

Corporate Governance Statement

The Board and management of Lifestyle Communities Ltd (ACN 078 675 153) (“LIC” or the “Company”) recognise their duties and obligations to shareholders and other stakeholders to implement and maintain a proper system of corporate governance. LIC believes that good corporate governance helps ensure the future sustainability of the Company, adds value to stakeholders and enhances investor confidence.

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the recommendations of the ASX Corporate Governance Council (“ASX Recommendations”) in the reporting period. The ASX Recommendations are guidelines designed to improve the efficiency, quality, and integrity of the Company. They are not prescriptive, and this means that if a company considers a recommendation to be inappropriate having regard to its own circumstances, it has the flexibility not to follow it. Where a company has not followed all the ASX Recommendations, it must identify which ASX Recommendations have not been followed and give reasons for not following them.

This Corporate Governance Statement (“Statement”) sets out a description of the Company’s main corporate practices and provides details of the Company’s compliance with the ASX Recommendations, or where appropriate, indicates a departure from the ASX Recommendations with an explanation.

This Statement is current as at 16 August 2023 and has been approved by the Board of Directors of Lifestyle Communities Ltd.

Principle 1 – Lay solid foundations for management and oversight

Corporate Governance Council Recommendation		Compliance	Disclosure
1.1	<p>A listed entity should disclose:</p> <p>(a) the respective roles and responsibilities of its board and management; and</p> <p>(b) those matters expressly reserved to the board and those delegated to management.</p>	Complies	<p>The Board is responsible for the overall corporate governance of the Company. The Company has a Board Charter which describes the roles and responsibilities of the Board. A copy of the Charter is available on the Company’s website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p> <p>The role of the Board is to oversee development of the long-term vision and strategy of the Group, and provide effective oversight of management while safeguarding the Company’s interest and fostering sustainable value creation.</p> <p>Matters reserved for the Board are set out in the Board Charter and Delegation of Authority, and include for example:</p> <ul style="list-style-type: none"> • reviewing and approving the strategic direction of the Company, ensuring that it is aligned with the Company’s purpose and long-term vision, and monitoring its implementation; • overseeing the behavioural and cultural framework and practices of the Company; • approving acquisition and commencement of new development projects • approving and monitoring operating budgets, financial performance and major capital expenditure; • overseeing the integrity of the Company’s financial reporting and management of debt facilities; • overseeing the Company’s risk management strategy and approval of the risk management framework, internal controls and compliance to manage material business risks; • selecting, appointing, and where necessary removing, the Managing Director; • approving and reviewing delegations of authority and authority limits; • reviewing Board composition and performance and appointing committees to assist in the oversight of the Company.

			<p>The Board has delegated the day-to-day management of the business of the Group to Management through the Managing Director and the Chief Financial Officer, subject to agreed authority limits and specific reserve matters set out in the Delegation of Authority. The Board has reserved for itself matters of a strategic, sensitive or extraordinary nature or which exceed the authority limits of Management.</p> <p>The Chair is primarily responsible for facilitating effective Board meetings by encouraging contribution from all Directors and by promoting constructive and respectful relations between management and the Board.</p>
1.2	<p>A listed entity should:</p> <p>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and</p> <p>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p>	Complies	<p>The Board is responsible for ensuring it is comprised of individuals who are best able to discharge the responsibilities of Directors having regard to the law and the best standards of governance. Vetting is undertaken before new Directors are appointed, elected, or re-elected to the Board to ensure they are appropriate candidates. This includes background checks, such as for bankruptcy.</p> <p>For the election or re-election of Directors at Annual General Meetings, the notice of meeting sets out for shareholders all material information on candidates, including details of qualifications, experience, and any other directorships. The Directors' Report of the Annual Report for the year ended 30 June 2023 also sets out the special responsibilities of the Board Members.</p> <p>Background checks are undertaken prior to an offer being made for Senior Executives.</p>
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Complies	<p>The Company has a written agreement with each Director and senior executive, and which clearly outlines the terms of their appointment.</p> <p>For Non-Executive Directors, the agreement includes the Company's expectations concerning involvement with individual committees, remuneration, circumstances under the Company's Constitution in which a director's office becomes vacant, indemnity and insurance arrangements, access to corporate information, confidentiality, and a requirement to comply with Company policies.</p> <p>For the Managing Director and senior executives, the agreement includes similar material (where relevant) as well as a description of the position, roles and responsibilities, the term of appointment, resignation and termination processes, and entitlements on resignation or termination. Further details of the key terms for the employment agreements for the Managing Director and senior executives are set out in the Remuneration Report found in the Annual Report.</p>
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complies	<p>The Company Secretary is accountable directly to the Board, though the Chair, on all matters to do with the proper functioning of the Board. The Company Secretary's role includes advising the Board and its Committees on governance matters, managing communication with regulatory bodies, monitoring Board and Committee policy and procedures including drafting and coordinating papers and drafting of minutes, and assist in the organisation and facilitation of Directors' induction.</p> <p>Mr Darren Rowland and Ms Anita Addorisio are currently the Company Secretaries of the Company. All Directors have unfettered access to the Company Secretaries. The appointment and removal of the Company Secretary must be made or approved by the Board.</p>

