

# DEXUS ASSET MANAGEMENT LIMITED & INDUSTRIA COMPANY NO 1 LIMITED – BOARD CHARTER

## 1. Background

The Directors derive their power from the Corporations Act and the constitution of Dexus Asset Management Limited (“DXAM”) and Industria Company No 1 Limited Board (“Industria Co”) (“the Board/s”).

The Boards are responsible for ensuring that the fiduciary and statutory obligations to their Security holders are met, and that such duties have priority over all other duties, including the interests of the shareholders of DXAM. The Boards provide strategic guidance in respect of the Funds managed by DXAM (including DXC, DXI and unlisted funds).

As part of the Dexus group, the Boards benefit from the policies and procedures developed and implemented by the Dexus Board. These policies and procedures, where appropriate, apply to DXAM and Industria Co.

## 2. Responsibilities of the Board

The Board is responsible for:

- Approving annually (in consultation with Management) the strategy of the Funds for which it acts as Responsible Entity
- Demonstrating leadership to, and challenging Management while overseeing the implementation of the Funds’ strategy
  - Approving new business initiatives and the property acquisitions, divestments and developments of IC1 or the Funds for which DXAM acts as Responsible Entity.
  - The DXAM and IC1 Boards has have delegated authority to approve property acquisitions, divestments, developments and capital expenditures less than \$20 million to the Dexus Group CEO & Managing Director. , Chief Executive – Funds Management and relevant Fund Manager.
  - The DXAM and IC1 Boards has have delegated authority to approve property acquisitions, divestments, developments and capital expenditures between \$20 million and \$50 million to the Dexus Investment Committee
  - The DXAM and IC1 Boards are responsible for approving property acquisitions, divestments, developments and capital expenditures over \$50 million
- Overseeing the progress of major developments ensuring they meet project feasibility
- Overseeing processes to ensure continued satisfaction of customers and other key stakeholders (including customer complaints data)
- Ensuring that high standards of ethics and corporate governance are adhered to
- Ensuring that DXAM and IC1 makes timely and balanced disclosure to the market of all material information
- Approving at least annually the Charter for the Board and the Audit, Risk & Compliance Committee

### Financial/Audit

The Board is responsible for the following, and has established an Audit, Risk & Compliance Committee to assist it in:

- Approving at least annually funding strategy and borrowing limits
- Approving periodic market guidance
- Approving the distribution payout ratio
- Approving new financial instrument types

- Approving at least annually the Dexus Treasury Policy (as it relates to DXAM and IC1 operations)
- Approving significant changes to accounting policies and practices (as it relates to DXAM and IC1 operations)
- Receiving the declarations made by those acting in the capacity of Group CEO & Managing Director and CFO in relation to financial statements, financial records and systems
- Reviewing the Financial Update at least quarterly
- Approving the financial statements and disclosures of each of the Managed Investment Schemes for which DXAM acts as Responsible Entity and for IC1
- Approving the appointment or removal of external auditors
- Ensuring the implementation of an effective Internal Audit program
- Ensuring appropriate financial controls are in place to support the integrity of accounting and reporting systems
- Receiving regular feedback from the external auditor

### **Risk & Compliance**

The Board is responsible for the following, and has established an Audit, Risk & Compliance Committee to assist it in:

- Ensuring that appropriate risk and compliance management policies, processes and systems are in place and adhered to (including the identification and management of conflicts of interests and related party transactions and other non-financial risks)
- Overseeing compliance with regulatory requirements
- Overseeing Management's approach to address conduct that is materially inconsistent with Dexus's values and Code of Conduct
- Ensuring that an appropriate and effective Compliance Management Framework and Risk Management Framework are in place
- Approving at least annually the DXAM and IC1's Risk Appetite Statement
- Approving at least annually the Managed Investment Scheme compliance plans for which DXAM acts as Responsible Entity
- Overseeing the Work, Health & Safety and Environmental risk management programs
- Approving quarterly the DXAM AFSL Financial Requirements at least quarterly
- Ensuring that Dexus has in place an appropriate Financial Lines insurance program

### **People**

The Board is responsible for the following:

- Approving the annual Remuneration Report
- Appointing or removing the Company Secretaries
- Endorsing the appointment of Fund Managers
- Reviewing performance of Fund Managers against Dexus's purpose, values, strategy and DXAM and IC1's risk appetite
- In consultation with the Dexus Board, approving Non-executive Directors' remuneration
- Approving the identification of Key Management Personnel
- In consultation with the Dexus Board, approving annually the Diversity Principles including identification of measurable objectives for achieving gender diversity
- In consultation with the Dexus Board, approving annually the Codes of Conduct and other key policies
- Overseeing Management's approach to the identification and management of risks associated with Dexus's people and culture

