

ASX ANNOUNCEMENT

8 June 2021

Lendlease Chairman Investor Engagement Presentation

Attached is a presentation to be referred to during engagement meetings in June 2021 between Lendlease Chairman, Michael Ullmer AO and key investors.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Investors:

Justin McCarthy

Mob: +61 422 800 321

Media:

Stephen Ellaway

Mob: +61 417 851 287

Authorised for lodgement by Lendlease Group's Disclosure Committee

Lendlease Corporation Limited ABN 32 000 226 228 and
Lendlease Responsible Entity Limited ABN 72 122 883 185 AFS Licence 308983
as responsible entity for **Lendlease Trust** ABN 39 944 184 773 ARSN 128 052 595

Level 14, Tower Three, International Towers Sydney
Exchange Place, 300 Barangaroo Avenue
Barangaroo NSW 2000 Australia

Telephone +61 2 9236 6111
Facsimile +61 2 9252 2192
lendlease.com



Sydney: Artist's impression of One Sydney Harbour – on Gadigal Country

Investor Engagement

Michael Ullmer, AO
Chairman, Lendlease Group

June 2021

lendlease



North East facing apartment. Artist impression only. Viewlines are indicative only.

Board commitment to securityholders

Respect for securityholders

Stewardship

- The Board governs the Group for the long term interests of securityholders
- Long term outcomes achieved by a focus on areas of value creation:
 - Health & Safety
 - Financial
 - Customers
 - People
 - Sustainability

Transparency

- Committed to open communication
- Board program structured to facilitate comprehensive insight into operations and collaboration with management
- Strive for transparency in decision making that fosters trust and integrity

Engagement

- Value open engagement with market participants
- Welcome regular interaction with the investment community
- Feedback incorporated into Board deliberations

The Board is committed to exceptional corporate governance policies and practices which we see as fundamental to the long term success and prosperity of the Group.

Board Charter as it relates to securityholders

- Approval of:
 - Business strategy and vision in line with focus on securityholder value creation
 - Business plans, assuring that sufficient resources are available to implement strategy
 - Major investments or divestments and strategic commitments
 - Financial reporting
- Determination of capital structure and distribution policy
- Oversight of risk management, internal control and compliance systems
- Oversight of securityholder reporting and communications; benchmarking the delivery of value to customers

Board Focus Areas in FY21

CEO succession, leadership changes and Group strategy

- Orderly three month transition to the new Chief Executive Officer, Tony Lombardo who officially commenced on 1 June 2021
- External appointments – Chief Financial Officer, Simon Dixon (from 1 October 2021); Chief People Officer, Deborah Yates (from 1 July 2021)
- Other Senior Leadership appointments – Chief Risk Officer, Frank Krile; Chief Executive Officer Asia, Justin Gabbani
- Continuity of main components of strategy outlined in August 2020:
 - Focus on urbanisation projects and Investments platform
 - Reviewing other components of Group portfolio
 - Pathways for delivering \$8b+ production target
 - Renewed focus on culture and customer
- Reviewing organisational structure to support efficient resource allocation and execution of strategy, simplification opportunities post divestments

Operations during COVID-19

- Prioritised health and safety of employees and all who interact with the Group
- From March 2020, the Board transitioned to enabling virtual attendance at Board and Committee meetings in response to the COVID-19 restrictions
- Due to travel restrictions, the Board transitioned to holding virtual site visits with our local and regional offices
- Sites visited in FY21 either virtually or in person included One Sydney Harbour, Sydney Martin Place Metro and Sydney Place in Australia, TRX and the Ardor Gardens Senior Living project in Asia, and the MIND project in Europe (Asia and Europe – virtual tours)
- Site visits allow the Board to observe a project's delivery in a strategic context, and assess the Lendlease culture through engagement with project staff

Together we create value through places where communities thrive

Our strategy

Employ our placemaking expertise and integrated business model in global gateway cities to deliver urbanisation projects and investments that generate social, environmental and economic value.