			Details regarding LIC’s Company Secretaries, including experience and qualifications, are set out in the Annual Report.												
1.5	<p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity’s progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>A. the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined “senior executive” for these purposes); or</p> <p>B. if the entity is a “relevant employer” under the Workplace Gender Equality Act, the entity’s most recent “Gender Equality Indicators”, as defined in and published under that Act.</p> <p>If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p>	Complies	<p>The Company values diversity and recognises the value of attracting and retaining employees with diverse backgrounds, knowledge, experience, and abilities. Embracing such diversity contributes to better performance due to the many benefits arising from diversity, including:</p> <ul style="list-style-type: none">• A broader pool of employees: Accepting diversity in recruitment and advancement increases the available labour pool for selection;• Accessing different perspectives and ideas: Engaging persons from diverse backgrounds enables different approaches to problem solving and decision making; and• Improving efficiency and retention: Engaging workplace diversity and inclusion will foster a culture whereby persons from different backgrounds are valued, providing motivation for increased retention and productivity. <p>The Company has developed a Diversity Policy, which is available on the Company’s website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p> <p>The Company supports diversity in its workforce by:</p> <ul style="list-style-type: none">• treating all employees fairly and with respect and dignity;• actively promoting a working environment that values diversity and is inclusive of differences;• implementing recruitment practices to ensure that applicants and employees of all backgrounds are encouraged to apply for, and have fair opportunity to be considered for, all available roles;• ensuring that the Group’s policies encourage diversity and inclusion to address specific barriers to groups of employees, such as those with domestic responsibilities, by making reasonable provision for the special needs of these Employees. For example, by offering flexible working arrangements, parental leave, and other leave standards, and recognising and rewarding innovative strategies to accommodate diverse groups within the workforce;• providing development opportunities for Employees from all backgrounds equally to prepare them, over time, for opportunities in senior management;• setting, reviewing, and reporting annually on measurable objectives; and• complying with all anti-discrimination and equal opportunity legislation. <p>Gender diversity is of particular importance to LIC as over 46% of homes are occupied by single females and over 62% of homeowners are female. It is the Group’s policy to have 50% female representation on the Board.</p> <p>The Company has developed targets for female representation in the leadership team and across the team, with targets designed to reflect an appropriate gender balance that best supports the Lifestyle Communities customer.</p> <p>The targets, and the Group’s progress toward meeting them are presented below:</p> <table><tr><th>Employee Group</th><th>Target</th><th>Actual at 30 June 2023</th></tr><tr><td>Board</td><td>50% female, 50% male</td><td>50% female, 50% male</td></tr><tr><td>Executive Team</td><td>40-60% either gender</td><td>50% female, 50% male</td></tr><tr><td>Entire Workforce</td><td>40-60% either gender</td><td>70% female, 30% male</td></tr></table>	Employee Group	Target	Actual at 30 June 2023	Board	50% female, 50% male	50% female, 50% male	Executive Team	40-60% either gender	50% female, 50% male	Entire Workforce	40-60% either gender	70% female, 30% male
Employee Group	Target	Actual at 30 June 2023													
Board	50% female, 50% male	50% female, 50% male													
Executive Team	40-60% either gender	50% female, 50% male													
Entire Workforce	40-60% either gender	70% female, 30% male													

