

ASX ANNOUNCEMENT

20 November 2019

2019 Annual General Meetings – Chairman and Chief Executive Officer & Managing Director Addresses

In accordance with ASX Listing Rule 3.13, attached are the addresses to be given at the 2019 Annual General Meeting of shareholders of Lendlease Corporation Limited and General Meeting of Unitholders of Lendlease Trust (together Lendlease Group).

The meeting will be held today at 10.00am (AEDT) in Sydney. The addresses will be given by the Chairman and Group Chief Executive Officer and Managing Director.

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ADDRESS BY THE LENDLEASE CHAIRMAN TO THE LENDLEASE ANNUAL GENERAL MEETING

Wednesday 20 November 2019

Good morning Ladies and Gentlemen.

My name is Michael Ullmer and I am the Chairman of the Lendlease Board.

On behalf of the Board, I acknowledge that we are on the land of the Gadigal people of the Eora nation. The Gadigal people are the traditional custodians of this land and I extend my respect to their Elders past, present and future. I also acknowledge all First Nations peoples from across Australia.

I now declare the meeting open and will introduce your Board of Directors.

Starting on my far left we have Phil Coffey, Elizabeth Proust, David Craig, and our Company Secretary Wendy Lee.

To my right is our Group CEO and Managing Director Steve McCann, Jane Hemstritch, Colin Carter and Nicola Wakefield Evans. Steve Dobbs, who will be retiring from the Board following the closure of the AGM, has injured his leg and is unable to travel. Steve is very disappointed that he cannot be with us today.

Seated in the front rows are the Lendlease executive team including our Chief Financial Officer, Tarun Gupta, our Chief Risk Officer, Andrew Wilson and the CEOs of our Regional Businesses.

Also in attendance is the Group's auditor, Duncan McLennan from KPMG, who is available to answer any questions relating to the audit of the Group's financial statements.

Health and Safety

I will start the meeting by talking about Health and Safety.

Health and Safety remains our number one priority. Keeping people safe takes precedence over everything else.

A detailed review of safety across our business was undertaken in FY19 to gain deeper insights into the impact of cultural factors on safety performance. Based on these insights, we will continue to enhance our safety standards, known as our Global Minimum Requirements. Applying improved analytics and assurance practices to these standards contributed to a solid safety performance in FY19.



However, tragically, since year end, a construction worker Nurul Amin was seriously injured in a critical incident on a project in Kuala Lumpur where Lendlease is the construction manager. While recovering from surgery in hospital, Mr. Amin contracted an infection and subsequently passed away. On behalf of the Board and all at Lendlease, I extend my heartfelt condolences to the family, friends and colleagues of Mr. Amin.

This is a powerful reminder of the need to keep safety at the forefront. The Board and management will continue to maintain a relentless focus on safety leadership throughout the organisation.

Engineering and Services

Turning now to the Engineering and Services business.

When I spoke to you at last year's AGM, I said that when confronted with challenges, we face them head on, seek to understand the root causes, and take the appropriate action.

An immediate priority when I took the Chair was to lead the Board in a comprehensive strategic review of the Engineering and Services business. In regard to Engineering specifically, we concluded that while the sector in Australia is an attractive one with good growth prospects, and our capability is strong, its risk profile is incompatible with our core segments of Development, Construction and Investments. Accordingly, we announced in February that Engineering and Services would be separating from the Group. A trade sale process was subsequently initiated.

I reiterate how disappointed the Board is with the underperformance of our Engineering business, and apologise again that this occurred.

As noted when we released our full year results in August, the sale process has generated a good level of interest from parties looking to acquire either the whole business or Engineering or Services separately. Steve will expand on both the business performance and the sale process shortly.

I thank our teams in the Engineering and Services businesses for remaining focused on serving our clients, winning new work, and supporting the sale process.

Enhancements to Governance

In addition to our strategic review of the Engineering and Services business, the Board undertook a comprehensive review of its governance practices. A range of opportunities were identified to enhance the effectiveness of our Board processes and the responsibilities specifically reserved for the Board and its committees.

