risks and opportunities due to climate change	Annual Report – pages 22-26 – Key risks Sustainability Data Pack – Enriched Environment – Performance towards commitments Sustainability Approach and Data Pack – 7.0 Enriched Environment Dexus Website, Towards Climate Resilience – pages 19-21 – Climate-related issues	
	201-3	Defined benefit plan obligations and other retirement plans		Dexus does not operate a defined benefit superannuation scheme. Consistent with Australian legislation, superannuation contributions are made to superannuation funds selected by employees. Dexus contributes retirement provisions in line with Australia's employer superannuation guarantee requirements. In FY23 Dexus provided superannuation contributions at the legislated contribution rate of 10%, unless elected at a higher rate by an employee as part of a voluntary contribution.
	201-4	Financial assistance received from government	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Energy	Dexus did not undertake any Energy Saving Certificates (ESCs) transactions, resulting in $0 revenue for the year.
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	Sustainability Approach and Data Pack – Data Pack – Leading Cities Sustainability Approach and Data Pack – Data Pack – Future Enabled Customers and Strong Communities	
GRI 204: Procurement Practice 2016	204–1	Proportion of spending on local suppliers	Sustainability Approach and Data Pack – Data Pack – Supply Chain	99.76% of operational expenditure for the group's managed portfolio are Australian-based suppliers. This includes Australian divisions of international companies.
GRI 205: Anti-Corruption 2016	205–1	Operations assessed for risks related to corruption	Sustainability Approach and Data Pack – 1.0 Corporate governance – Risk Team Corporate Governance Statement – page 17 – Principle 7 – Recognise and manage risk – 7.2 Risk management	
	205–2	Communication and training about anticorruption policies and procedures	Sustainability Approach and Data Pack – 1.0 Corporate governance – Conflicts of interest Sustainability Approach and Data Pack – Data Pack – Thriving People Corporate Governance Statement – pages 5-10 – Principle 2 – Structure the Board to be effective and add value – 2.8 Access to training and information Corporate Governance Statement – pages 11-13 – Principle 3 – Instil a culture of acting lawfully, ethically, and responsibly Corporate Governance Statement – page 16 – Principle 7 – Recognise and manage risk – 7.2 Risk management Dexus website – Corporate Governance – Policies - Directors' Code of Conduct	
	205–3	Confirmed incidents of corruption and actions taken	Sustainability Approach and Data Pack – Data Pack – Thriving people – Work health and safety – Employee relations matters	
GRI 206: Anti-Competitive Behaviour 2016	206–1	Legal actions for anticompetitive behaviour, anti-trust, and monopoly practices		There were no legal actions brought against Dexus for anti-competitive, anti-trust or monopoly practices in FY23

Customer engagement and experience

GRI Standard	Number	Disclosure	Reference	Remarks/Omissions
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Annual Report – pages 22–26 – Key risks Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – 6.0 Thriving People Sustainability Approach and Data Pack – 2.0 Customers and Communities	
	103-2	The management approach and its components	Annual Report – pages 6-9 – Chair and CEO review Annual Report – pages 22-26 – Key risks Sustainability Approach and Data Pack – 6.0 Thriving People Sustainability Approach and Data Pack – 2.0 Customer and Communities – Maintaining safe buildings for customers, occupants and visitors Sustainability Approach and Data Pack – 2.0 Customers and Communities - 2.2 Management framework and 2.3 Management practices	
	103-3	Evaluation of the Management Approach	Annual Report – pages 6–9 – Chair and CEO review Annual Report – pages 52-57 – People and capabilities Sustainability Approach and Data Pack – Data Pack – Thriving People – Work, Health, and Safety	
GRI 416: Customer Health and Safety 2016	416–1	Assessment of the health and safety impacts of product and service categories	Sustainability Approach and Data Pack – 2.0 Customers and Communities Annual Report – page 52 – People and capabilities: Safety audit score across Dexus workspaces	
GRI 418: Customer Privacy 2016	418–1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Approach and Data Pack – 6.0 Thriving People	

Asset environmental data and optimisation

GRI Standard	Number	Disclosure	Reference	Remarks/Omissions
GRI 103: Management Approach 2016	103–1	Explanation of the material topic and its boundary	Annual Report – pages 22–26 – Key risks Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – 7.0 Enriched Environment	
	103–2	The management approach and its components	Sustainability Approach and Data Pack – 7.0 Enriched Environment	
	103–3	Evaluation of the management approach	Sustainability Approach and Data Pack – Data Pack – Enriched Environment Sustainability Approach and Data Pack – 7.0 Enriched Environment – 7.7 Evaluation and continuous improvement	
GRI 302: Energy 2016	302–1	Energy consumption within the organisation	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Energy	
	302–2	Energy consumption outside of the organisation		Information on upstream energy consumption outside Dexus's organisation boundary relates to energy consumed by suppliers providing products and services to Dexus. Dexus has engaged with key suppliers to request information about their energy consumption, but only a limited number of suppliers' energy data is available. Downstream energy consumption relates to energy consumption by tenants occupying Dexus buildings. Dexus collects data for tenants across a proportion of properties, however this data falls outside of the operational control boundary used for public disclosure.
	302–3	Energy intensity	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Energy	
	302–4	Reduction of energy consumption	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Energy Sustainability Approach and Data Pack – 7.0 Enriched Environment	
	302–5	Reductions in energy requirements of products and services	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – NABERS and Green Star Sustainability Approach and Data Pack – 7.0 Enriched Environment	
GRI 303: Water and Effluents 2018	303–1	Interactions with water as a shared resource	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Water use	
	303–2	Management of water discharge-related impacts	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Water use	
	303–3	Water withdrawal	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Water Sustainability Approach and Data Pack – 7.0 Enriched Environment – Water use	
	303–4	Water discharge	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Water use	
	303–5	Water consumption	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Water	
GRI 306: Effluents and Waste 2016	306-3	Significant spills	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Hazardous Waste	
GRI 306: Waste 2020	306–1	Waste generation and significant waste-related impacts	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Waste Management	
	306–2	Management of significant waste-related impacts	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Waste Management	
	306–3	Waste generated	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – FY23 Operational waste and Recycling by stream	
	306–4	Waste diverted from disposal	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – FY23 Operational waste and Recycling by stream Sustainability Approach and Data Pack – 7.0 Enriched Environment - 7.5 Resource efficiency	
	306–5	Waste directed to disposal	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – FY23 Operational waste by stream	
GRI 308: Supplier Environmental Assessment 2016	308–1	New suppliers that were screened using environmental criteria	Sustainability Approach and Data Pack – 4.0 Supply Chain	
	308–2	Negative environmental impacts in the supply chain and actions taken	Sustainability Approach and Data Pack – Data Pack – Strong Communities – Supply Chain Sustainability Approach and Data Pack – 4.0 Supply Chain	In FY23, the business did not receive any complaints or grievances regarding negative environmental impact due to supplier and/or service provider activities.