			<p>In addition, through its team development program, LIC can identify emerging leaders who show high leadership potential. Emerging leaders are given focused training and mentoring to accelerate their cultural and business leadership capabilities. The pool presently comprises 57% women and 43% men, helping to secure a strong pipeline for the future.</p> <p>The Company regularly reviews its objectives to ensure that they remain relevant and appropriate in the Company's context. The same diversity objectives, as set out in the table above, have been maintained for the financial year ending 30 June 2023.</p> <p>The Company has reported against a set of standardised gender equality indicators provided by the Workplace Gender Equality Agency. The full WGEA Report can be found at https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p>
1.6	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Complies	<p>The Company's performance evaluation process for Board and committee performance focuses on the role of the Board and Committees, their size and composition, the procedures and practices of the Board and meeting arrangements. The evaluation also includes an assessment of the future requirements of the Board and its committees in relation to the skills and experience required to ensure that composition is appropriate for the needs of the Company.</p> <p>Reviews and evaluation are conducted at least annually. Directors meet with and provide feedback to the Chair which is then collated and discussed with the Board with consideration given to steps to be taken to improve performance of the Board and its Committees. Director performance is assessed by the Chair to ensure that the Director continues to operate effectively within the Board. This may involve discussions with the Director and with other members of the Board, and considering the Director's:</p> <ul style="list-style-type: none"> • skills, experience, performance and contributions to the Board, committees and other aspects of the Company; • degree of independence; and • availability to attend and prepare for Board and committee meetings. <p>A performance evaluation was undertaken for the Board and each standing committee during this reporting period.</p>
1.7	<p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of its senior executives at least once every reporting period;</p> <p>(b) disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</p>	Complies	<p>The Company has an on-going evaluation process for senior management. The Remuneration and Nominations Committee, together with the Managing Director, set necessary performance objectives for senior executives to achieve the strategic objectives of the Company.</p> <p>Performance of senior executives is assessed annually by the Managing Director. In accordance with the Board Charter, the Board is responsible to review performance of the Managing Director.</p> <p>A performance evaluation was undertaken during the reporting period.</p>

Principle 2 – Structure the board to add value

2.1	<p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, <p>and disclose:</p> <ul style="list-style-type: none"> (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p>	Complies	<p>The Company's Remuneration and Nominations Committee Charter provides for the establishment of a committee with at least three members, a majority of whom are independent Non-Executive Directors, and which must be chaired by an independent Director who is not Chair of the Board. The Remuneration and Nominations Committee assists the Board in the discharge of its responsibilities regarding the selection, appointment, and reappointment of Directors of the Board. The Remuneration and Nominations Committee Charter is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p> <p>The Remuneration and Nominations Committee consists of three members, all of whom are independent Non-Executive Directors, being Mr David Blight, the Honourable Nicola Roxon, and Ms Philippa Kelly. The Committee is chaired by Mr David Blight. All directors have relevant experience as shown in their biographies in the Directors Report. Details of meetings held by the committee during the year and member attendances are set out in the 2023 Directors' Report.</p>
2.2	<p>A listed entity should have and disclose a board skills matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.</p>	Complies	<p>It is intended that the Board includes Directors with a broad range of skills, expertise, and experience from a diverse range of backgrounds. The Board, with input from the Remuneration and Nominations Committee, will review the skills, experience, expertise, and diversity represented by Directors on the Board and determine whether the composition and mix remain appropriate for the Group's strategy, subject to any limits imposed by the Constitution.</p> <p>The Board has identified a range of core skills and experience that will assist the Board collectively to fulfil its oversight role effectively. The Company's skill matrix has been disclosed in the 2023 Annual Report available on the Company's website https://www.lifestylecommunities.com.au/investor-centre.</p>