We established a separate Risk Committee, of which all Directors are members, where the full spectrum of risk is discussed. This includes risk appetite, business integrity and conduct, risk frameworks and policies, and major transaction approvals. This change allows the Audit



Committee to focus on financial reporting, key accounting, treasury and taxation matters, and internal and external audit. This has freed up the Board agenda so that we can increase our focus on strategy, culture, purpose, our people and customers. The remit of the Sustainability Committee continues to include safety, in addition to the full gamut of environmental, social and governance risks that are of increasing interest to the global investment community.

Purpose

This brings me to Purpose. Since our foundation, Lendlease has held the view that long term shareholder value is created by having a positive and lasting environmental and social impact, as well as delivering financial outcomes that meet our hurdle rates of return.

Our vision is clear – to create the best places. We call this “placemaking” – bringing together the physical aspects of developments, the way they facilitate social interactions and their environmental impact to positively impact communities. As our business continues to evolve and is becoming increasingly global, it is important that we ensure our purpose is deeply embedded in all critical decision making within the organisation, in how we behave, and in how we drive our competitive differentiation that creates shareholder value.

The work we do to understand the needs of all stakeholders, in determining how to create places that will integrate into the community, and minimise environmental impacts, has been fundamental to winning major urbanisation projects such as Euston Station in London and our project with Google in the San Francisco Bay Area.

Financial Performance

Turning to our FY19 financial performance. The Group delivered Profit after Tax of \$467 million, which was down from \$793 million the prior year. As you are aware, the result was impacted by the underperformance of the Engineering and Services business.

Securityholders received a distribution of 42 cents per security for FY19 down from 69 cents in the prior year. The payout ratio for the year was just over 50 per cent, in the middle of the Board’s stated target range of 40 to 60 per cent of earnings.

The core business delivered a strong result with profit after tax of \$804 million and a return on equity of 12.8 per cent. Given the strategic distraction of separating our Engineering and Services business, the team did an outstanding job in focusing the organisation on our core businesses of Development, Construction and Investments.

Our core businesses are well placed to create long term securityholder value. The strategic decision to broaden our urbanisation platform across target gateway cities in key economies around the world, has been a great success. Since year end, another two major urbanisation projects have been secured, taking the Group’s development pipeline over \$100 billion, approximately three quarters of which is outside of Australia.



A key focus of the Board will be supporting management in the conversion of this great opportunity into the best places using our world leading, placemaking capabilities.

Executive Reward Strategy

This leads me to explain the reasons why we implemented a new Executive Reward Strategy in FY19. Our new approach to remuneration recognises that we need to balance providing attractive rewards for performance to highly capable executives while reflecting the long-dated nature of our business. The investment decisions we make today have an impact on earnings many years into the future. Accordingly, short term incentives were reduced and greater emphasis was placed on securities in the remuneration mix, while vesting periods were extended to up to six years.

Vesting of long term awards is based 50 per cent on total securityholder return, and 50 per cent on the achievement of return on equity hurdles.

In determining the 2019 remuneration outcomes for our people, the Board took a robust, but proportionate, approach to accountability. As announced at last year's AGM, the CEO Steve McCann forfeited his entire short term incentive for 2019. Short term incentives for executives on the global leadership team with direct or indirect accountability for Engineering were limited to 25 per cent of their target. The rest of the leadership team were awarded short term incentives that were no greater than 50 per cent of their target.

The financial outcomes for the Group in 2019 have markedly reduced the likelihood of the vesting of long term awards which were approved at last year's AGM. If the hurdles are met, these awards will vest over a three year period commencing in 2021.

In addition, the mandatory requirement for our senior executives to hold a significant number of securities means they have an ongoing material exposure to movements in the security price.

The Board believes the new executive reward strategy delivers strong alignment with the interests of all securityholders.

The long term awards made in the current year are all about incentivising future performance, and will not have value unless the forward looking targets are met. The Board is strongly of the view that it is in the long term interests of securityholders for our management team to be appropriately incentivised to grow our core businesses in a sustainable way. The growth in the development pipeline over the last year is evidence of this strategy in action.