## Nomination

The Board is responsible for the following:

- Approving the size, composition, diversity and desired competencies of the Board and the Audit, Risk and Compliance Committee at least annually
- Approving at least annually the method to determine director independence
- Approving the nomination, appointment, re-election (subject to Security holder approval) and removal of Directors (including Executive Directors)
- Ensuring DXI Security holders are provided with relevant information to assist in their decision to elect or re-elect a Non-executive Director
- Approving the appointment of the Chair
- Reviewing at least annually the membership and effectiveness of the Board and Audit, Risk & Compliance Committee
- Reviewing the findings of the Board Performance Evaluation
- Identifying possible candidates for the role of Non-executive Director for DXAM
- Considering Board succession
- Ensuring appropriate background checks are performed on candidates for election to the Board

## Environmental, Social & Governance

The Board is responsible for the following:

- In consultation with the Dexus Board, reviewing at least annually Dexus's Corporate Governance Framework
- In consultation with the Dexus Board, approving at least annually Dexus's Modern Slavery Statement
- Approving regulatory reporting in relation to Sustainability (where required)
- Approving at least annually, the Charter of the Audit, Risk & Compliance Committee

### 3. The role of the Chair

The role and responsibility of the Chair includes leading the Board, facilitating the effective contribution of all directors, and promoting constructive and respectful relations between directors, and between the Board and management. The Chair is also responsible for promoting the interests of the schemes to investors and regulators.

### 4. Role of company secretaries

Company Secretaries play an important role in supporting the effectiveness of the Board. Company Secretaries are responsible for ensuring the smooth running of the Board and that governance matters are appropriately addressed.

They are accountable to the Board, through the Chair, on all matters relating to the proper functioning of the Board. A Company Secretary attends all meetings. All directors have direct access to the Company Secretaries for guidance and assistance.

### 5. Composition and size

The Board will comprise of three Non-Executive Directors (including the Chair) and one Executive Director.

### 6. Director Independence

Non-Executive Directors must be free of any business or other relationship that could interfere materially with the exercise of their unfettered and independent judgement.

### 7. Director Tenure

Non-Executive Directors will not hold office for more than ten years, unless approval has been sought from Dexus.

## 8. Evaluation of performance

The Board is subject to a performance evaluation program. The evaluation process addresses 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.

## 9. Obligations of Directors

Dexus's Employee Code of Conduct applies to Non-Executive Directors. Furthermore, Non-Executive Directors:

- must take all reasonable steps to avoid an actual or perceived conflict of interest between the Director's personal interests, or the interests of any associated person, and the interests of relevant stakeholders, including avoiding relationships, actions or positions which constitute or appear to constitute such a conflict
- must disclose any material personal interest in a matter relating to the business of Dexus, including conflicts between the Director's personal interests, or the interests of any associated person, and the interests of Dexus
- have an obligation to be independent in judgment and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board
- will maintain competency (skills and education) commensurate with that required of a Director of a listed entity

## 10. Appointments to other Boards

The Board acknowledge that membership experience from other boards is beneficial and accordingly supports and encourages its members to hold directorships on other boards including charitable, community and other not-for-profit boards.

The Board recognise that the time required to fulfil each directorship role varies. Therefore, after due consideration, the Board has determined that a limit on the total number of directorships or other commitments held is not appropriate.

Directors will consider the number of directorships or other commitments they hold and acknowledge they will have sufficient time to attend to the affairs of Dexus.

Should a Director wish to accept directorships or other commitments in addition to those already held, approval needs to be sought from the Chair of the Board. Where the Chair wishes to accept additional directorships or other commitments, the matter is to be referred to the Chair of the Dexus Board for consideration.

## 11. Independent advice

Should a Non-Executive Director wish to seek independent professional advice that they believe is necessary to discharge their responsibility as a director, the matter is initially referred to the Chair.

Where the Chair determines it is appropriate that advice be sought by the Non-Executive Director, Dexus will pay for such advice. To ensure all directors are equally appraised, the advice will be provided to all members of the Board.

## 12. Meetings

The Board generally meets six times per year, with additional meetings held throughout the year as required. Directors are expected to attend Board meetings (and the DXI Annual General Meeting).

A quorum comprises any three Directors including two Non-Executive Directors and decisions are carried by a simple majority vote. The Chair does not have a casting vote.

Each standard Board meeting includes a Directors only session, led by the Chair. Board papers are provided to directors electronically at least five business days prior to the meeting.

Any action items identified by the directors are recorded in the minutes. The Company Secretary ensures that the action items are appropriately addressed, and progress is reported to the Board.

### **13. Review of charter**

The Board will review this charter regularly and at least annually.

The Board approved this Charter on 27 June 2024.