2.3	<p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendations but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>	Complies	<p>An independent director is a Non-Executive Director who is not a member of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement.</p> <p>The Board assesses independence of the Directors at least annually based on the information which each Director is required to disclose in relation to any material contract or other relationship with the Company in accordance with the Director's terms of appointment, the <i>Corporations Act 2001 (Cth)</i>, and the Board Charter.</p> <p>In assessing independence, the Board had regard to the "Factors relevant to assessing the independence of a director" in Box 2.3 of the ASX Recommendations. Having individually reviewed the position and associations of each of the three non-executive directors, the Board has concluded that all five of them are independent.</p> <p>The Board's assessment of each current Director is set out below.</p> <table border="1"> <thead> <tr> <th>Name</th><th>Position</th><th>Appointment Date</th><th>Status</th></tr> </thead> <tbody> <tr> <td>Ms Philippa Kelly</td><td>Non-Executive Chair</td><td>18 September 2013</td><td>Independent</td></tr> <tr> <td>Mr James Kelly</td><td>Managing Director</td><td>22 May 2007</td><td>Non-Independent</td></tr> <tr> <td>The Honourable Nicola Roxon</td><td>Non-Executive Director</td><td>1 September 2017</td><td>Independent</td></tr> <tr> <td>Mr David Blight</td><td>Non-Executive Director</td><td>15 June 2018</td><td>Independent</td></tr> <tr> <td>Mr Mark Blackburn</td><td>Non-Executive Director</td><td>1 December 2019</td><td>Independent</td></tr> <tr> <td>Ms Claire Hatton</td><td>Non-Executive Director</td><td>1 May 2022</td><td>Independent</td></tr> </tbody> </table> <p>Ms Philippa Kelly is a Non-Executive Director and Chair of the Investment Committee at Australian Super, a substantial shareholder of the Company. Ms Kelly does not have any role nor involvement with the Equities team at Australian Super and the process in place at Australian Super excludes Ms Philippa Kelly from information and decisions pertaining to LIC should it reach the Australian Super Board. Ms Philippa Kelly is also a Non-Executive Director of oOh!media Limited, an entity which the Company has engaged for minor advertising.</p> <p>The Board considers that Ms Philippa Kelly, the Honourable Nicola Roxon, Mr David Blight, Mr Mark Blackburn, and Ms Claire Hatton are free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the exercise of their unfettered and independent judgement and is able to fulfil the role of independent director for the purpose of the ASX Recommendations.</p>	Name	Position	Appointment Date	Status	Ms Philippa Kelly	Non-Executive Chair	18 September 2013	Independent	Mr James Kelly	Managing Director	22 May 2007	Non-Independent	The Honourable Nicola Roxon	Non-Executive Director	1 September 2017	Independent	Mr David Blight	Non-Executive Director	15 June 2018	Independent	Mr Mark Blackburn	Non-Executive Director	1 December 2019	Independent	Ms Claire Hatton	Non-Executive Director	1 May 2022	Independent
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2.4	A majority of the board of a listed entity should be independent directors.	Complies	<p>The Board comprises a majority of independent directors being Ms Philippa Kelly, the Honourable Nicola Roxon, Mr David Blight, Mr Mark Blackburn and Ms Claire Hatton. As set out in the ASX Recommendations, the Board acknowledges that having a majority of independent directors makes it harder for any individual or small group of individuals to dominate the Board's decision-making and maximises the likelihood that the decisions of the Board will reflect the best interests of the Company and its security holders generally and not be biased towards</p>																												

			the interests of management or any other person or group with whom a non-independent director may be associated.
2.5	The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	Complies	The Chair, Ms Philippa Kelly, is considered an independent Director. The Chair provides leadership to the Board in relation to all Board matters and is responsible for ensuring that the Board meets its responsibilities under the Board Charter. The Chair's role is set out in more detail in the Board Charter, which is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance .
2.6	A listed entity should have a program for inducting new directors and provide appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively.	Complies	<p>The Board has an induction program for newly appointed Directors which includes an orientation session and the provision of written materials, briefings, training on accounting principles (where appropriate), site visits and educational opportunities designed to familiarise them with the Company and enable them to be better equipped to perform their duties. This seeks to build an understanding of the Company's business, the markets in which it operates, customers, suppliers, employees, and community residents.</p> <p>Throughout the year, Directors received market briefings and expert presentations organised around Board meetings. Directors were also encouraged to attend external director education programs to develop and maintain their skills and knowledge.</p>