In developing this new reward strategy we considered a number of frameworks that operate in other organisations and sought extensive external advice. We also consulted widely with our external stakeholders over an extended period of time. In the 2018 Remuneration Report, the Board communicated these design features of the new reward strategy, and its



intention to change the structure of executive remuneration if supported by securityholders through their votes at the 2018 meeting.

Given the overwhelming vote in favour of our remuneration report at the 2018 AGM, the Board took this as endorsement of the new reward strategy.

The outcomes described in our 2019 remuneration report are the result of applying the framework supported by proxy advisors and approved by securityholders at last year's AGM. Thus, you can imagine my disappointment that some external stakeholders have changed their support for our reward strategy, notwithstanding the demonstrated alignment of executive reward outcomes with the securityholder experience.

Sustainability

Moving now to Sustainability. Lendlease has always had a strong belief in the importance of sustainability in the way we operate and the places we create – and for more than 60 years we have built our reputation as a global company that is bold in its thinking, and continuously creates value by doing what matters for society. You only have to look at the impact Barangaroo has had on Sydney - transforming a former wharf into a vibrant new waterfront financial district with a mix of world class office space, premium residential buildings, as well as shopping, dining, hospitality and public spaces. The entire precinct has achieved some of the world's highest environmental standards.

While our focus on sustainability is widely acknowledged by our clients and our people, it is important to articulate its role in the creation of long term securityholder value.

Recent stakeholder meetings have reinforced that our sustainability credentials are just as important to many of our investors – both in Lendlease and in our managed funds.

Our current pipeline of work is testament to the importance of our focus on sustainability – it is a key differentiator and competitive advantage. Sustainability has been critical to the Group's success in growing our urbanisation pipeline and building capital partnerships. In many of our bids, such as those in the UK, it is a key factor that is specifically considered in the client's evaluation process.

Our global urbanisation portfolio has grown from seven to 22 major projects in just over five years. We receive consistent feedback that our placemaking capabilities, that set long term visions and integrate all aspects of sustainability, resonate strongly and are an important component in the selection criteria.

Similarly, for many of our capital partners, the decision to invest in our developments is heavily influenced by their assessment of how it matches up against their sustainability criteria.

This is also true for investors in our managed funds. One of our funds was the highest ranking fund in the Global Real Estate Sustainability Benchmark survey for the fifth time in



six years, with four of our other funds ranked in the top ten globally. That survey has over 950 participating funds.

Looking forward, we are committed to creating places that are resilient and adaptable to change, are inclusive, use resources sustainably and foster environmental and community health and wellbeing.

We are preparing for a future in which environmental and social issues become even more important. Our refreshed sustainability framework responds to the need to plan for future generations by integrating sustainability into every aspect of our business. For example, our commitment to the Taskforce for Climate-related Financial Disclosure (TCFD) will lead to this being integrated into our business strategy and planning cycles.

Last year, Lendlease announced our commitment to including disclosures in our Annual Report under the TCFD framework. This year, we reported on our progress, including the determination of four climate related scenarios that we will be using to evaluate the impacts on our business risks and opportunities.

Our climate scenarios create plausible future states in 2050 and are being used not only to build strategic resilience in our business, but to strategically inform the creation of our post 2020 sustainability metrics and targets.

Earlier this year, the Board participated in a workshop to discuss key risks and opportunities across the climate scenarios. These climate scenarios are available on the Lendlease website.

We are also striving to create the best places across our pipeline globally via the use of our placemaking measurement and benchmarking tool, the Better Places Index. Our sustainability team unveiled this measurement tool to the investment community for the first time a few weeks ago at our Sustainability Market Briefing.

Our Customers

This brings me to our customers. Designing and delivering innovative, customer driven solutions is vital if we are to continue to secure projects and ultimately deliver the best places. We have relationships with millions of people across various settings. We endeavour to develop a greater understanding of the drivers of people's work life, home life and preferences for leisure time and respond with experiences, services and products they desire.