Decarbonisation and circularity

GRI Standard	Number	Disclosure	Reference	Remarks/Omissions
GRI 103: Management Approach 2016	103–1	Explanation of the material topic and its boundary	Annual Report – pages 22-26 – Key risks Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – 7.0 Enriched Environment	
	103–2	The management approach and its components	Sustainability Approach and Data Pack – Data Pack – Enriched Environment Sustainability Approach and Data Pack – 7.0 Enriched Environment	
	103–3	Evaluation of the management approach	Sustainability Approach and Data Pack – Data Pack – Enriched Environment Sustainability Approach and Data Pack – 7.0 Enriched Environment – 7.7 Evaluation and continuous improvement	
GRI 305: Emissions 2016	305–1	Direct (Scope 1) GHG Emissions	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Greenhouse gas emissions by gas type	
	305–2	Energy indirect (Scope 2) GHG Emissions	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Greenhouse gas emissions by gas type	
	305–3	Other indirect (Scope 3) GHG Emissions	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Greenhouse gas emissions by gas type	
	305–4	GHG Emissions intensity	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – GHG Emissions	
	305–5	Reduction of GHG emissions	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – GHG Emissions Sustainability Approach and Data Pack – 7.0 Enriched Environment	
	305–6	Emissions of ozone-depleting substances (ODS)	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Air emissions	
	305–7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – Air emissions	
GRI 306: Waste 2020	306–1	Waste generation and significant waste-related impacts	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Waste management	
	306–2	Management of significant waste-related impacts	Sustainability Approach and Data Pack – 7.0 Enriched Environment – Waste management	
	306–3	Waste generated	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – FY23 Operational waste and Recycling by stream	
	306–4	Waste diverted from disposal	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – FY23 Operational waste and Recycling by stream Sustainability Approach and Data Pack – 7.0 Enriched Environment – Waste management	
	306–5	Waste directed to disposal	Sustainability Approach and Data Pack – Data Pack – Enriched Environment – FY23 Operational waste and Recycling by stream	

Championing an inclusive and high performing culture

GRI Standard	Number	Disclosure	Reference	Remarks/Omissions
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Annual Report – pages 22-26 – Key risks Annual Report – pages 28-29 – Materiality Assessment Sustainability Approach and Data Pack – 6.0 Thriving People	
	103-2	The management approach and its components	Sustainability Approach and Data Pack – Data Pack – Thriving People Sustainability Approach and Data Pack – 6.0 Thriving People	
	103-3	Evaluation of the management approach	Sustainability Approach and Data Pack – Data Pack – Thriving People Sustainability Approach and Data Pack – 6.0 Thriving People	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Sustainability Approach and Data Pack – Data Pack – Thriving People – Recruitment and Retention	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Approach and Data Pack – 6.0 Thriving People Dexus website – Careers – Life at Dexus	Dexus offers several employee benefits in line with contemporary Australian market practice. Benefits are offered regardless of full-time or part-time employment status but may be pro-rated in the case of leave and life insurance benefits which are based on the employee's regular salary level. Temporary employees engaged via a labour hire agency or contracting agreement receive benefits from their primary employer, the cost of which is factored into the hourly rate or service fee paid by Dexus. Temporary employees are not eligible for the following benefits: leave benefits, life and disability insurance, membership to the corporate discount program, study assistance.
	401-3	Parental Leave	Sustainability Approach and Data Pack – Data Pack – Thriving People – Recruitment and Retention Sustainability Approach and Data Pack – 6.0 Thriving People	
GRI: Labour Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Sustainability Approach and Data Pack – 6.0 Thriving People	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Sustainability Approach and Data Pack – 6.0 Thriving People	
	403-2	Hazard identification, risk assessment, and incident investigation	Sustainability Approach and Data Pack – 6.0 Thriving People Sustainability Approach and Data Pack – 7.0 Enriched Environment	
	403-3	Occupational health services	Sustainability Approach and Data Pack – 6.0 Thriving People	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Approach and Data Pack – 6.0 Thriving People	
	403-5	Worker training on occupational health and safety	Sustainability Approach and Data Pack – 6.0 Thriving People	
	403-6	Promotion of worker health	Sustainability Approach and Data Pack – 6.0 Thriving People	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by	Sustainability Approach and Data Pack – 2.0 Customers and Communities and 3.0 Strong communities	
	403-8	Workers covered by an occupational health and safety management system	Sustainability Approach and Data Pack – Data Pack – Thriving People – Work Health and Safety Sustainability Approach and Data Pack – 6.0 Thriving People	
	403-9	Work-related injuries	Sustainability Approach and Data Pack – 6.0 Thriving People	
	403-10	Work-related ill health	Sustainability Approach and Data Pack – Data Pack – Thriving people – Work health and safety	Dexus employees are not involved in occupational activities that have a high incidence or high risk of specific diseases.
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Sustainability Approach and Data Pack – Data Pack – Thriving People – Human Capital Development	
	404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Approach and Data Pack – Data Pack – Thriving People – Human Capital Development Sustainability Approach and Data Pack – 6.0 Thriving People – Learning and Development	
	404-3	Percentage of employees receiving regular Data and career development reviews	Sustainability Approach and Data Pack – Data Pack – Thriving People – Human Capital Development	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Sustainability Approach and Data Pack – Data Pack – Thriving People – Inclusion and diversity	
	405-2	Ratio of basic salary and remuneration of women to men	Sustainability Approach and Data Pack – Data Pack – Thriving People – Remuneration	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Sustainability Approach and Data Pack – Data Pack – Thriving people – Work health and safety – Employee relations matters	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at	Sustainability Approach and Data Pack – Data Pack – Thriving people – Recruitment and Retention	
	407-2	Measures taken by the organization in the reporting period intended to support rights to exercise freedom of association and	Sustainability Approach and Data Pack – Data Pack – Thriving people – Recruitment and Retention	
	407-3	Incidents of discrimination and corrective actions taken	Sustainability Approach and Data Pack – Data Pack – Thriving people – Work health and safety – Employee relations matters	
GRI 410: Security Practices	410–1	Security personnel trained in human rights policies or procedures	Sustainability Approach and Data Pack – 4.0 Supply Chain	