Principle 3 – Instil a Culture of Acting lawfully, ethically and responsibly

3.1	A listed entity should articulate and disclose its values.	Complies	<p>The Company's values are the guiding principles and norms that define what type of organisation LIC aspires to be and what it requires from its Directors, employees, and related parties. The Company values seek to enable the business to support its homeowners and operate ethically, responsibly, and responsively. The Company's core values have been outlined in the 2023 Annual Report and are also available on the Company's website on https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p>
3.2	<p>A listed entity should:</p> <p>(a) have and disclose a code of conduct for its directors, senior executives and employees; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p>	Complies	<p>The Company recognises that its reputation is one of its most valuable assets to build long-term value for its shareholders. The Company has a Code of Conduct which applies to its Directors, senior executives and employees. The Code of Conduct is available on the Company's website at https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p> <p>The Company is committed to promoting and maintaining a high standard of corporate ethics and business integrity. As stated in the Company's Code of Conduct, all Directors, senior executives, and employees must act with integrity and professionalism and be scrupulous in the proper use of Company information, funds, equipment, and facilities. Directors, senior executives, and employees are to exercise fairness, equity, proper courtesy, consideration, and sensitivity in dealing with customers, employees, and other stakeholders.</p> <p>The Code of Conduct is a detailed statement concerning:</p> <ul style="list-style-type: none"> • responsibilities of all Directors, senior executives and employees; • practices to promote the best interests and reputation of the Company; • confidentiality; • Company property; • conflicts of interests; • public statements; • policies for preventing the acceptance or offering of bribes or other forms of unlawful or unethical payments or inducements; • measures to encourage the reporting of unlawful or unethical behaviour; • compliance; and • breaches of the Code. <p>The Code of Conduct encourages the reporting of unlawful and unethical behaviour and protects whistleblowers. Any employee who makes a complaint and complies with the reporting process will not be disadvantaged or prejudiced in any way. All complaints are treated as confidential. Directors, senior executives, and employees can report straight to the Managing Director, Company Secretary, or the Chair of the Audit Committee if they believe their immediate supervisor may be implicated.</p> <p>Directors, senior executives, and employees must avoid any personal, financial, or other interest that may conflict with their duties and responsibilities to the Company. Any interest that may constitute a conflict of interest must be promptly disclosed to the Managing Director, Company Secretary, or the Chair of the Audit Committee.</p>

			The Board has established a reporting framework through which it is informed of material breaches of the Code of Conduct.
3.3	<p>A listed entity should:</p> <p>(a) have and disclose a whistleblower policy; and</p> <p>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>	Complies	<p>The Company has a Whistleblower Policy in line with regulatory requirements, to provide an avenue for employees and contractors to report matters of concern about the business via a confidential process. The Board is informed of any material incidents reported under that policy.</p> <p>The Whistleblower Policy is available on the Company's website at https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p>
3.4	<p>A listed entity should:</p> <p>(a) have and disclose an anti-bribery and corruption policy; and</p> <p>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.</p>	Complies	<p>The Fraud, Bribery and Corruption (Prevention and Awareness) Policy demonstrates that the Company is committed to maintain high standards of integrity and accountability in conducting its business. The policy provides guidance to all employees and stakeholders on the expectations, principles and processes that must be adhered to in relation to ethical behaviour, preventing fraud, bribery and corruption, facilitation payments, gifts and entertainment and political engagement within the Group and its operations. The Board is informed of any material incidents reported under that policy.</p> <p>The Fraud, Bribery and Corruption (Prevention and Awareness) Policy is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p>