Strategy highlights¹

Leverage competitive edge

Global placemaking

End to end capability

Proven track record

Increased focus

Prioritise capital and people resources to Development and Investments focus areas

Accelerate development

\$8+ billion of production p.a. uplift >80% on historical rates

c.90% of production for next 5 years planning approved

Scale Investments

\$50+ billion FUM opportunity from secured development pipeline

New products and external opportunities

Higher capital allocation

Improve earnings quality

Higher annuity earnings | Programmatic investment partnerships | Operating profit focus

1. Slide from Lendlease Strategy Update August 31, 2020. \$8b+ p.a. production is a target.

People and Culture Committee

The role of this Committee is to support the Board in fulfilling its governance and oversight responsibilities related to people management and remuneration policies.

The Committee sets people management policies and practices that enable the Group to attract and foster exceptional talent, equitably and responsibly reward employees and keep human capital considerations central to the Group's strategy and business plans.

Responsibilities

People & Culture Strategy

- Oversight of the alignment of the people strategies with Group strategy
- Review results of and actions arising from the employee engagement survey

Talent Management & Succession

- Review the Group's:
 - Succession planning for the Global Leadership Team (GLT) and Group CEO
 - Talent management and succession strategy including the talent pipeline for the roles required to deliver the Group's strategy

Diversity & Inclusion

- Assessment, review and monitoring of the Group's:
 - Diversity & Inclusion strategy
 - Policies supporting Diversity & Inclusion
 - Agreeing Diversity & Inclusion related objective and targets

Remuneration

- Assessment, review and monitoring of the Group's:
 - Executive Reward Strategy
 - Contractual arrangements and remuneration for the CEO
 - Goals, performance and remuneration for the GLT
 - Bonus pool and employee incentive schemes
 - Annual Report remuneration disclosures
 - Non Executive Director fees

Meetings and composition

The Committee

- Meets quarterly prior to Board meetings and at additional times as required
- Is supported by the Chief People Officer and their team who supplies the committee with relevant information (except when their own remuneration and performance evaluation is discussed)
- EY appointed as Board's remuneration advisor in July 2020

Current Committee members

- Elizabeth Proust (Chair)
- Michael Ullmer
- Phil Coffey
- David Craig
- Jane Hemstrich
- Robert Welanetz

In attendance at each meeting by invitation:

- Group CEO (except for decisions relating to their performance and remuneration)

To view the full Lendlease People and Culture Committee Charter, please visit: www.lendlease.com/au/-/media/lcom/investor-relations/governance/committees/2019/people-and-culture-committee-charter-2019.pdf

People and culture

Key Areas of Focus for the Board and the Committee during FY21

Wellbeing

Hardship & Wellbeing Fund established in response to COVID-19:

- 281¹ short term grants to support our people
- Payments to more than 2,800 frontline workers, recognising challenges in performing their roles during COVID-19

Foundation sponsored programs to support morale and engagement

Human Capital Management

Development of an updated human capital strategy to support the execution of the broader organisational strategy

Mission critical capabilities identified along with the shifts required to source, retain and reward the capabilities that drive behaviours needed to outperform

Talent and Succession

Selection of an internal successor for the Group CEO role demonstrates bench strength

Regular review of the performance and potential of our leaders:

- Aids in understanding the diversity and breadth of the talent pipeline
- Informs decisions about talent development and succession, to provide inspiring career opportunities for internal talent

Diversity and Inclusion

Driving gender participation through cultural change and educating all employees about Everyday Sexism

Leading the construction industry in Australia for LGBTI+ inclusion through research and advocacy in partnership with University of New South Wales

Endorsed a detailed action plan to eliminate workplace sexual harassment

Actions taken in response to votes against the FY20 Remuneration Report ²

 Established a Board led working group	 Reflected on the feedback received from securityholders as part of pre-AGM engagement	 Reviewed proxy advisor reports from FY18-FY20
 Conducted an online survey to seek feedback from our Top 100 securityholders	 Developed a Remuneration Fact Base	 Meet with key stakeholders