dexus

FY23 SASB Content Index

Topic	Accounting Metric	SASB Code	Unit of Measure	Disclosure Location (link to evidence or page #)	Comments
Energy Management	Energy consumption data coverage as a percentage of total floor area, by property subsector	IF-RE-130a.1	Percentage (%)	Sustainability Approach and Data Pack – Data Pack – Energy	
			by floor area	Sustainability Approach and Data Pack – Data Pack – Energy	
	(1) Total energy consumed by portfolio area with data coverage (2) percentage grid electricity (3) percentage renewable, each by property subsector	IF-RE-130a.2	Gigajoules (GJ),	Sustainability Approach and Data Pack – Data Pack – GHG Emissions and Energy	
			Percentage (%)	Sustainability Approach and Data Pack – Data Pack – GHG Emissions and Energy	
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	IF-RE-130a.3	Percentage (%)	Sustainability Approach and Data Pack – Data Pack – Energy	
	Percentage of eligible portfolio that: (1) has obtained an energy rating and (2) is certified to ENERGY STAR®, by property subsector	IF-RE-130a.4	Percentage (%)	Sustainability Approach and Data Pack – Data Pack – NABERS and Green Star	
			by floor area		Not reported
	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	n/a	Sustainability Approach and Data Pack – pages 45 and 47 – Enriched Environment	
Water Management	Water withdrawal data coverage as a percentage of: (1) total floor area and percentage (2) floor area in regions with High or Extremely High Baseline Water Stress, each by property subsector	IF-RE-140a.1	Percentage (%)	Sustainability Approach and Data Pack – Data Pack – Water	(2) Not reported
			by floor area	Sustainability Approach and Data Pack – Data Pack – Water	
	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, each by property subsector	IF-RE-140a.2	Thousand Cubic meters (m3)	Sustainability Approach and Data Pack – Data Pack – Water	(2) Not reported
			Percentage (%)	Sustainability Approach and Data Pack – Data Pack – Water	
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	IF-RE-140a.3	Percentage (%)	Sustainability Approach and Data Pack – Data Pack – Water	
	Description of water management risks and description discussion of strategies and practices to mitigate those risks	IF-RE-140a.4	n/a	Sustainability Approach and Data Pack – 7.0 Enriched Environment	
Management of Tenant Sustainability Impacts	1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector	IF-RE-410a.1	Percentage (%)		We offer green leases to tenants for a collaborative approach to sustainability. These do not contain cost-recovery clauses.
			by floor area , Square feet (ft2)		
	Percentage of tenants that are separately metered or sub metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	IF-RE-410a.2	Percentage (%)		Generally, tenants occupying premises are separately metered for grid electricity consumption, including where embedded electricity networks are in place for applicable assets. Water withdrawals at assets are generally metered at the whole of asset or site.
			by floor area		
	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	IF-RE-410a.3	n/a	Sustainability Approach and Data Pack – 8.0 Climate Action	
Climate Change Adaptation	Area of properties located in 100-year flood zones, by property subsector	IF-RE-450a.1	Square feet (ft2)		Not reported
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	IF-RE-450a.2	n/a	Sustainability Approach and Data Pack – 8.0 Climate Action	

Activity Metric	SASB Code	Unit of Measure	Dexus Metric of Qualitative Disclosure	
Real estate activity metrics	Number of assets, by property subsector	IF-RE-000.A	Number	Annual report – Real assets – pages 4, 44, 46, 48, 50 and 51
	Leasable floor area, by property subsector	IF-RE-000.B	Square feet (ft2)	Annual report – Real assets – pages 44, 46, 48, 50, 51
	Percentage of indirectly managed assets, by property subsector	IF-RE-000.C	Percentage (%) by floor area	Not reported
	Average occupancy rate, by property subsector	IF-RE-000.D	Percentage (%)	Annual results Presentation – pages 20 and 24

To the Directors of Dexus Funds Management Limited

Independent Limited Assurance Report on the preparation of the identified Subject Matter Information in the Dexus 2023 Annual Report and within the Dexus 2023 sustainability data pack in accordance with the reporting criteria

The Board of Directors of Dexus Funds Management Limited, the responsible entity of the Dexus Property Trust and the Dexus Operations Trust (the Trusts together form the Dexus stapled security and collectively are referred to as "Dexus") engaged us to perform an independent limited assurance engagement in respect of the identified Subject Matter Information listed below in the Dexus 2023 Annual Report and the Dexus 2023 sustainability data pack for the year ended 30 June 2023 (the 'Subject Matter Information').

Subject Matter Information and Criteria

We assessed the Subject Matter Information against the Criteria. The Subject Matter Information needs to be read and understood together with the Criteria. The Subject Matter Information and the Criteria are as set out below:

- Total Scope 1 GHG emissions - **12,346 tCO2-e**
- Total Scope 2 location-based GHG emissions - **87,614 tCO2-e**
- Total Scope 2 market-based GHG emissions - **0 tCO2-e**
- Total Scope 3 location-based GHG emissions - **28,046 tCO2-e**
- Total Scope 3 market-based GHG emissions - **18,464tCO2-e**
- Total net GHG emissions (Scope 1, 2 & 3 market-based emissions) - **0 tCO2-e**
- Total net energy consumption - **598,250 GJ**
- Total water consumption - **1,345,439 kL**
- Total waste to landfill - **8,015 tonnes**
- Total recycling - **5,109 tonnes**
- Percentage of female employees as at 30 June 2023 (FTE) - **55%**
- Percentage of females in senior management as at 30 June 2023 (headcount) - **38.3%**
- Percentage of female Non-Executive Directors as at 30 June 2023 - **71.4%**
- Absentee Rate (sick days lost per FTE) - **1.9**
- Lost time injury frequency rate (LTIFR) - **0**
- Fatalities - **0**
- Site-based Contractors Lost time injury frequency rate (LTIFR) - **1.04**
- Site-based Contractors Fatalities - **0**

The criteria used by Dexus to prepare the subject matter information was prepared by Dexus management and is titled 2023 Reporting Criteria presented at: https://www.dexus.com/discover-dexus/sustainability/sustainability-reporting-library and included as Appendix 1 to our Limited Assurance Report (the 'Criteria')

The maintenance and integrity of the Dexus website is the responsibility of the management; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Criteria when presented on the Dexus website.

Our assurance conclusion is with respect to the year ended 30 June 2023 and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the 2023 Dexus Annual Report and the Dexus 2023 sustainability data pack including any images, audio files or videos.

Responsibilities of management

Management is responsible for the preparation of the Subject Matter Information in accordance with the Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to Dexus Funds Management Limited and the intended users; and
- designing, implementing and maintaining systems, processes and internal controls over information relevant to the evaluation or measurement of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Criteria.