Principle 4 – Safeguard integrity in corporate reporting

4.1	<p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ol style="list-style-type: none"> has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and is chaired by an independent director, who is not the chair of the board; <p>and disclose:</p> <ol style="list-style-type: none"> the charter of the committee; the relevant qualifications and experience of the members of the committee; and in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; OR <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p>	Complies	<p>The Company's Audit Committee Charter provides for the establishment of an Audit Committee, with at least three members, a majority of whom are independent Non-Executive Directors, and which must be chaired by an independent Director who is not the Board Chair. The Audit Committee assists the Board in the discharge of its responsibilities with regards to internal control, financial reporting, internal and external audit matters, and overall compliance with relevant legal and regulatory requirements. The Audit Committee Charter is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p> <p>The Company has an Audit Committee which consists of three members, all of whom are independent Non-Executive Directors, being Mr Mark Blackburn, Ms Philippa Kelly, and Ms Claire Hatton. The Committee is chaired by Mr Mark Blackburn, an independent director who is not the Chair of the Board in accordance with the ASX Recommendations.</p> <p>All directors have relevant experience as shown in their biographies in the Directors Report. The number of meetings held and the individual attendances of Committee members at those meetings are disclosed in the 2023 Directors' Report.</p>
4.2	<p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been</p>	Complies	<p>The Managing Director and Chief Financial Officer provide an annual declaration to the Board prior to the Board's approval of the Company's full year financial results. This process was followed for the 2023 full year financial results, where the Managing Director and Chief Financial Officer provided a declaration to the Board that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. On this basis, the 2023 full year financial results were approved by the Board.</p>

	formed on the basis of a sound system of risk management and internal control which is operating effectively.		
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Complies	<p>The Company's external auditor attends every AGM as required by the Corporations Act, and members are allowed a reasonable opportunity at the meeting to ask the auditor questions relevant to the audit, their report and independence, and the accounting policies adopted by the Company. The external auditor's independence declaration is contained in the Directors' Report in our 2023 Annual Report.</p> <p>Any periodic corporate report the Company releases to the market that is not audited or reviewed by an external auditor is reviewed and approved by the Board so that it is satisfied the report in question is materially correct, balanced and provides investors with appropriate information to make an informed investment decision. Following review by the Board of Directors the report is formally approved prior to release.</p>

Principle 5 – Make timely and balanced disclosure

5.1	(a) A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	Complies	<p>The Company is committed to providing information to shareholders and to the market in a manner that is consistent with the meaning and intention of the ASX Listing Rules and the Corporations Act. To comply with these obligations, the Company has in place a Communications and Continuous Disclosure Policy and it is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p> <p>This policy sets out the key obligations of directors, officers, and employees of the Group in relation to continuous disclosure and obligations under the ASX Listing Rules and the Corporations Act. The policy also provides procedures for internal notification and external disclosure, as well as procedures for promoting understanding of compliance with the disclosure requirements.</p> <p>The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive, and informed market. In accordance with continuous disclosure obligations under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management, and disclosed to the ASX in a timely manner. The Company website includes a link to all information disclosed to the ASX.</p>
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complies	<p>The Board approves all material market announcements prior to lodgement and immediately receives notification of the release of any announcement following their release to the market.</p>
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Complies	<p>In accordance with the recommendation, the Company ensures that all substantive presentations are released to the market to enable security holders the opportunity to participate in the presentation.</p> <p>The Company also maintains a separate investor page on its website to provide shareholders with links to annual and interim reports, ASX announcements, presentations, and other key information.</p> <p>Investor presentations are provided (at least) twice yearly and lodged with the ASX Market Announcement Platform prior to presentation to investors and/or analysts.</p>

Principle 6 – Respect the rights of security holders

6.1	A listed entity should provide information about itself and its governance to investors via its website.	Complies	<p>The Company's website is one of the Company's key communication tools. The Company uses its website, annual report, market disclosures and media announcements to communicate with its shareholders, as well as encourages participation at general meetings.</p> <p>The Company endeavours to keep the website up-to-date and accurate to provide information about the Company's performance and governance to investors. The Company values transparency in all areas of operations and understands that quality disclosure can foster the trust and confidence of shareholders and investors.</p> <p>The Company encourages shareholders to take an active interest in the Company, and publishes information about the Company's history, current projects, and corporate structure.</p>
6.2	A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Complies	<p>The Managing Director, James Kelly, and the Chief Financial Officer and Joint Company Secretary, Darren Rowland, generally deal with analysts, investors, media, and other stakeholders, taking account of regulatory guidelines including those issued by the ASX on continuous disclosure.</p> <p>Presentations for the 30 June and 31 December results and other presentations are sent to the ASX and are available promptly on the Company's website. Presentations comprising face to face, teleconference, and videoconference delivery (where possible) are held in respect of the 30 June and 31 December results on the afternoon of the release.</p> <p>The Company is committed to:</p> <ul style="list-style-type: none"> • ensuring that shareholders and the financial markets are provided with full and timely information about the Company's activities in a balanced and understandable way through the annual and half yearly reports, ASX releases, general meetings and the Company's website; • arranging a videoconference and in person delivery (where possible) in respect of the 30 June and 31 December presentations conducted on the afternoon of the release; • actively responding to shareholder's direct enquiries; • complying with continuous disclosure obligations contained in the applicable ASX Listing Rules and the Corporations Act in Australia; and • encouraging shareholder participation at general meetings. <p>The Company's Communications and Continuous Disclosure Policy is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p>
6.3	A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Complies	<p>The Annual General Meeting allows the Company to provide shareholders with a greater understanding of the Company's operations, governance, performance, and prospects, and gives shareholders the opportunity to raise questions or concerns.</p> <p>Shareholders are invited throughout the meeting to ask questions of the Company and external auditors.</p>
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Complies	<p>To ascertain the true will of the Company's security holders attending and voting at its security holder meetings, whether they attend in person, electronically or by proxy or other representative, the Company will conduct the voting procedure by a poll.</p>