The Board is obtaining more visibility of the metrics that provide greater insight into customer preferences from measures of customer satisfaction, to the extent to which we are driving customer loyalty through net promoter score ratings. These insights are being used to drive improved customer experience.



As a Board, we are committed to supporting our teams in fostering deeper customer relationships. The Board is developing a program to expand our direct engagement with all key stakeholders. At each Board meeting we receive external briefings on key issues relevant to our business, meet with clients, engage with the local teams and where we are able, visit our projects.

Recently, I was with the Board in London and we hosted some of our key stakeholders on a site visit of our £2.3 billion urban regeneration scheme at Elephant & Castle. I have seen first hand how Lendlease has transformed this site into a vibrant mixed-use precinct and created a new green heart for London. At Elephant & Castle, Lendlease is working closely with the local government and community to tackle some of the most challenging issues that affect cities, such as affordable housing, jobs and social isolation.

Lendlease is taking a leading role in creating connected precincts and shaping large-scale master planned projects, with the community at their heart.

Board Renewal

Before I conclude my address, I would like to provide an update on Board renewal. As I mentioned earlier, Steve Dobbs will be retiring from the Board following the conclusion of this meeting. Steve has been a director for five years and served on the Audit and Sustainability Committees during that time. He has made an enormous contribution and on behalf of securityholders, we thank Steve and wish him all the best for the future.

As part of our ongoing process of board renewal, we recently announced that Baroness Margaret Ford will be joining the Board with effect from 1 March 2020. Margaret has extensive commercial and board experience in our core segments of Development and Construction in the UK market. Margaret also has a deep understanding of the interface between development and the public sector. I am delighted to have a director of this calibre joining our Board.

We are working on the next phase of our board renewal, talking to candidates based in the United States who have deep domain experience in our core segments of Development, Construction or Investments.

Non-Executive Directors Nicola Wakefield Evans and David Craig are standing for re-election at this AGM and the Board unanimously supports their re-election. Both directors are outstanding and bring a range of diverse experiences which have been of enormous benefit during Board deliberations. I will speak to this further when we come to the specific resolutions on today's agenda.

Conclusion

Finally, it is an honour to serve as Chair of this great company. Ten years ago we determined that Lendlease was ideally placed to benefit from the global drivers of urbanisation, and management set about executing a strategic pivot to global development



opportunities in gateway cities in major economies around the world. Today we are incredibly well positioned with a diversified pipeline of over \$100 billion.

Lendlease has always been recognised as an iconic company within Australia. I am confident that Lendlease is now recognised in the major markets around the world as a leading integrated developer who can truly create the best places and transform people's lives. This is something we can all be very proud of.

Thank you.

I will now hand over to Steve.



ADDRESS BY THE LENDLEASE GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR TO THE LENDLEASE ANNUAL GENERAL MEETING

Wednesday 20 November 2019

Thank you, Michael, and good morning everyone.

I too acknowledge the Gadigal people of the Eora nation and pay my respects to their elders past, present and future.

Health and Safety

Every day, tens of thousands of people around the world come to a Lendlease place to work. As our pipeline grows, so do the number of workers in our care. Our commitment to their health and safety, and everyone who interacts with us, is our highest priority.

As Michael noted, recent enhancements to our analytics and assurance practices contributed to a solid safety performance in FY19.

We're encouraging our people to ask; "What's the worst that could happen?" as a way of identifying and addressing risk.

This approach requires a commitment by our people and our supply chain teams to embrace this way of thinking, not just in the field, but across the full property and construction lifecycle where ever we operate.

Injuries and fatalities suffered on our projects have devastating impacts on the families affected and I add my sincere condolences to the family and friends of Mr. Nurul Amin who lost his life in hospital after sustaining an injury while working on our Affin Bank Berhad project in Kuala Lumpur.

It is imperative we remain focused on our operating methodologies and safety performance because everyone has the right to return to their families, friends and loved ones each day.

Our approach

The cornerstone of the Group's strategy is to create the best urban precincts in key global gateway cities – with our aim to be the global urbanisation partner of choice.

Our ability to deliver across all aspects of transformational projects, together with our financial strength and strong track record are key points of difference we believe few can match.