Our independence and quality control

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1*, Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements (ASAE 3000) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and *ASAE 3410 Assurance Engagements on Greenhouse Gas Statements*. Those standards require that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria, for the year ended 30 June 2023.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

In carrying out our limited assurance engagement we:

- made inquiries of the persons responsible for the Subject Matter Information;
- obtained an understanding of the processes and controls for collecting and reporting the Subject Matter Information;
- performed analytical review procedures over the Subject Matter Information and obtained explanations from management regarding unusual or unexpected variations;
- reconciled the Subject Matter Information with underlying records;
- agreed underlying records back to supporting third party documentation on a sample basis;
- assessed the reasonableness of any material estimates made in preparing the Subject Matter Information;
- assessed the appropriateness of the GHG emission factors applied in calculating the Total Scope 1, 2 and 3 GHG emissions and tested the arithmetical accuracy of the GHG emission calculations;
- tested the arithmetical accuracy of the net GHG emission calculations as well as the appropriateness of the market based emissions calculations;
- performed limited substantive testing on a sample basis of the Subject Matter Information to assess that data had been appropriately measured, recorded, collated and reported;
- reviewed the Subject Matter Information to assess whether it has been prepared as described in the criteria; and
- considered the disclosure and presentation of the Subject Matter Information.

Dexus discloses Total Market Based net GHG emissions (net GHG emissions) including an offset deduction from Dexus' emissions for the year ended 30 June 2023 of 30,810 tonnes of CO2-e relating to offsets. We have performed procedures as to whether these offsets were acquired during the year (or when actual emissions are unknown before the year end up to the date of this report), as well as verifying their retirement with the relevant registries (or pending approval for retirement up until the date of this report). We have also considered whether the description of them disclosed is a reasonable summary of the relevant contracts and related documentation and have performed procedures over the calculation of net GHG emissions. We have not, however, performed any procedures regarding the external providers of these offsets, and express no conclusion about whether the offsets have resulted, or will result, in a reduction of 30,810 tonnes of CO2-e.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Subject Matter Information with the Criteria, as it is limited primarily to making enquiries of management and applying analytical procedures.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The

precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The limited assurance conclusion expressed in this report has been formed on the above basis.

Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities', and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria as at or for the year ended 30 June 2023 (as identified in the Subject Matter Information and Criteria above).

Use and distribution of our report

We were engaged by the board of directors of Dexus Funds Management Limited on behalf of Dexus Funds Management Limited, the responsible entity of the Dexus Property Trust and the Dexus Operations Trust to prepare this independent assurance report having regard to the criteria specified by Dexus Funds Management Limited and set out in this report. This report was prepared solely for Dexus Funds Management Limited to assist the directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected subject matter.

We accept no duty, responsibility or liability to anyone other than Dexus Funds Management Limited in connection with this report or to Dexus Funds Management Limited for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than Dexus Funds Management Limited and if anyone other than Dexus Funds Management Limited chooses to use or rely on it they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than Dexus Funds Management Limited receiving or using this report.

PricewaterhouseCoopers

PricewaterhouseCoopers

C. Mara

Caroline Mara
Partner

Sydney
15 August 2023

2023 reporting criteria

Criteria for reporting on selected information included within the scope for assurance

The following criteria were used by Dexus to prepare the selected subject matter assured by PricewaterhouseCoopers (PwC) included within the 2023 Dexus Sustainability Performance Pack set out below.

Section of Sustainability Reporting	Matter subject to assurance
Environment – Group environmental summary	– Total Scope 1 location-based greenhouse gas (GHG) emissions (t CO_2-e) – Total Scope 2 location-based greenhouse gas (GHG) emissions (t CO_2-e) – Total Scope 2 market-based greenhouse gas (GHG) emissions (t CO_2-e) – Total Scope 3 location-based greenhouse gas (GHG) emissions (t CO_2-e) – Total Scope 3 market-based greenhouse gas (GHG) emissions (t CO_2-e) – Total Net Scope 1, 2 and 3 greenhouse gas (GHG) emissions (t CO_2-e) – Total Net energy consumed (electricity, natural gas, diesel, solar) (GJ) – Water consumed (kL) – Total waste (tonnes)

Employees
– Work statistics
– Engagement and leave
– Work health & safety, and discrimination
	– HR Indicators
	  – Percentage of female employees
	  – Percentage of females in senior management
	  – Percentage of female non-executive directors
	  – Absentee rate (days per employee)
	– Safety indicators
	  – Lost time injury frequency rate
	  – Fatalities
	  – Site-based contractors Lost time injury frequency rate
	  – Site-based contractor fatalities

Dexus believes that underlying data presented for other areas of the 2023 Annual Report is sound.

Parameters used in the preparation of the subject matter – Group environmental inventory

Dexus applied the following parameters in calculating the reported GHG emissions, energy and water consumption data, and waste data described above:

Item	Description
Reporting period	1 July 2022 to 30 June 2023
Reporting boundary	Unless otherwise stated, Dexus applied the principles contained within the *National Greenhouse and Energy Reporting Act 2007* (NGERA) and its associated guidelines. Unless otherwise stated below, the reporting boundary comprises those facilities in Australia and New Zealand which fall under the operational control of members of the group of which Dexus Holdings Limited is the controlling corporation for part of or all the 12 months ending June 30, 2023. The operations covered under the scope of reporting are consistent with Dexus's operation as a property business, being:

	1. **Property investment** including directly owned assets and assets managed on behalf of third-party investors. Property investment comprises: a. Office assets b. Industrial assets c. Retail assets d. Healthcare assets e. Convenience Retail assets f. Hotel assets 2. **Occupied premises** being Dexus occupied tenancies. **Property development** is excluded from the boundary of operational control for Australia and New Zealand. Operational control of the development site is handed over at Practical Completion of the development. **Infrastructure investments** are excluded from the boundary of operational control for Australia and New Zealand, as operational control is determined to be the responsibility of the external asset operator.
Total Scope 1, 2 and 3 location-based GHG emissions	Total Scope 1, 2, and 3 GHG emissions comprises emissions within the reporting boundary for Australia as calculated using the formula below: $$Total\ Scope\ 1, 2, and\ 3\ location\ based\ GHG\ emissions = Scope\ 1\ GHG\ Emissions + Scope\ 2\ location\ based\ GHG\ Emissions + Scope\ 3\ location\ based\ GHG\ Emissions$$ Where: *Scope 1 GHG Emissions*, *Scope 2 location based GHG Emissions* and *Scope 3 location based GHG Emissions* are as defined within this criterion. 'Scopes' are defined under the international reporting framework of the World Resources Institute/World Business Council for Sustainable Development reported in *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* and have been adopted by the NGERA. Reporting is in alignment with the NGERA and its associated guidelines with the exception of Scope 3 GHG emissions as described below. GHG are measured in carbon dioxide equivalents and expressed in tonnes (tCO_2-e).
Total Scope 1, 2 and 3 market-based GHG emissions	Total Scope 1, 2, and 3 GHG market-based emissions comprises emissions within the reporting boundary for Australia and New Zealand as calculated using the formula below: $$Total\ 1, 2, and\ 3\ market\ based\ GHG\ emissions = Scope\ 1\ GHG\ Emissions + Scope\ 2\ market\ based\ GHG\ Emissions + Scope\ 3\ market\ based\ GHG\ Emissions$$ Where: *Scope 1 GHG Emissions*, *Scope 2 market based GHG Emissions* and *Scope 3 market based GHG Emissions* are as defined within this criterion. 'Scopes' are defined under the international reporting framework of the World Resources Institute/World Business Council for Sustainable Development reported in *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* and have been adopted by the NGERA. GHG are measured in carbon dioxide equivalents and expressed in tonnes (tCO_2-e).
Scope 1 GHG emissions	Scope 1 emissions (direct emissions) comprise GHG emission under associated with fuel combustion and use of hydrofluorocarbons for the following sources: – **Natural gas** (used for heating air and water). Natural gas data is derived from supply authority billing. Meter data and/or estimated data is applied based on Dexus's methodology, set out below, if billing data is unavailable at the time of reporting. – **Diesel Oil (Diesel).** Diesel data is collected from site operations managers and is sourced from delivery invoices for diesel purchases and periodic diesel tank level readings. Billing data and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting. – **Refrigerant gases** (used within air conditioning equipment). The data for refrigerant gases is derived from a refrigerant register that lists all equipment under Dexus operational control. Leakage is measured via equipment maintenance records of refrigerant top-ups or by applying an annual leakage rate as defined with the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022*, with global warming potentials relative to CO_2 aligned with the IPCC Fifth Assessment Report (2014).

