

Governance

Good corporate governance is the foundation for the long-term success of the group, and the achievement of Dexus's strategy is underpinned by a strong governance platform.

Our Board and Group Management Committee are committed to excellence in corporate governance and aspire to the highest standards of conduct and disclosure. To support this aspiration, we have embedded a set of well-defined policies and processes that enhance corporate performance and protect the interests of all key stakeholders.

We continue to focus on organisational culture by encouraging an environment where our people feel comfortable in raising issues and ensuring our Board and management are kept informed of incidents that may impact the business.

Our Board and its respective Board Committees have overall responsibility for corporate governance and are collectively responsible for the long

term success of the group. Areas of specific responsibility include financial performance, setting strategy and overseeing its implementation, providing leadership and direction on workforce culture and values, and agreeing and monitoring the risk framework and risk appetite. During the year a Head of Governance function was created within the business with a core focus on ensuring the Dexus Board and our people operate under leading governance policies and procedures.

Our Board regularly reviews its corporate governance policies and processes to ensure they are appropriate and meet governance standards and regulatory requirements.

For the 2019 financial year, the group's governance practices complied with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (third edition).

We are improving our policies and procedures to ensure compliance against the recently published fourth edition which takes effect for the first full financial year commencing on or after 1 January 2020 (for Dexus, the FY21 financial year concluding 30 June 2021). Further details are set out in the Corporate Governance Statement, which outlines key aspects of our corporate governance framework and practices, which is available at www.dexus.com/corporategovernance.

Board of Directors

Our Board comprises a majority of Independent Directors with all directors other than the CEO being Independent Non-Executive Directors. The Board currently consists of seven Independent Non-Executive Directors and one Executive Director.

The Board renewal process over the past several years has produced an experienced Board of Directors with a broad and diverse skill set. Our Board has determined that, along with individual

director performance, diversity is integral to a well-functioning board. We also acknowledge that an effective Board relies on board members with different tenures. Our current focus is on Board renewal centred around the skills and experience needed to complement other directors.

The members of the Board of Directors and the relevant business and management experience the Directors bring to the Board is detailed on pages 64-66 and available at www.dexus.com/corporategovernance.

Board skills and experience

Our Board has determined the skills, expertise and experience required as a collective to ensure diversity of thought and vigorous debate on key decisions. The collective experience of the current directors has been outlined against the categories in the table below and the Board believes that the current Board composition meets or exceeds the minimum requirements in each category.

The Dexus Board and Board Committee membership

Director	Board	Audit Committee	Risk Committee	People & Remuneration Committee	Nomination Committee
Richard Sheppard	✕			✕	✕
Darren Steinberg	✕				
Penny Bingham-Hall	✕		✕	✕	✕
John Conde	✕	✕			✕
Tonianne Dwyer	✕	✕	✕		
Mark Ford	✕	✕	✕		
The Hon. Nicola Roxon	✕		✕	✕	
Peter St George	✕	✕	✕		

✕ Chair and member ✕ Member

Areas of Skills & Expertise	Experience
 Leadership	<ul style="list-style-type: none"> – Directorship experience (past and present) – Senior management experience (past and present)
 Capital & Funds Management	<ul style="list-style-type: none"> – Experience in the dynamics of raising capital and investment banking – Experience in the management of third party funds
 Finance & Accounting	<ul style="list-style-type: none"> – Experience in analysing and challenging accounting material and financial statements and assessing financial viability – Experience in understanding financial drivers/funding and business models
 Governance	<ul style="list-style-type: none"> – Experience with corporate governance and standards of complex organisations – Ability to assess and commitment to ensure the effectiveness of governance structures
 People Management & Remuneration	<ul style="list-style-type: none"> – Experience in relation to remuneration and the legislation/framework governing remuneration – Experience in managing people and influencing organisational culture
 Property Experience (Including Developments)	<ul style="list-style-type: none"> – Experience and industry knowledge in the management of properties including property development – Understanding of stakeholder needs and industry trends
 Risk Management	<ul style="list-style-type: none"> – Experience in managing areas of major risk to the organisation – Experience in workplace health & safety, environmental & community, social responsibility and technology matters affecting organisations
 Strategy	<ul style="list-style-type: none"> – Experience in merger and acquisition activities – Ability to guide and review strategy through constructive questioning and suggestions – Experience in developing and successfully implementing strategy
 Sustainability	<ul style="list-style-type: none"> – Experience in implementing sustainability policies and practices, adopting a long-term approach to decision making – Understanding of environmental and social topics relevant to the property sector