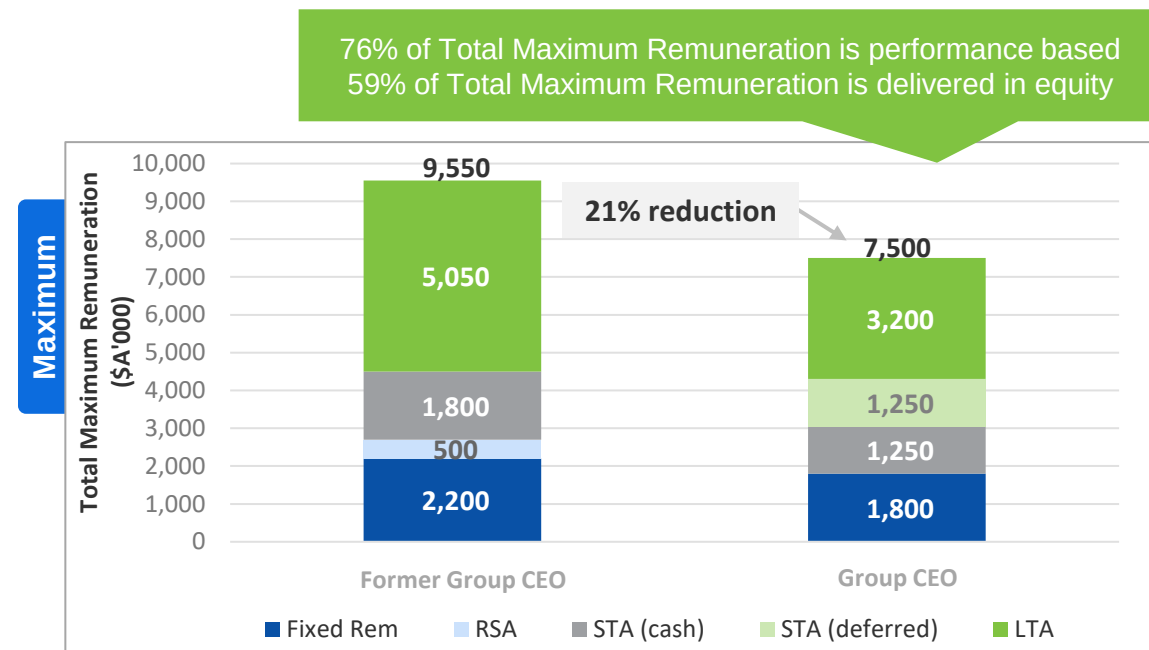
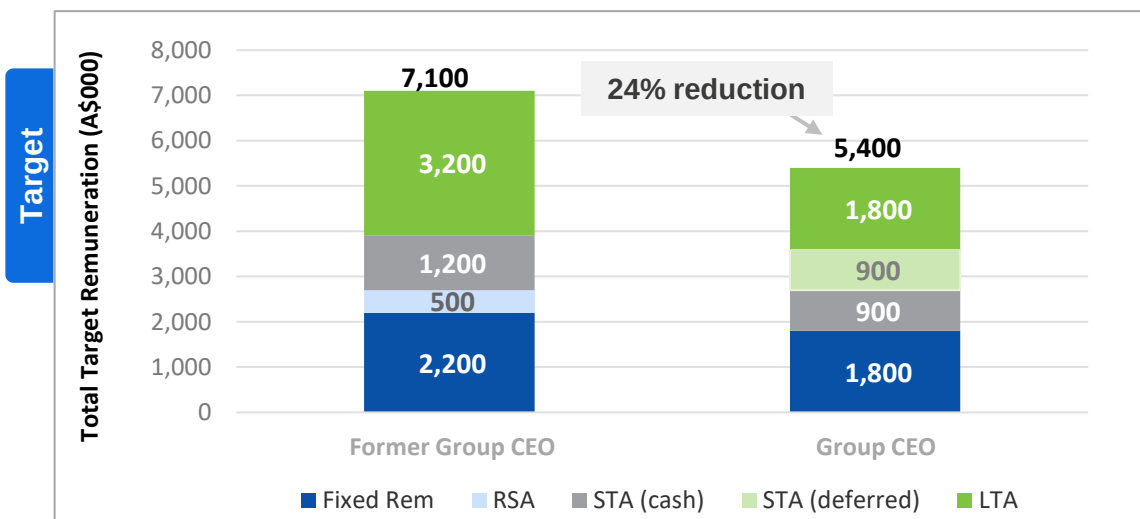
IN PROGRESS