Our success internationally, with both public and private sector clients, is further testament to our strategy and the depth of talent we have built over many years.

Our integrated approach, informed by six global trends, provides us with a sustainable competitive advantage which is critical to delivering long term securityholder value.

Engineering and Services

As Michael noted, the Group's FY19 result was impacted by the underperformance of the Engineering and Services business. The result included a \$500 million pre tax provision for underperforming projects that was brought to account in the first half of the financial year.

The provision primarily related to three Engineering projects, two of which are yet to complete. The two projects, NorthConnex in Sydney and Kingsford Smith Drive in Brisbane are both approximately 90 per cent complete and are due to finish in calendar year 2020.

The level of the provisioning in the business remains appropriate.

The Engineering business closed the year with a backlog of \$3.8 billion and remains active in bidding for work that is in line with the revised lower risk appetite that came out of the strategic review. The recently secured major earthworks contract at Western Sydney Airport demonstrates the business continues to receive client support.

The Services business was a solid contributor to both revenue and profit in FY19, delivering an EBITDA margin of approximately 5 per cent. The business commenced the new financial year with a backlog of \$1.6 billion and an attractive pipeline of future opportunities.

A sale process for the Engineering and Services business was initiated approximately six months ago. The sale process has generated a good level of interest from parties looking to acquire the whole business and those interested in either Engineering or Services separately. Progress has been made on each of these potential options and we are tracking well towards a transaction execution in the next few months.

We remain committed to delivering the best possible outcome from the sale process for our clients, employees and securityholders. There has been a significant amount of work involved in balancing the interests of all stakeholders.

I reiterate the remarks of the Chairman and thank our people in the Engineering and Services business, both personally and on behalf on the broader organisation, for their professionalism and dedication as we work through the sale process.

These occasions can be very unsettling given the very real personal impacts and I have admired the selfless approach the team has taken to safely deliver for our clients and support each other.

Based on the current portfolio position and the progress made on the sale, the estimate of costs to exit Engineering and Services remains unchanged at \$450 million to \$550 million



pre-tax. This estimate includes implementation costs and potential costs or indemnities to cover concluding existing customer contracts and remains appropriate.

Core business

I will now move to the performance of our core business in FY19.

Each core operating segment delivered solid financial outcomes in the year.

Development return on invested capital of 11.6 per cent was underpinned by strong apartment earnings across a range of urbanisation projects, the completion of the office precinct at Paya Lebar Quarter and the formation of the residential investment partnership in the US.

The core construction EBITDA margin of 2.2 per cent, in line with the target range of 2-3 per cent, was generated on \$9.7 billion of revenue.

The Investments return on invested capital of 10.8 per cent reflected strong growth in funds under management of 17 per cent and solid ownership income.

We secured three major urbanisation projects.

Milan Innovation District, the site of the World Expo 2015, is a mixed use development with an estimated end value of \$3.6 billion. Lakeshore East in Chicago is a \$2.1 billion residential led project. Victoria Cross in North Sydney is an integrated station development anchored by an office tower with an estimated end value of \$1.1 billion.

Each of these projects are held through capital efficient arrangements, providing flexibility around delivery and timing.

Several capital partner initiatives were progressed during the year.

In the residential sector we launched a partnership with First State Super, which has acquired buildings in Chicago and Boston.

In Sydney, demand for quality office product was strong. We rebalanced our holdings in the office precinct at Barangaroo, introducing two capital partners to the precinct. Our current level of co-investment across these assets supports our ongoing alignment with investors and maintains long-term asset management of the precinct.

Our development joint venture with ADIA saw the completion of the 83,000 square metre office precinct at Paya Lebar Quarter in Singapore. Its completion takes funds under management from the office towers to more than \$2 billion.

We launched a partnership to invest US\$1 billion in the data centre sector across the Asia Pacific. Targeting key cities where the Group already has a strong presence, the partnership will enable us to leverage our integrated model in a sector with a strong growth outlook.



These partnerships continue to highlight the strength and attractiveness of our business model, which enables us to source, deliver and manage a broad range of projects.