6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Complies	The Company recognises the timeliness, convenience, and environmental advantages of electronic communication. Shareholders have the option of communicating with the Company electronically. Shareholders who wish to update their communication preferences should contact the Company's share registry.
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Principle 7 – Recognise and manage risk

7.1	<p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, <p>and disclose</p> <ol style="list-style-type: none"> (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; OR <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p>	Does not comply	<p>The Company considers risk management as a core principle of sound corporate governance. The Company recognises the importance of managing risk and controlling its business activities in a manner which enables it to protect established value, identify and capitalise on opportunities to create value, enhance resilience to external events and avoid or reduce risks which may cause injury or loss.</p> <p>In view of its size and operational structure, the Board has historically overseen the Company's risk management framework efficiently and effectively without establishing a risk committee. The Company reviews this position periodically and has recently determined that the Audit Committee will oversee the management of risk from 1 October 2023.</p> <p>Responsibility for risk identification, monitoring and management is allocated between the Board and Management, as set out in the Board Charter. The Board is responsible for oversight and monitoring of the Company's risk management and control framework and receives monthly and quarterly reports from Management on risk matters.</p> <p>Management undertakes ongoing review of the risk management procedures to ensure that the Company complies with its legal obligations and that the Board, and ultimately shareholders, can take comfort that an appropriate system of checks is in place in areas of financial and operational risk.</p> <p>The Company's risk management processes and systems include:</p> <ul style="list-style-type: none"> • robust planning and budgeting process providing a long-term financial model that enables the Board to review timely financial forecasts as well as analyse future opportunities and sensitivities. The Board also receives regular forecasts in relation to the liquidity of the business; • comprehensive site selection process that requires Board approval of any acquisition case prior to any land acquisition. The Board is then notified and approves any changes (positive or negative) to the acquisition case prior to the commencement of construction; • a system of delegated authorities that cascades authority levels for expenditure and commitments from the Board, the delegation to the Managing Director and further cascading of authorities from the Managing Director to the rest of the organisation; • maintaining insurance cover appropriate to the size and nature of the Company's operations to reduce the financial impact of any significant insurable losses; • maintaining a risk register which identifies the material risks facing the Company and which is regularly reviewed and updated by both Management and the Board. This includes providing a risk rating, assessment of the key controls in place to manage the risk, relationship to risk tolerances set by the Board, and the person(s) responsible for implementing and reviewing controls; and • all members of the senior management team report to the Board on financial and non-financial matters and meet with the Board at least 6 monthly.
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7.2	<p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>	Complies	<p>A formal risk management framework has been developed and endorsed by the Board and provides the framework for the reporting and monitoring of material risks across the Company. The framework is accompanied by risk tolerances approved by the Board and a risk register which identifies specific risks at an operational and strategic level.</p> <p>The risk management framework, risk register, and risk tolerances are reviewed throughout the year by the Board and Management. The Board's assessment of risk includes consideration of contemporary and emerging risks such as cyber-security, sustainability, and climate change.</p> <p>The Company discloses its current material business risks to the market in the Director's Report.</p> <p>Multiple reviews of the risk management framework were undertaken in FY23.</p>
7.3	<p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; OR</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluation and continually improving the effectiveness of its governance, risk management and internal control processes.</p>	Complies	<p>The Company does not have a formal internal audit function. In view of the size of the Company, such a function is not considered necessary or appropriate at this time. The Board reviews this position periodically.</p> <p>During the 2023 financial year, the Company continued process improvements in relation to the following areas: Homeowner experience and our approach to customer hardship, IT governance and oversight by the Board, cyber security risk identification, governance and mitigations, workplace health and safety policies and procedures and continuing to evolve the risk management and tax governance frameworks, new IT systems and processes, and monthly reporting processes. These systems are anticipated to be continuously improved on an ongoing basis.</p> <p>The Management Team works closely with the Board to identify and manage governance, operational, financial and compliance risks which could prevent the Company from achieving its objectives.</p> <p>In addition to monthly governance, risk and controls reporting and the escalation of material matters, a headline risk report addressing business activities across all material heads of risk is provided to the Board quarterly, through which the efficacy of existing processes and controls can be identified and discussed.</p> <p>The Board also actively encourages the external auditors to raise internal control issues and improvement opportunities and oversees management's timely remediation thereof.</p>