– **Gasoline (other than for use as fuel in an aircraft).** Gasoline data is collected from site operations managers and is sourced from invoices for purchases Billing data and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.

Scope 1 emissions have been calculated according to the Australian Government's *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022* and the New Zealand Government's *Measuring emissions: A guide for organisations: 2022 detailed guide, August 2022.*

Scope 2 location-based GHG emissions	Scope 2 location-based GHG emissions comprise indirect GHG emissions associated with grid-purchased electricity used for lighting and power. The data is provided by supply authority billing. Meter and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting. Scope 2 emissions have been calculated using published average grid emission factors according to the Australian Government's *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022* and the New Zealand Government's *Measuring emissions: A guide for organisations: 2022 detailed guide, August 2022.*
Scope 2 GHG market-based GHG emissions	Scope 2 GHG market-based emissions comprise indirect GHG emissions associated with grid-purchased electricity used for lighting and power. The data is provided by supply authority billing. Meter and/or estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting. 'Market-based' Scope 2 emissions involve separate accounting for any type of energy or energy attributed to a purchase via a contractual instrument, using source-based scope 2 emission factors evidenced by electricity attribute certificates, as defined within *The Greenhouse Gas Protocol: Scope 2 Guidance*. Dexus has separated its electricity purchases into three categories for emissions calculations: *Renewable electricity:* - **'Supplied renewable electricity'** supplied as a proportion of total grid purchases from energy retailers within electricity supply arrangements, which involves retailers surrendering Large Scale Generation Certificates (LGCs) for electricity consumed by Dexus in line with Australia's Renewable Energy Target (RET). These are evidenced by electricity supply agreements and tax invoices for supply of electricity, as defined below - **'Additional voluntary renewable electricity'** purchases made by Dexus that can be accounted using source-based scope emission factors evidenced by *electricity attribute certificates* obtained and surrendered by or on behalf of Dexus, as defined below *Non-renewable electricity:* - **'Remaining electricity'** which is deemed to be derived from fossil fuels, where emissions are accounted for by applying state-based 'residual mix factors', as defined below Where: **Electricity supply agreements and tax invoices** – agreements between Dexus and electricity retailers for the supply of electricity, and subsequent invoices issued that state the volume of electricity consumed. These agreements and tax invoices include details for the sourcing of LGCs in line with retailer requirements under the RET, with Dexus being the end-consumer of electricity. **Energy attribute certificates** – instruments have been developed to track energy production information (or its "attributes") separately from actual energy delivery. These instruments typically flow from energy generation facilities to energy suppliers and ultimately energy consumers to support consumer claims about the type of energy used and its related attributes. Dexus recognises the following schemes and certificates as energy attribute certificates and has applied the nominated GHG emission coefficients listed in the table below for quantities of electricity purchased and consumed, or volumes of certificates that retired under these schemes.

Energy attribute certificate scheme	Scope 2 emission factor	Scope 3 emission factor	Evidence
GreenPower – electricity generated under the National GreenPower Accreditation Program (https://www.greenpower.gov.au/)	0	0	Tax invoices for the purchase of GreenPower with retirement managed by the GreenPower provider
Large Scale Generation Certificates (LGCs) created by accredited renewable energy power stations under Australia's Renewable Energy Target, administered by the Clean Energy Regulator	0	0	Electricity tax invoices for 'bundled LGCs', supported by electricity contracts Tax invoices for the purchase of additional LGCs and records of retirements of certificates in their relevant registries.

New Zealand Energy Certificates (NZ-ECs) under the New Zealand Energy Certificate System, created by existing renewable electricity generators in New Zealand and administered by administered by the New Zealand Body for Certificate Issuance (NZBCI).	0	0	NZ-EC purchase agreement with New Zealand electricity retailers Statement of Position issued by Certified Energy Records in the NZECS Registry
Contracts for electricity, such as power purchase agreements (PPAs) not involving GreenPower nor LGCs, and contracts from specified sources, where electricity attribute certificates do not exist or are not required for a usage claim.	Source specific	State-based coefficients as per location-based accounting	Tax invoices or other equivalent energy attribute certificate.

[1] For GreenPower and LGCs, a scope 3 emission factor = 0 is applied as losses are taken into account in the creation of LGC's in accordance with the GreenPower Program Rules Version 10, page 14 and http://www.cleanenergyregulator.gov.au/RET/Scheme-participants-and-industry/Power-stations/Large-scale-generation-certificates/Large-scale-generation-certificate-eligibility-formula

Renewable Power Percentage (RPP) – The renewable power percentage represents the number (or percentage) of LGCs each liable entity (i.e., electricity retailer) is required to surrender each year. Retailers in turn include the surrender of LGCs in electricity contracts, and as the end consumer of electricity, organisations like Dexus are receiving a proportion of total electricity in line with the RPP.

Dexus is applying the RPP as a close proxy for the national proportion of renewable energy supplied to consumers via their electricity arrangements.

For reporting of assets in Australia:

The RPP is published annually by Australia's Clean Energy Regulator: http://www.cleanenergyregulator.gov.au/RET/Scheme-participants-and-industry/the-renewable-power-percentage

For reporting of assets in New Zealand:

Although statistics on the proportion of renewable electricity production is published by New Zealand Ministry of Business, Innovation and Employment (https://www.mbie.govt.nz/building-and-energy/energy-and-natural-resources/energy-statistics-and-modelling/energy-statistics/electricity-statistics/), energy retailers within New Zealand market are not mandated to purchase energy attribute certificates for a proportion of their electricity from renewables, which requires consumers to purchase energy attribute certificates equivalent to 100% of their consumption.

