AUSTRALIAN
SHAREHOLDERS'
ASSOCIATION

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Dexus still seeking to pivot post Covid to broader investment options

Company/ASX Code	**Dexus/DXS**
AGM time and date	**Wednesday, 29 October 2025, 2:00 pm (AEST)**
Location	Dexus Place, Level 15, 1 Farrer Place, Sydney NSW 2000 (registration from 1:30 pm) and online via AGM portal
Registry	Computershare
Type of meeting	Hybrid. In Person and Online voting via: www.dexus.com/AGM2025
Monitor	Natalie Kulakoff and Lewis Gomes
Pre-AGM Meeting	Yes – Wednesday, 8 October via Teams with: Warwick Negus, Dexus Chair Elana Rubin, Dexus Chair, People & Remuneration Committee Rowena Causley, Dexus Head of Listed Investor Relations ASA: Lewis Gomes, Rachel Waterhouse and Natalie Kulakoff

Monitor Shareholding: The individuals (or their associates) involved in the preparation of this voting intention do not have a shareholding in this company.

1. Summary of Issues and Voting Intentions for AGM

- Dexus has sought to diversify away from its historical focus on inner-city high rise office buildings to a broader investment portfolio including industrial/logistics, shopping centres and infrastructure.
- Following its acquisition of a range of assets from AMP several years ago, it has become embroiled in a number of disputes with other major shareholders of these assets.
- DXS has generally underperformed the property market over recent years and is seeking to reposition itself as a diversified property investment company.
- The Remuneration Report reflects updates following shareholder feedback after the 2024 AGM "second strike".
- Shareholders are also asked to approve the FY25 and FY26 LTI Performance Rights grants to the Group CEO, Ross Du Vernet, which vest over three to four years and are measured 50% on relative securityholder return and 50% on absolute securityholder return.
- Independent directors Rhoda Harrington and Elana Rubin AM are seeking re-election with the support of the board.
- Dexus continues to provide a hybrid AGM format, allowing both physical and virtual participation, with all resolutions to be decided on a poll.
- The ASA will be voting all undirected proxies in favour of all resolutions

2. How we intend to vote

No.	Resolution description	Voting
1. Adoption of remuneration report	The board has responded to the "second strike" at the 2024 AGM with improved disclosure, engagement, and a revised remuneration framework. FY25 outcomes for Executive KMP include STI payments (CEO 52.8%, CFO 64.0%, CIO 60.8% of maximum) and LTI grants as Performance Rights (50% RTSR / 50% ATSR). The CEO's FY25 STI is withheld pending clarity on the APAC dispute.	For
2. Grant of performance rights (CEO LTI)	LTI metrics (50% RTSR, 50% ATSR) are conventional and disclosed. ASA encourages further clarity on vesting hurdles, clawback arrangements, and minimum shareholding requirements.	For
3. Director re-elections	No material concerns identified; board composition, independence, and diversity are satisfactory.	
3.1 Approval of an Independent Director – Rhoda Harrington	ASA supports the re-election of Rhoda Harrington as an independent director due to her extensive experience in governance, risk management, and strategic oversight across listed and unlisted entities.	For
3.2 Approval of an Independent Director – Elana Rubin AM	ASA supports the re-election of Elana Rubin as an independent director because her deep expertise in governance, executive remuneration, and board leadership strengthens oversight of executive performance and protects shareholder interests.	For

3. Matters Considered

Financial Statements

Dexus delivered a statutory net profit after tax of $136.1 million for FY25 following lower property valuation losses compared with a loss of $1,583.8 million for FY24 which arose from substantial devaluations of property assets as interest rates rose above the previous low levels. Dexus's preferred measure of financial performance, being Adjusted Funds From Operations (AFFO), was $483.9 million for FY25 compared with $516.3 million in FY24.

For FY25, Funds From Operations (FFO) was $548.0 million for its office portfolio, $127.7 million for its industrial portfolio and $68.5 million for its co-investments in pooled funds. That is, the split of FFO between Office, Industrial and Pooled was 74%, 17% and 9%.

This breakdown shows that Dexus has progressed its diversification programme but has still a long way to go to achieve the balance it is seeking. In terms of asset values, the split at the end of FY25 was 65%, 22% and 13%.

Dexus has also sought to upgrade the quality of its portfolio of office buildings which have been severely affected by post Covid working-from-home trends. The Office portfolio now comprises 96% of prime grade buildings with 76% located within core precincts of major Australian CBDs.