Outlook

That brings me to the outlook for the year ahead and beyond.

The Group began FY20 in a strong financial position with gearing at the bottom of the target range and \$3.9 billion of available liquidity. As we highlighted at the results, we anticipate gearing to increase this financial year to within our stated target range of 10-20 per cent as we start a new cycle of investment in our development pipeline.

It has been an active period for FY20 to date.

Sales have commenced at our iconic One Sydney Harbour residential apartment project at Barangaroo. Demand has been strong with pre-sales now well above the threshold for the first tower to begin delivery. We expect to be out of the ground in the first half of next calendar year. With such a strong start to pre-sales, we have commenced exploring potential capital partners and funding solutions to optimise our investment returns.

Our Lakeshore East project in Chicago is now up and running. Phase 1, which comprises a 47-story, 363-unit luxury condominium tower and 503 residential for rent units, will be delivered in our Residential Investment Partnership with First State Super. The team is onsite with works commencing in September.

Our Circular Quay Tower project has been renamed Salesforce Tower, following their agreement to lease 29,000sqm of space, together with naming rights of the building. With the tower now 60 per cent pre-committed by income, we may look to reduce our holding from the current 20 per cent level.

There are an additional four office buildings in advanced stages of planning and/or tenant negotiation which has allowed us to commence discussions with capital partners.

At Melbourne Quarter, planning approval has been achieved on Melbourne Quarter Tower, the final commercial building at the project. The 34-level tower will deliver circa 70,000sqm of office space with an end value of approximately \$1 billion.

We are making good progress at Milano Santa Giulia in Italy with tenant interest across two buildings.

Since securing the Victoria Cross office development in North Sydney we are well advanced on planning approvals.

In Asia, the retail mall at Paya Lebar has now fully opened and 100 per cent of the apartments have now been sold with residents scheduled to commence moving in prior to the end of the calendar year. We've achieved more leasing deals across the office precinct



and that has taken leasing above 90 per cent. The project has outperformed its financial targets and we are on track to receive a performance fee.

The Lendlease Global Commercial REIT successfully listed on the Singapore Exchange in October. It was significantly oversubscribed and has traded well since listing. The two assets in the fund are 313 Somerset in Singapore and the Sky Headquarters, adjacent to our Milano Santa Giulia project in Milan.

While these and other initiatives provide a solid start to the year, we expect an earnings skew to the second half of FY20.

Progress on Strategy

And that brings me to a broader discussion on strategy.

We are very pleased with the progress on the core strategy of the Group. Several years ago we outlined our intention to shift our origination focus towards targeted international gateway cities. We emphasised this would be done organically and in a disciplined way by leveraging our existing capabilities.

We committed to focusing on urbanisation and that's exactly what we've done.

In July, we were delighted to be chosen by Google to partner with them to develop three mixed use communities in the San Francisco Bay Area. The mostly residential for rent scheme has an end value of approximately \$20 billion and will deliver more than 15,000 new homes over a 10 – 15 year timeframe.

This project is very important for the Americas region, as it results in us now being at scale in the US. We view this as a significant achievement given it was only five years ago we extended the integrated model to that market.

In London, we formalised a partnership with leading UK housing association Peabody to deliver approximately 11,500 homes in Thamesmead. The project has an estimated end value of \$14.5 billion.

The addition of these projects takes the total development pipeline to more than \$100 billion, of which the urbanisation pipeline accounts for almost 90 percent.

Being chosen as the development partner for transformational projects across target gateway cities by both public and private sector clients is a strong endorsement of our urbanisation capabilities, which are increasingly being recognised as world leading. We believe this cements our position as a global leader in urbanisation.

Five years ago we had an urbanisation pipeline of \$25 billion comprising seven major projects. It is now close to four times that size with 22 major projects.



In recent years, development activity has averaged \$4 billion per annum. There is scope for that figure to accelerate materially over the medium term given the significant growth of the pipeline and its diversity by gateway city and product type.