For this reason, Dexus has assumed that the **RPP for New Zealand = 0**.

Market-based 'residual mix' factors – emissions factors relating to fossil fuel electricity generators, and are derived from the published state-based grid emissions factors (location-based factors), and scaled for the proportion of electricity generated from fossil fuels by subtracting the Renewable Power Percentage (RPP) from total (or 100%) of electricity supplied, as follows:

$$Residual\ Mix\ Factor\ emissions\ coefficient = \frac{location\ based\ grid\ factor}{(100\% - RPP)}$$

Scope 2 'location-based' grid factors in Australia have been soured from the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022.*

Scope 3 'location-based' grid factors in Australia have been soured from the *National Greenhouse Accounts (NGA) Factors, November 2022*.

Scope 2 and 3 'location-based' grid factors in New Zealand have been soured from the New Zealand Government's *Measuring emissions: A guide for organisations: 2022 detailed guide, August 2022, Tables 9 & 12.*

This approach has been adopted from the *Property Council Scope 2 workbook, v1 28 June 2019* published by the Property Council of Australia, however the calculations are applied individually to each state-based factor, rather than using a national approach.

This deviation has been adopted to maintain consistency with location-based reporting – noting that once the RPP is used to separate grid-supplied electricity into renewable and non-renewable, this approach results in equivalent emissions, should an organisation not make any additional voluntary renewable energy purchases.

Within this approach:

- Electricity attribute certificates acquired directly by Dexus and surrendered are deemed to be additional to those surrendered to meet RET obligations in Australia, or similar schemes in other jurisdictions
- Given the interconnected nature of the National Electricity Market, it is assumed that the proportion of renewable energy is equitably distributed across Australia, including Western Australia

Emissions accounting for 'accredited power stations' – Dexus operates rooftop solar photovoltaic (PV) systems that generate electricity from solar energy for consumption on-site by Dexus, its customers or exported to the grid.

In some properties, the solar PV system has been registered as an Accredited Power Station as defined in Australia's *Renewable Energy (Electricity) Act 2000* and is eligible to create LGCs based on eligible electricity generated.

For the LGCs created, Dexus acknowledges that, as the energy attribute certificate, the LGCs created carry the applicable renewable energy benefit and has the option to retire or transfer these LGCs.

To avoid double-counting of renewable benefits (i.e. claiming solar and retiring LGCs), Dexus accounts for all electricity generated from accredited power stations as being 100% exported to the electricity grid and is substituted by an equivalent amount of 'grid sourced' electricity as an incoming supply to the property. The substituted electricity is accounted for using the market-based emissions methodology above, and in order to claim any renewable benefit, Dexus surrenders the equivalent LGCs or NZ-ECs with the Clean Energy Regulator (in Australia) or Certified Energy (in New Zealand) respectively.

Scope 3 location based GHG emissions

Scope 3 location-based emissions (other indirect emissions) comprise GHG associated with transmission and distribution losses ("energy losses") associated with energy use, waste sent to landfill, recycled waste, and water/wastewater use, and emissions from corporate operations including office paper use, corporate travel and employee commuting.

Data sources:

- Data for energy losses is that used to calculate scope 1 and 2 emissions.
- Data for waste to landfill and recycled waste is provided by waste contractors directly or collated by site managers from data provided by waste contractors. Estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.
- Data for water consumption is provided by water utilities. Estimated data is applied based on Dexus's methodology if billing data is unavailable at the time of reporting.
- Data for corporate operations has been compiled in accordance with the *Climate Active Carbon Neutral Standard for Organisations, October 2022*.

Emissions factors and calculations:

- Scope 3 emissions for energy and waste to landfill have been calculated according to the *National Greenhouse Accounts (NGA) Factors, November 2022*
- Scope 3 emissions for recycled waste have been calculated according to *Department of Sustainability, Environment, Water, Population and Communities: A study into commercial & industrial (C&I) waste and recycling in Australia by industry division: 2013, Table 21: Greenhouse gas impacts of landfilling and recycling materials*.
- Scope 3 emissions for water/wastewater have been calculated using factors derived from the *Climate Active Inventory (version 8.0) circulated on 20 March 2023*, referencing the regional factor for the emission source *'Water supply and wastewater treatment'*.
- Emissions for corporate sources included in the boundary have been calculated according to the *Climate Active Inventory (version 8.0) circulated on 20 March 2023.* Corporate sources included in the boundary are:
    - Telecommunications and use of Data Centres:
        - Calculated via spend method via the aggregation of invoices and/or appropriate records from the supplier of the service
    - IT Equipment and Office Equipment hire:
        - Calculated via spend method via the aggregation of invoices and/or appropriate records from the supplier of the service
    - Paper use including Carbon Neutral Paper:
        - Calculated via the utilisation of weight-based records from the supplier of the consumable
    - Stationery:
        - Calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system
    - Employee Commuting and Working From Home:

	▪ Calculated via the information collected from a periodic Dexus employee commuting survey and extrapolated based on current FTE figures o Business travel, including flights, taxis. Personal car use, hire cars and parking: ▪ Business travel is calculated via the provision of records from Dexus's travel agent which detail kilometres travelled on domestic and international flights. Air travel is based on distance method. Personal car use is calculated via distance-method using Dexus's employee records. Hire car and parking records are calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system o Printing, Couriers: ▪ Calculated via spend method via the aggregation of invoices and/or appropriate records from the supplier of the service o Hotel Accommodation: ▪ Hotel accommodation is calculated via activity method based on room night records from all domestic and international business travel, and provided by Dexus's travel agent o Bus shuttle: ▪ Calculated via a distance-based method on annualised basis from the frequency and distance of the bus shuttle travel route o Food and beverage: ▪ Calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system o Furniture: ▪ Calculated via spend method via the aggregation of corporate spend records from Dexus's accounting system
Scope 3 market based GHG emissions	As per the definition above, except that a scope 3 residual mix factor is used to calculate emissions for non-renewable electricity, in line with the Scope 2 market based GHG emissions definition. For GreenPower, LGCs and NZ-ECs, a scope 3 emission factor = 0 is applied as losses are taken into account in the creation of LGC's in accordance with the GreenPower Program Rules Version 10, page 14 and http://www.cleanenergyregulator.gov.au/RET/Scheme-participants-and-industry/Power-stations/Large-scale-generation-certificates/Large-scale-generation-certificate-eligibility-formula
Total Net Scope 1, 2 and 3 GHG emissions	Total Net Scope 1, 2, and 3 GHG emissions comprises emissions within the reporting boundary for Australia and New Zealand as calculated using the formula below: $$Total\ Net\ 1, 2, and\ 3\ GHG\ emissions = Scope\ 1\ GHG\ Emissions + Scope\ 2\ market\ based\ GHG\ Emissions + Scope\ 3\ market\ based\ GHG\ Emissions - GHG\ offsets$$ Where: – 'GHG offsets' comprises carbon offsets or carbon credits equivalent offset units that have been retired and/or offered for pending acceptance via the relevant registries eligible under the Climate Active Carbon Neutral Standard for Organisations, administered by the Australian Department of Climate Change, Energy, the Environment and Water. – The Climate Active Carbon Neutral Standard for Organisations provides a list of eligible offset units that have been assessed as meeting the Standard's offsets integrity principles. These principles are designed to ensure that eligible offset units represent genuine and credible emission reductions. – GHG offsets are created by eligible projects under recognised schemes and each offset represents 1 tonne of abated or avoided carbon dioxide equivalent. – GHG offsets are created and tracked through market registers. – 'Scopes' are defined under the international reporting framework of the World Resources Institute/World Business Council for Sustainable Development reported in The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and have been adopted by the NGERA. Reporting is in alignment with the NGERA and its associated guidelines with the exception of Scope 3 GHG emissions as described above. GHG are measured in carbon dioxide equivalents and expressed in tonnes (tCO_2-e).