The ASA has been concerned with the level of disputation between Dexus and its various investment partners over recent years. Its acquisition of the AMP assets some years ago followed some lengthy and at times tense negotiations. One of these assets, the Macquarie Shopping Centre in Sydney, led to Dexus being forced to divest its shareholding to other investors while now Dexus is in dispute with its co-investors in Australia Pacific Airports Corporation (APAC), the holding company for the privatised Melbourne and Launceston airports originally established by AMP.

In its FY25 Annual Report, Dexus notes its vision “to be globally recognised as Australasia’s leading real asset manager” and “to deliver superior risk-adjusted returns for Dexus Securityholders and our clients”. However, the Report also notes that for FY25, Dexus’s Total Securityholder Return (TSR) was 8.4% compared with the S&P/ASX 200 Property Accumulation (A-REIT) of 14.0%. Over 10 years Dexus has achieved an annual compound return of 4.4% compared with the A-REIT index of 8.3%. These returns further show that Dexus has a lot more work to do to get back to the average of the A-REIT pack, let alone to a “leading” position.

5 Year Financial Performance

(As at FYE)	**2025**	**2024**	**2023**	**2022**	**2021**
Statutory Profit ($m)	136	(1584)	(753)	1,616	1,138
AFFO ($m)	484	516	555	572	562
Share price ($)	6.65	6.48	7.80	8.88	10.67
Distribution (cents)	37.0	48.0	51.6	53.2	51.8
Simple TSR (%)	8.3	(10.8)	(6.4)	(11.8)	22.0
AFFO PS (cents)	45.0	48.0	51.6	53.2	51.8
CEO total remuneration, actual ($m)	2.9	3.6	4.6	4.6	5.6

Simple TSR is calculated by dividing change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year. CEO total remuneration above is based on actual remuneration received during the year with any rights that were vested calculated based on closing share price on the date of vesting. Executives can voluntarily defer cash component of STI and such deferrals are not included in the actual remuneration until they are exercised. AFFO is adjusted funds from operations which is the preferred underlying profit measure used by Dexus and many other property companies.

Governance and Transparency

- Dexus provides a comprehensive annual report, including strategy, risk management and sustainability disclosures.
- Board composition: majority independent non-executive directors, with clear commitments to diversity and governance.
- AGM format is hybrid, improving accessibility; continuous disclosure appears timely and thorough.
- In May 2025, Dexus received a notice from Australia Pacific Airports Corporation (APAC) alleging a breach of the APAC shareholders' deed related to Dexus-managed assets. Dexus is vigorously defending this matter, with a court hearing scheduled for November 2025.

Executive Remuneration

- The Remuneration Report reflects updates following shareholder feedback after the 2024 "second strike," including CEO and KMP STI outcomes, FY25 and FY26 LTI grants, and improved transparency around performance hurdles, vesting, and clawback provisions.
- FY25 STI outcomes: CEO 52.8%, CFO 64.0%, CIO 60.8% of maximum, with downward discretion applied to reflect business and shareholder considerations.
- CEO FY25 STI is being withheld pending resolution of the APAC legal matter.
- FY25 and FY26 LTI will be granted as Performance Rights following the 2025 AGM, with performance measured 50% RTSR / 50% ATSR. The strategic component has been removed; ROCE is no longer used due to the diversified platform.
- Minimum security holding requirements: CEO 150% of FR, other Executive KMP 75% of FR.

Capital Management and Shareholder Interests

- Dexus disclosed capital management strategy, including gearing targets and distributions.
- Dividends are consistent with prior years.
- No selective buy-back or other practices raising shareholder concern.
- Capital management practices are acceptable and do not raise ASA concerns.

Key Matters for Shareholders to Monitor

- APAC legal matter and potential impact on executive STI.
- Clarity on minimum shareholding requirements for executives.
- Detailed disclosure of vesting hurdles, performance metrics, and clawback arrangements in future LTI grants.
- Board composition, tenure, and independence, particularly in relation to sector-specific risks.
- Ongoing risk management and ESG disclosure.

4. Rationale for Voting Intentions

Refer to the summary of voting intentions above.

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Appendix 1
CEO Remuneration framework detail for FY26

CEO Rem. Framework	Target* $m	% of Total	Max. Opportunity $m	% of Total
Fixed Remuneration	1.500	26	1.500	25
STI - Cash	0.875	15	1.125	19
STI – Securities	0.292	5	0.375	6
LTI	3.000	54	3.000	50
Total	5.667	100	6.000	100

*Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration frameworks set a maximum opportunity amount, but not all.