7.4	A listed entity should disclose whether it has any material exposure to economic, environmental or social risks and, if it does, how it manages or intends to manage those risks.	Complies	<p>The Company was created with a clear focus to be socially and ethically responsible. The Company's risk register identifies economic, environmental, and social risks for the Company at an operational and strategic level, and key risks are reported in the Directors' Report.</p> <p>Across its decision-making activity, the Board has regard to economic, environmental, and social risks. It does so by considering:</p> <ul style="list-style-type: none"> • which issues are important to the sustainability of the Company's business; • how those issues are and could be addressed; and • whether it is in the interests of the Company to adopt particular measures, having regard to the opportunity and value generated by the measure, materiality of the risk addressed and the likely costs of doing so or failing to do so. <p>During the 2023 financial year, the Company employed a dedicated sustainability lead and undertook a refresh of its materiality assessment of its ESG framework to ensure that appropriate attention was being given to the most material issues and any emerging business risks. In the 2023 financial year the Company continued to evolve its approach to the issues and topics identified.</p> <p>The Company's risk analyses are integrated into the annual planning and budget approval process, when setting the Company's strategy and when considering significant transactions. At all times, the Board ensures that it acts in the best interests of the Company.</p>
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Principle 8 – Remunerate fairly and responsibly

8.1	<p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ul style="list-style-type: none"> (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; OR <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>	Complies	<p>The Company's Remuneration and Nominations Committee Charter provides for the establishment of a committee with at least three members, a majority of whom are independent Non-Executive Directors, and which must be chaired by an independent Director who is not Chair of the Board. The Remuneration and Nominations Committee assists the Board in the discharge of its responsibilities regarding the remuneration policies and practices of the Group. The Remuneration and Nominations Committee Charter is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p> <p>The Board has appointed a Remuneration and Nominations Committee which consists of three members, all of whom are independent Non-Executive Directors, being Mr David Blight, the Honourable Nicola Roxon, and Ms Philippa Kelly. The committee is chaired by Mr David Blight</p> <p>All directors have relevant experience as shown in their biographies in the Directors Report. Details of meetings held by the committee during the year and member attendances are set out in the 2023 Directors' Report.</p>
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Complies	Details of remuneration of Directors, the Managing Director and senior management are included in the Remuneration Report section of the 2023 Annual Report.

8.3	<p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>	Complies	<p>The Company offers an Employee Share Incentive scheme to support the alignment of the interests of employees with those of shareholders. Details of the scheme are included in the Remuneration Report section of the 2023 Annual Report.</p> <p>The Company has a Securities Trading Policy for dealing in securities and Directors and employees must not create, enter into, or deal in derivatives, a derivative arrangement or margin calls in relation to Company securities at any time. The policy is regularly reviewed and updated to ensure it meets current regulatory requirements.</p> <p>A copy of the Securities Trading Policy for dealing in securities is available on the Company's website https://www.lifestylecommunities.com.au/investor-centre/corporate-governance.</p>
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