In an unprecedented and challenging year our People have continued to deliver for our customers and supported the execution of our strategy

1. Grants approved to 30 April 2021

2. At the November 2020 AGM, Lendlease received 47.34% votes against the resolution to adopt the Remuneration Report and 18.61% of votes against the resolution to approve the allocation of performance rights to the Managing Director.

Changes to CEO remuneration



Key changes	Addresses key issues / concerns	Comments
Overall quantum is lower compared to former CEO	✓	The Board reset the Group CEO remuneration on transition
Removal of the Restricted Securities Award	✓	Increases proportion of remuneration subject to performance
Short Term Award has been increased to reflect the removal of the Restricted Securities Award		Increases proportion of 'at risk' remuneration from current arrangements
50% of Short Term Award deferred over 2 years	✓	- Provides further alignment with the securityholder experience - Equity (both Short Term Award and Long Term Award) now vesting more progressively (1-6 years after grant, compared to 3-6 years after grant in the current Executive Reward Scheme)
Simplified Long Term Award vesting schedules	✓	Straight line vesting between threshold and maximum simplifies approach

The LTA continues to reflect the long dated nature of our business with vested awards delivered in four equal tranches at the end of Y3, Y4, Y5 and Y6

Sustainability Committee

The role of this Committee includes oversight of the Group's aspiration of being a sustainable organisation.

The Committee remit encompasses workplace safety; corporate social responsibility; environmentally sustainable solutions; modern slavery; indigenous engagement and the Lendlease Foundation activities.

Responsibilities

Health, Safety and Wellbeing

- Assessment, review and monitoring of the Group's:
 - Health and Safety framework
 - Health & Safety strategy
 - Policies and initiatives relating to safety and wellbeing
 - Safety information
 - Board recommendations to improve safety performance and reporting

Sustainability and Corporate Social Responsibility

- Oversight, review and monitoring of the Group's:
 - Sustainability framework
 - Sustainability strategy and its implementation
 - Policies and initiatives to achieve best practice environmentally sustainable solutions
 - Publicly disclosed sustainability targets
 - External reporting on major corporate social responsibility and sustainability policies principles and initiatives
 - Lendlease Foundation
 - Board recommendations in relation to sustainability disclosures including TCFD (Task Force on Climate Related Financial Disclosure) and Modern Slavery

Indigenous Engagement

- Oversight and monitoring of the Group's:
 - Reconciliation Action Plan framework
 - Activities to achieve a leadership position in advancing reconciliation

Meetings and composition

The Committee

- Meets quarterly prior to Board meetings and at additional times when requested by members
- Is supported by the Group Heads of Sustainability and Safety, Executive Lead – First Nations Engagement, and Head of Supply Chain Risk who supply the committee with relevant information

Current Committee members

- Nicola Wakefield-Evans (Chair)
- Michael Ullmer
- Elizabeth Proust
- Robert Welanetz

In attendance at each meeting by invitation:

- Group CEO

To view the full Lendlease Sustainability Committee Charter, please visit: www.lendlease.com/au/-/media/llcom/investor-relations/governance/committees/2019/sustainability-committee-charter-2019.pdf

Health and Safety

Our No.1 priority

Improving our performance and eliminating incident and injury has been at the forefront of our strategy and operating philosophy.