Energy consumed	Energy consumed comprises primary energy sources, namely natural gas, diesel and electricity purchased by Dexus for facilities within the reporting boundary for Australia and New Zealand. Energy consumed also comprises secondary electricity that is generated from conversion of solar energy, and natural gas or diesel via combustion, for consumption within the facility. Energy consumed is calculated as a total figure converting measured usage to gigajoules using the methods and conversion factors specified within the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022*. Energy consumption has been based on quantities invoiced or metered by suppliers or Dexus. Estimates are used when billing data is unavailable and these are based on Dexus's methodology, drawing from secondary sources such as meter data or based on seasonal historical estimates.
Energy produced	Energy produced comprises energy captured from natural sources and the manufacture of energy from transformation from another fuel source within Dexus for facilities within the reporting boundary for subsequent consumption onsite or export offsite. Energy produced comprises: – **Electricity production from solar radiation (solar PV).** The data for electricity production from solar radiation is derived from site-based sub meters. Estimated data is applied based on Dexus's methodology if meter data is unavailable at the time of reporting. o Dexus measures and reports on total energy produced, separated into the following end-use consumption outcomes: ▪ Electricity consumed on site by Dexus ▪ Electricity consumed on site by Customers ▪ Electricity exported to the grid o Dexus delineates between LGC-producing and non-LGC-producing systems as follows: a. **Accredited Power Stations:** Larger solar PV systems that are registered as an Accredited Power Station as defined in Australia's Renewable Energy (Electricity) Act 2000 are eligible to create LGCs based on eligible electricity generated i. Dexus applies a 'grid-first' approach and accounts for all electricity generated from accredited power stations as being 100% exported to the electricity grid and is substituted by an equivalent amount of 'grid sourced' electricity as an incoming supply to the property. b. **Small scale rooftop solar systems:** Smaller solar PV systems that are not registered. i. Dexus applies a 'site-first' approach' whereby solar electricity is metered and recorded as 'Solar Electricity'. Where an embedded network is operates at the property, solar benefit attributed to Dexus first, then its customers and then the grid on an annual net-basis – Dexus measures and reports on total energy produced, separated into the following end-use consumption outcomes: o Electricity consumed on site by Dexus o Electricity consumed on site by Customers o Electricity exported to the grid

Solar energy end-use	Accredited power station	Small scale rooftop solar system
Electricity consumed on site by Dexus	0%	Variable based on metering, with benefit attributed first to Dexus on an annual net basis
Electricity consumed on site by Customers (exported offsite but not to a network)	0%	Variable based on metering, with remaining on-site benefit attributed to customers on an annual net basis
Electricity exported off-site to a network	100% & matched by an equivalent amount of grid-electricity	Variable – remaining excess production exported offsite as measured by property gate electricity meters

– **Electricity production from thermal generation (cogeneration and diesel generators).** Data for electricity production from thermal generation is derived direct measurement or from incoming natural gas or diesel utility data that is multiplied by

	efficiency factors of 32% for natural gas and 40% for diesel, which represent the estimated electricity yield. Estimated data is applied based on Dexus's methodology if meter data is unavailable at the time of reporting. – Energy produced is calculated as a total figure converting measured usage to gigajoules using the methods and conversion factors specified within the *National Greenhouse and Energy Reporting (Measurement) Determination, July 2022*.
Total net energy consumed	Total net energy consumed is defined as the energy consumed minus the energy produced within the reporting boundary. Net energy consumed excludes energy that is produced and exported 'offsite' to a customer or a network.
Water consumption	Water consumption is based on quantities invoiced or metered by suppliers. Water consumption comprises: – Water purchased by Dexus from local water authorities and suppliers for assets for which Dexus has operational control – Recycled water from onsite greywater and blackwater treatment systems Water consumption excludes water use from onsite rainwater harvesting.
Total waste	Total waste is based on volume or weight quantities invoiced by waste contractors. Total waste comprises: – Waste measured in weight that is sent to landfill by waste and cleaning contractors on behalf of Dexus and our customers for office and retail assets for which Dexus has operational control. – Recycling measured in weight that is diverted from landfill by waste and cleaning contractors on behalf of Dexus and our customers for office and retail assets for which Dexus has operational control. – Where waste and recycling data is based off volumes rather than actual weights, waste contractors use a predetermined density factor to report to Dexus in weight. Waste contractors may apply different density factors based on their historical analysis of different waste collection practices employed at Dexus facilities. For example, there may be variations in bin size and average bin fullness across different facilities. Total waste excludes waste to landfill and recycling for Industrial, Convenience Retail and Healthcare assets where Dexus does not have operational control over waste collection. Where Dexus has operational control over waste collection at Industrial Business Parks, Industrial, Convenience Retail and Healthcare assets, total waste is reported. Furthermore, waste data may be not available for all office and retail facilities. The site area of those facilities that have been reported represents 100% of the total lettable area of retail and office facilities within the reporting boundary.
Data confidence and estimation	Where primary data such as utility invoices have not been received, estimates are applied using the following prioritised data methodology: 1. 30-minute interval electricity, natural gas and water metering data supplied by MP/MDA Metering Dynamics 2. Estimated data using an estimate that accounts for seasonal variances derived by: a. Derived from an actual figure for the same period in the prior year, adjusted for the length of the gap b. Derived from an actual figure for the prior month, adjusted for the length of the gap c. Interpolation between two adjacent actual readings, adjusted for the length of the gap 3. Estimated data using the monthly average for the previous 12-month period.