We are currently working through the pace at which production is likely to accelerate and then settle at a new higher annual rate. We'll update investors next calendar year with more detail including revised targets. As we've highlighted previously, neither capital partner demand nor project opportunities are expected to be constraints.

To that end, we've been planning for the next phase of investment for growth. A substantial uplift in the amount of institutional grade investment product is expected to be created for capital partners and the Group's Investments platform as development activity accelerates.

Since FY14, funds under management has more than doubled from \$16 billion to \$35 billion. The Group is well placed to double funds under management again as the urbanisation pipeline is delivered.

I would like to end by thanking you, our securityholders, for your support and my team for their dedication. We will continue to work hard to deliver positive outcomes for all of our stakeholders.

Closing

With that, I'll hand back to the Chairman.



RESPONSES BY LENDLEASE CHAIRMAN TO ISSUES RAISED PRIOR TO THE LENDLEASE ANNUAL GENERAL MEETING

Wednesday 20 November 2019

Before I commence the formal business, I will make some comments on the common issues raised by securityholders in advance of the meeting.

Re-election of David Craig

The first matter is in relation to David Craig, who is standing for re-election today and has the unanimous support of the Lendlease Board. Let me say at the outset that David is an exceptional director and has made an enormous contribution both in deliberations around the Board table and outside of the Boardroom.

David has a unique combination of deep financial and risk management experience combined with direct executive experience in property, not only as the CFO at CBA where the property function reported to him, but also as CFO of Australand, which was a listed property company. His international career spans over 37 years, 22 years of which included direct property segment experience. We are very fortunate to have such a highly respected business leader like David on our Board.

In addition to David's role as a Lendlease director, he has also taken on a number of extra activities. He has spent personal time mentoring a number of the finance executives at Lendlease, sat on Lendlease panels providing advice to our graduate cohort, and visited Lendlease projects and sites to obtain a deeper understanding of our business operations.

For these reasons, we are surprised that a few stakeholders have raised issue with David standing for re-election, citing his prior position as CFO at CBA and the Banking Royal Commission.

As a Board, we make decisions on matters such as this based on information that we are privy to, and of actual performance.

We see the tremendous contribution that David has made as a Board member, as Chair of the Audit Committee and as a member of the People & Culture and Risk Committees, and the Board unanimously recommends that securityholders support David's re-election.



Figtree Hill community – protection of koalas

I also wish to address questions raised by local community groups at Figtree Hill, a Lendlease community development in South Western Sydney. It relates to the protection of the local koala community in that area.

As I said earlier in my address, Lendlease has always integrated sustainability into how we do business. The same is true of our approach toward protecting this koala community – it is a matter the Board and CEO take very seriously. So much so that Steve and other members of the Global Leadership Team have visited the Figtree Hill site to better understand the concerns of the local community. The Board has also received a briefing from an independent wildlife expert on koalas and their habitat in the South Western Sydney area.

After engaging with a number of stakeholder groups, it is planned that Figtree Hill will deliver 220ha of protected koala habitat, almost double the current size, on a site that has historically been cleared. Safe corridors planned between biobanks should allow koalas to move between areas.

Our plans also include appropriate migration pathways under and over the Appin Road where none exist today.

We will continue to work with all stakeholders including local wildlife experts and the authorities to improve and protect the biodiversity of this site.



● Milan Innovation District, Milan
(artist's impression)

Responses to issues raised

Michael Ullmer



Responses to issues raised

Re-election of David Craig

- David is unanimously supported by the Board
- Exceptional director with a unique combination of deep financial and risk management experience and property transformation
- Direct executive experience in the listed property sector as CFO of Australand

Responses to issues raised

Figtree Hill – Koalas

- Figtree Hill, once fully approved, will deliver 220ha of protected koala habitat – a net improvement of 139ha – on a site that has historically been cleared for grazing
- Our plans include addressing the largest threat to the Campbelltown koala population by creating safe and appropriate migration pathways under and over the Appin Road – none exist today. These plans provide for a permanent and safe wildlife corridor connecting the Georges and Nepean Rivers
- We will continue to work with all stakeholders to improve and protect the biodiversity of this site