A strong safety culture has always been embedded within the organisation. However, a transformational decision was taken in 2008 to take an uncompromising leadership position on health and safety. This led to the introduction of initiatives including our Global Minimum Requirements (GMRs). We experienced 8 fatalities (including 1 Lendlease employee) between FY11-FY20 compared to 69 fatalities across our operations from FY01-FY10 (including 3 Lendlease employees).

Sadly, we have experienced two fatal incidents to subcontractors working on our operations in the past year. One from a partial roof failure at Curtin University in Western Australia, and a second event occurred in Malaysia during an elevator fit out.

Our Global Minimum Requirements (GMRs) define the Lendlease way for managing health and safety. The 2021 update of the GMRs, support our people and supply chain partners to apply these standards across all phases of the real estate and construction lifecycle. They include a renewed focus on providing industry-leading mental health programmes and support with a focus on providing the best possible working conditions.

Every day, tens of thousands of people around the world come to a Lendlease place. Their health and safety, and that of everyone who interacts with us, is our highest priority.

We strive for excellence in the underlying drivers of safety outcomes

Culture

Holistic culture of care

>90% agreement from our people to each of the following statements:

- Health & Safety is a key priority
- We are motivated to look after our safety
- Lendlease creates a culture of working safely
- Working safely is appreciated by leaders in the organisation

Compliance

- GMRs foundation for compliance
- Significant EH&S focus during investment, design and procurement
- Shift from compliance checks to forward focused risk management
- Over 1 million safety observations recorded by our people and supply chain in the past 5 years.
- Project metrics, such as schedule and scope changes, are treated as leading indicators of safety risk

Reporting

- 90% operations without a critical incident in FY20
- Lost time injury rate reduced from 6.6 in FY03 to 1.5 in FY20
- Critical injury frequency rate reduced from 2.57 in FY12 to 0.70 in FY20
- >1,500 employees trained in the Mental Health First Aid program
- All metrics inclusive of employees, consultants and supply chain

Sustainability

New sustainability targets

In August 2020 we launched two bold sustainability targets aligned to our Sustainability Framework, with an environmental and a social focus respectively. They are our call to action and will be our measure of success.

Our ambition is to live in a world warmed by no more than 1.5°C and to be responsible for creating measured social value on the journey.

The built environment contributes to c.40 per cent of global greenhouse gas emissions. Our industry has a unique responsibility and opportunity to act, which is why our targets are intentionally ambitious; the environmental target sets a global benchmark for real estate.

Industry collaboration is critical in order for our sector to meaningfully reduce its carbon footprint. This means working closely and co-operatively with our partners across the supply chain to reduce the embodied carbon in the materials our sector relies on – namely steel, cement and aluminium.

An update on our progress towards both our environmental and social targets will be provided in our FY21 Integrated Report.