Parameters used in the preparation of the subject matter - Employees

Dexus applied the following parameters in calculating the reported workforce diversity statistics, absenteeism and safety statistics described above:

Item	Description
Reporting period	1 July 2022 to 30 June 2023
Reporting boundary	Unless otherwise stated below, the reporting boundary comprises employees ('Dexus workforce', 'Dexus employees') across facilities in Australia and New Zealand which fall

	under the operational control of members of the group of which Dexus Holdings Limited is the controlling corporation. The 'Dexus workforce' or 'Dexus employees' includes staff employed full-time, part-time, on fixed term contracts and on a casual basis and excludes independent consultants/service providers and temporary staff sourced via external agencies.
Number of workers	**Number of workers** - Is defined as the number of workers who were employed by Dexus as recorded at 30 June 2023. Headcount data for the purpose of these statistics represents the active Dexus workforce and is based on the metric 'Total Headcount (ongoing)' as defined by the Australian Public Service Commission (https://legacy.apsc.gov.au/appendix-common-workforce-metrics), as the number of *ongoing* employees directly employed by Dexus at the point in time described above.
Number of full-time equivalent employees	**Number of full-time equivalent employees (FTEs)** - Is defined as the number of workers who were employed by Dexus as recorded at 30 June 2023. FTE data for the purpose of these statistics represents the whole Dexus workforce, and is based on the metric 'Total FTE' as defined by the Australian Public Service Commission (https://legacy.apsc.gov.au/appendix-common-workforce-metrics), as the number of full-time equivalent employees directly employed by the organisation at a point in time where part-time employees are converted to full-time equivalent based on the hours they work as a proportion of the hours for a full-time employee.
Number of hours worked	**Number of hours worked in the period** - Refers to the total scheduled number of hours of all Dexus employees as recorded at 30 June 2023. Dexus offers employees flexible work arrangements and staff are employed under individual contracts that stipulate 38 hours per week for each full-time employee. As Dexus does not track employee working hours and staff do not engage in overtime or shift work, Dexus has defined the 'number of hours worked' as 1824 hours per annum (equal to 240 days x 7.6 hours) per full-time employee.
Percentage of female employees	The percentage of female full time equivalent workers employed is calculated as follows: $$Female\ employees\ (\%) = \frac{number\ of\ female\ full\ time\ equivalent\ workers}{total\ number\ of\ full\ time\ equivalent\ workers}$$ Where: **Number of full-time equivalent workers** – as defined above **Number of female full time equivalent workers** – A subset of the number of full time equivalent workers defined above who identify themselves as female
Percentage of females in senior management	'Senior Management team' includes *executive management and senior management positions* within the Dexus workforce. Where: **Executive management and senior management positions** include Dexus employees whose role is mapped to one of the following four occupational categories: 'CEO/head of business', 'KMP (key management personnel)', 'other executives/general managers', and 'senior managers', as outlined within worker classification guidance *Standardised occupational categories of managers: February 2018* published by the *Australian Government's Workplace Gender Equality Agency (WGEA)*. Refer to: https://www.wgea.gov.au/sites/default/files/standardised-categories-managers.pdf The percentage of females in senior management is calculated as follows: $$Females\ in\ senior\ management\ (\%) = \frac{number\ of\ female\ senior\ managers}{total\ number\ of\ senior\ managers}$$ Where: **Number of senior managers** – A subset of the total number of workers with a 'Senior Management team' corporate title as defined above **Number of female workers** – A subset of the number of senior managers defined above who identify themselves as female
Percentage of female non-executive directors	The percentage of female non-executive directors is calculated as follows: $$Female\ non\ executive\ directors\ (\%) = \frac{number\ of\ female\ non\ executive\ directors}{total\ number\ of\ non\ executive\ directors}$$

	Where: **Number of non-executive directors** – The total number of non-executive directors of Dexus Holdings Limited as recorded at 30 June 2023 **Number of female non-executive directors** – A subset of the number of non-executive directors defined above who identify themselves as female
Absentee Rate	**Absentee Rate (AR)** – the number of sick leave and carers leave days per full time equivalent workers employed is calculated as follows: $$AR = \frac{number\ of\ Sick\ and\ Carers\ leave\ days}{number\ of\ full\ time\ equivalent\ employees}$$ Where: **Number of full-time equivalent employees** – as defined above
Work health & safety definitions	Work health and safety (WH&S) incidents account for all recorded incidents pertaining to Dexus employees and includes contractors employed directly by Dexus. All reported incidents in FY21 related to personal injury. The system of rules applied in recording and reporting accident statistics include *Australian Standard 1885.1 1990*, Workplace injury and disease recording standard as well as definitions within disclosure 403-2 and 403-9 from *GRI 403: Occupational Health and Safety 2018*, from the Global Reporting Initiative (GRI) Standards. **No lost-time injuries/diseases** – Those occurrences which were not lost-time injuries/diseases and for which first aid and/or medical treatment was administered **Lost-time injuries/diseases** – A work-related injury or disease (including a permanent disability or a fatality) that results in one or more days absent from work (not including the day of injury) and is supported by a workers compensation certificate. **Occupational disease** – A disease arising from the work situation or activity (such as stress or regular exposure to harmful chemicals), or from a work-related injury **Fatalities** – Fatalities that occur due to an injury or disease occurrence arising from the work situation or activity
Lost Time Injury Frequency Rate (LTIFR)	**Lost Time Injury Frequency Rate (LTIFR)** - the number of occurrences of injury or disease for each one million hours worked is calculated as follows: $$LTIFR = \frac{number\ of\ lost\ time\ injuries/diseases}{number\ of\ hours\ worked} \times 1{,}000{,}000$$ Where: **Number of lost time injuries/diseases** – the number of lost-time injuries/diseases recorded during the reporting period as defined above **Number of hours worked in the period** – as defined above
Fatalities Rate	**Fatalities Rate (FR)** - the rate of fatalities due to work-related injury is calculated as follows: $$FR = \frac{number\ of\ fatalities}{number\ of\ hours\ worked} \times 1{,}000{,}000$$
Site-based Contractors Lost Time Injury Frequency Rate	**Site-Based Contractors Lost Time Injury Frequency Rate**– calculated using the same approach as for **Lost Time Injury Frequency Rate** and applied across site-based contractors. Using terminology within the *GRI 403: Occupational Health and Safety 2018* reporting standard, site-based contractors are characterised by Dexus having control of the workplace, but not having control over the individual's work.
Site-based Contractors Fatalities Rate	**Site-Based Contractors Fatalities Rate**– calculated using the same approach as for **Fatalities Rate** and applied across site-based contractors. Using terminology within the *GRI 403: Occupational Health and Safety 2018* reporting standard, site-based contractors are characterised by Dexus having control of the workplace, but not having control over the individual's work.

13 August 2023

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