#Mission Zero

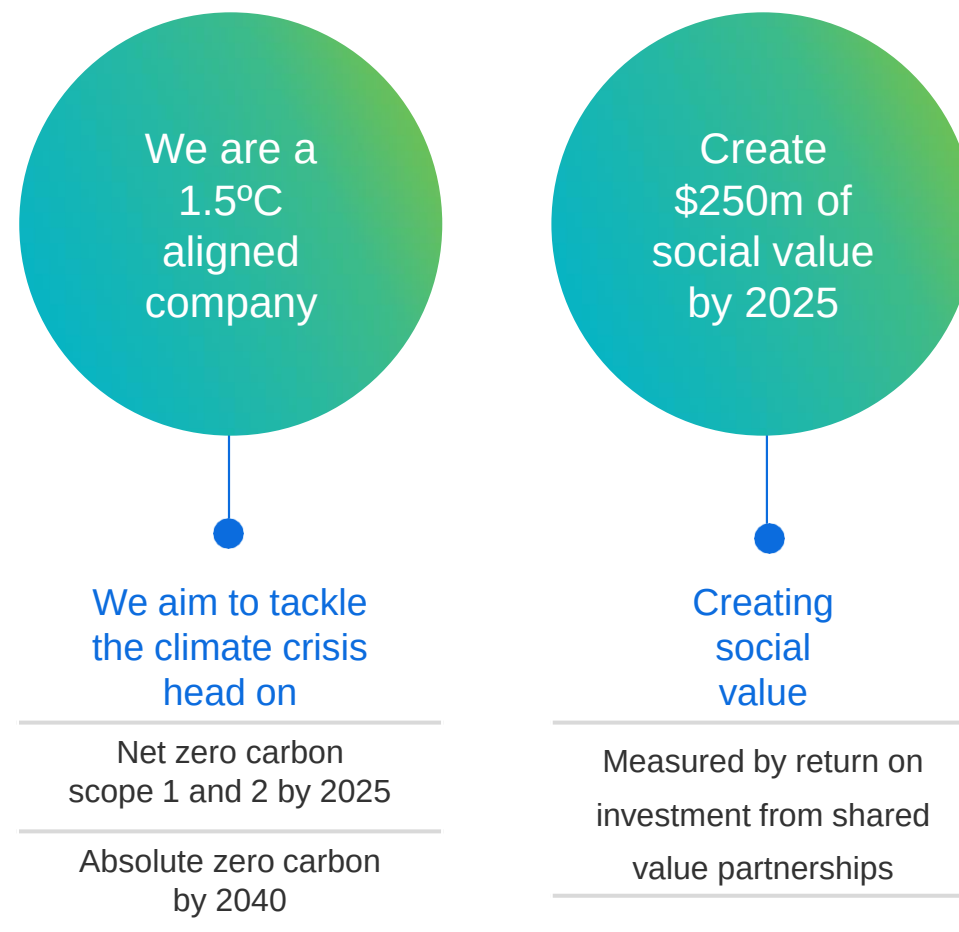
In May 2021, Lendlease launched a global campaign, Mission Zero, to promote our new sustainability targets that support one of the Group's strategic priorities of leadership in sustainability. The campaign aims to:

- Advocate for industry transformation by demonstrating what is possible through our project execution proof points and what is needed through leadership pieces
- Foster collaboration to enable the innovation and change required, at pace and scale, to limit global warming and achieve our targets.

To view Lendlease's sustainability targets, please visit: www.lendlease.com/au/company/sustainability/our-targets/

To view Lendlease's Mission Zero Campaign, please visit: www.lendlease.com/au/missionzero/

**A community can't thrive if the world around it doesn't.
At Lendlease, we take our responsibility to the planet
and its people seriously.**



Nomination Committee

Advice and support related to Board composition.

Objective is to have an appropriate mix of expertise, skills, experience and perspectives that foster diligent oversight and effective corporate governance.

Oversight of Board, Committee and individual Non Executive Director performance.

Responsibilities

- **Board structure:**
 - Size and composition
 - Mix of expertise, skills, experience
 - Perspectives desirable to assist the Board in its role
- **Identification of:**
 - Board competencies not adequately represented
 - Selection process for prospective candidates to meet required competencies
 - Board candidates and recommendations for appointment to the Board
- **Director development:**
 - Process for induction and education of new Directors
 - Continuing education and development for Non Executive Directors
 - Re-election process with regard to performance
- **Evaluation of Board and Committee performance:**
 - Assessed against the requirements of the respective Charters
 - Contribution of individuals and overall Board
 - External review on a biennial basis
 - Internal assessment in periods when there is no external assessment
- **Succession planning:**
 - Review of succession plan for the Board
 - Consideration of skills required for current business operations
 - Consideration of skills and expertise needed on the Board in the future

Meetings and composition

The Committee

- Meets as required but generally at every scheduled Board meeting

Current Committee members

- Jane Hemstrich (Chair)
- Michael Ullmer
- Phil Coffey
- David Craig
- Elizabeth Proust
- Nicola Wakefield-Evans
- Robert Welanetz

In attendance at each meeting by invitation:

- Group CEO

To view the Lendlease Nomination Committee Charter, please visit:
www.lendlease.com/au/-/media/llcom/investor-relations/governance/committees/2019/nomination-committee-charter-2019.pdf

Nominations Committee

Re-elections

- Board members seeking re-election at the 2021 Annual General Meeting



Michael Ullmer, AO

Mr Ullmer joined the Board in December 2011

Board Committee Memberships:

- Chairman of the Board
- Member of the Audit Committee
- Member of the People & Culture Committee
- Member of the Nominations Committee
- Member of the Risk Committee
- Member of the Sustainability Committee



Elizabeth Proust, AO

Ms Proust joined the Board in February 2018

Board Committee Memberships:

- Chairman of the People & Culture Committee
- Member of the Nominations Committee
- Member of the Risk Committee
- Member of the Sustainability Committee

Board Composition and Renewal

Board renewal – succession planning for Board roles considered critical:

- The Directors have a range of local and international experience and expertise, as well as specialised skills to assist with decision making and leading the Group for the benefit of securityholders
- The aim is to have a Board comprised of Directors with an appropriate mix and balance of skills, expertise, experience, diversity and independence, both individually and collectively
- The process of selecting a new Director involves reviewing the experience of current Directors, identifying any gaps in the Board skills set and using that to identify potential new candidates

Industry experience

The Board views industry experience as skills or experience gained in one or more of the core Lendlease operating segments of Development, Construction and/or Investments.

5 of 7

Board members have experience in one or more of the core segments

100%

Experience in strategy, governance and financial acumen

Director's average tenure

The Board considers it has an appropriate mix of new, mid and longer tenured Directors. At June 2021, the average term of the Board is 5.9 years.



Risk Committee

Oversight of the Group's risk management and internal control systems, risk policies and practices, compliance, and approval process for projects.

Responsibilities

Risk policy

- Oversee, review and monitor adherence to risk related policies including:
 - Risk strategy and risk appetite statement
 - Macroeconomic, geopolitical, business risk environment
 - Insurance strategy
 - Adequacy of criteria for underperforming projects
 - Appropriateness of delegations and limits of authority

Enterprise & Operational Risk

- Oversight, review and monitoring of the Group's:
 - Enterprise Risk Management system
 - Internal control environment
 - Lines of defence risk and control assurance
 - Material reputational risks
 - Compliance framework
 - Business integrity and conduct risk
 - Adequacy of insurance and other risk transfer arrangements
- Cyber and data governance risks:
 - Disaster recovery and business contingency planning process

Operational oversight

- Review and recommend major transactions for Board approval
- Portfolio reports on the three operating segments and focus projects
- Review and set the assessment criteria for the assurance report
- Review and monitor the Group's underperforming projects

Meetings and composition

The Committee

- Meets prior to every Board Meeting
- Is supported by the Group Chief Risk Officer and their team who supplies the committee with relevant information

Current Committee members

- Phil Coffey (Chair)
- David Craig
- Jane Hemstrich
- Elizabeth Proust
- Michael Ullmer
- Nicola Wakefield-Evans
- Robert Welanetz

In attendance at each meeting by invitation

- Group CEO

To view the full Lendlease Risk Committee Charter, please visit: www.lendlease.com/au/-/media/llcom/investor-relations/governance/committees/2019/risk-committee-charter-2019.pdf

Risk Committee

Risk governance and management

- Following the Risk Committee's approval of the Risk Appetite Framework in August 2020 and its subsequent implementation, the Board's level of oversight across the business has been enhanced. Moreover, as risk appetite continues to evolve, the risk tolerances and accompanying standards and frameworks are being evolved and refined in order to remain fit-for-purpose.
- Of note in the period, the below Policies and Standards were all approved and implemented within the last six months and will allow the Board to increase its oversight of the business:
 - Group Standards on Project Environmental and Social Risk Assessment;
 - Group Standard on Design Complexity, and
 - Group Policy and Standard on Customer Complaints and Feedback

Risk Management is a key focus area of the Lendlease Board.

Lendlease has no tolerance for employees operating outside of the risk appetite without the required approvals.

Three lines of defence

First line of defence - responsibilities

Who: Individual business units

- Identify, manage and own risks relevant to the business unit
- The business units have the tools and interaction with the Group functions to execute business responsibilities
- Individual business unit CEOs present on business risk each quarter to the Risk Committee

Second line of defence – assurance measures

Who: Group functions

- Includes corporate risk and insurance, operational assurance and performance, safety, legal, information technology, and finance
- Function specific policies outline assurance measures to enable each business to identify and manage risk appropriately

Third line of defence – independent processes

Who: Internal and External Audit

- Attends and reports directly to the Board Audit and Risk Committees
- Act independently from the first and second lines of defence
- Private session held with Internal or External Audit without management present in alternating quarters

Audit Committee

Oversight of accounting policies and practices, tax matters, treasury reporting, monitoring of internal financial controls, internal and external audit functions and financial reporting.

Responsibilities

External Audit

- Review the scope, quality and effectiveness of the audit and audit fees
- Independent resolution of issues arising from audit reports
- Approve non-audit assignments in accordance with policy procedures
- Monitor the interaction between internal and external audit and management

Internal Audit

- Review, monitor and approve where appropriate:
 - Scope, budget of the internal audit plan
 - Quality and effectiveness of the audits
 - Management resolution of matters arising from internal audit reports

Financial Reporting

- Review, monitor and assess:
 - Financial statements and audit opinions
 - Significant financial reporting issues
 - Metrics and provisioning in relation to material underperforming projects
 - Appropriateness of accounting policies and methods
 - Reliability and appropriateness of financial reporting disclosure
- Recommendations to Board in relation to:
 - Approval of the financial statements
 - Major changes to accounting policies and procedures

Financial risks and controls

- Review and monitor:
 - Adequacy of internal control processes overseen by finance teams
 - AFSL Compliance plans, Treasury strategy, funding plan and policies
 - Material tax matters and compliance with applicable legislation/regulations

Meetings and composition

The Committee

- Meets quarterly prior to Board meetings and at additional times if required
- Is supported by the Group Chief Financial Officer and their team, Group Head of Internal Audit and the External Auditor who supply the committee with relevant information

Current Committee members

- David Craig (Chair)
- Michael Ullmer
- Phil Coffey
- Jane Hemstrich
- Nicola Wakefield-Evans

In attendance at each meeting by invitation

- Group CEO (except during the private sessions held at alternate meetings with the Internal and External Auditors)

To view the full Lendlease Audit Committee Charter, please visit: www.lendlease.com/au/-/media/llcom/investor-relations/governance/committees/2019/audit-committee-charter-2019.pdf

Audit Committee

Investment partners a key element of the integrated business model

Core strategy of urbanisation has resulted in significant growth in the development pipeline along with investment partner initiatives.

Formal committee review process for the accounting of major investment partner transactions.

With a secured pipeline that is anticipated to create more than \$50 billion of investment grade assets, combined with investment partner appetite to take more development exposure and the target to accelerate development to a production rate of \$8b+ pa, the frequency of investment partner initiatives is expected to rise significantly.

- Reviews conducted in recent periods included: Investment partnership at Milano Santa Giulia; and Development Joint Venture and PLLACes at One Sydney Harbour.

Strong internal controls and transparency are key focus areas to enable the Group to give a true and fair view of its financial position and performance.

Transparency in structure and accounting of transactions and resiliency of Balance Sheet

Profit and loss

Detailed review of relevant accounting issues

Consideration of the components of transactions:

- Development management fees
- Gain on sale
- Revaluations
- Transaction costs
- Cash Flows

Balance sheet

The committee reviewed the strength of the Balance Sheet taking into account the disruption of the COVID-19 pandemic, with particular emphasis on:

- Valuation and recoverability of assets,
- Liquidity and funding, and
- Impact of transactions in the period

Non core segment

Review of the accounting treatment associated with the sale of the Engineering business and adequacy of provisions held