



## BOARD CHARTER

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This charter sets out the role, structure, responsibilities and operation of the Boards of Lend Lease Corporation Limited (LLC) and Lend Lease Responsible Entity Limited (LLREL) (the **Board**), and its delegation of authority to management.

### 1 ROLE OF THE BOARD

The Board is responsible for the corporate governance of the Lend Lease Group, comprised of LLC, LLREL as responsible entity of Lend Lease Trust, and each of their subsidiaries (**Group**). The Board undertakes its role with the objective of ensuring the long-term health and prosperity of the Group for the benefit of securityholders, customers and employees.

### 2 DELEGATION TO MANAGEMENT

- 2.1 Under the Constitutions of LLC, LLREL and Lend Lease Trust, the Board is vested with responsibility for managing the business of the Group. The Board has specifically reserved some matters for its decision and delegates authority for all other matters that are necessary for the day-to-day management of the Group's business to management through the CEO.
- 2.2 Authority limits for Executive Directors and senior management are approved by the Board from time to time.
- 2.3 The CEO is accountable to the Board for all authority delegated to management and the Group's performance, and is to discharge this accountability through the provision of management reports and presentations to the Board on a regular basis.

### 3 BOARD COMMITTEES

- 3.1 The Board may establish Committees as it considers appropriate to assist it in executing its functions.
- 3.2 The permanent Committees of the Board are:
  - the Risk Management and Audit Committee;
  - the Personnel and Organisation Committee;
  - the Sustainability Committee; and
  - the Nomination Committee.
- 3.3 The Board will appoint or revoke the appointment of Committee members, the majority of whom for each Committee will be independent Directors as assessed by the Board in accordance with its policy on the independence of Directors.
- 3.4 The Board will appoint the Chairman of each Committee from each Committee's members. The Chairman of each Committee will be an independent Director.
- 3.5 The Board will review annually the composition of each Committee to ensure each Committee has an appropriate balance of skills and experience.
- 3.6 The Board will adopt a charter for each Committee, setting out the responsibilities delegated by the Board to the Committee and the Committee's structure and operation.

3.7 The role of a Committee is to operate within the terms of its charter and to make recommendations to the Board for decision.

## 4 CONDUCT

4.1 In giving effect to this charter, the Board will at all times act honestly, fairly, diligently and in accordance with the Constitutions of LLC, LLREL and Lend Lease Trust, and the law.

4.2 Directors are required to comply with Board policies in relation to disclosing and managing conflicts of interest, dealing in Lend Lease securities and other rules applicable to Directors as adopted by the Board from time to time.

4.3 Non-Executive Directors are required to consult with the Chairman before accepting any new commitments which may impact on the time they have available to undertake their responsibilities as a Director of Lend Lease.

4.4 Each Director is expected to observe the highest standards of corporate governance and act in a manner consistent with Lend Lease's Core Values and Code of Conduct.

## 5 RESPONSIBILITIES

The Board has reserved the following responsibilities for its decision:

Stakeholders	Responsibility
Securityholders	<ul style="list-style-type: none"> <li>approval of business strategy and vision in line with efforts to drive securityholder value creation</li> <li>approval of business plans, assuring that sufficient resources are available to implement strategy and monitoring of the implementation of strategy</li> <li>approval and monitoring of major investments or divestitures and strategic commitments</li> <li>determination of capital structure and distribution policy</li> <li>approval and monitoring of financial reporting</li> <li>oversight of risk management, internal control and compliance systems</li> <li>appointment or removal of external auditors, and determination of the remuneration and terms of appointment of the auditors</li> <li>oversight of securityholder reporting and communications</li> </ul>
Customers	<ul style="list-style-type: none"> <li>benchmarking the delivery of value to customers, clients and partners</li> </ul>
Employees	<ul style="list-style-type: none"> <li>reinforcement of culture, core values and employer of choice</li> <li>approval of employee security ownership, superannuation and pension plans</li> <li>review of CEO and Executive Management Team performance and results</li> <li>review and approval of CEO and Executive Management Team contractual arrangements, remuneration and benefits</li> <li>oversight of succession planning for the CEO, Executive Management Team and such other executives as the Board may determine</li> </ul>
Community	<ul style="list-style-type: none"> <li>oversight of the management of social, economic and environmental concerns consistent with the delivery of sustainable outcomes for stakeholders and achievement of the Group's Incident &amp; Injury Free vision</li> <li>reinforcement of reputation, brand and community relations</li> </ul>

Stakeholders	Responsibility
Directors	<ul style="list-style-type: none"> <li>• review of the size and composition of the Board</li> <li>• CEO and Executive Director selection or removal and oversight of succession planning</li> <li>• Non-Executive Director nomination, selection, removal, succession planning and remuneration</li> <li>• review of Board performance</li> </ul>

## 6 COMPOSITION AND STRUCTURE

- 6.1 The Board will be constituted in accordance with the Constitutions of LLC and LLREL.
- 6.2 The Board will comprise a majority of Non-Executive Directors who are assessed by the Board to be independent in accordance with its policy on the independence of Directors.

## 7 INDUCTION, CONTINUING EDUCATION AND ACCESS TO INFORMATION

- 7.1 New Directors will be provided with a letter of appointment which sets out their rights, duties and responsibilities.
- 7.2 New Directors will participate in an induction programme involving comprehensive briefings from management on the Group's businesses and key issues and site visits.
- 7.3 Business briefings will be provided to Directors at each Board meeting. In addition, each Director is expected to participate in all continuing education programmes conducted for Directors, involving regular briefings by internal and external specialists on matters relevant to their role as Directors and key business and industry developments.
- 7.4 All Directors will have access to Group information and members of management as required to fulfil their responsibilities, and may make direct requests for information or briefings on specific matters.

## 8 ACCESS TO INDEPENDENT ADVICE

Each Director may seek external, independent, professional advice at the expense of the Group. It is expected that a Director will consult the Chairman, Managing Director or Company Secretary before obtaining external advice. The policy of the Board is that external advice will be made available to all Directors, unless the Chairman agrees otherwise.

## 9 CHAIRMAN

- 9.1 The Directors will appoint an independent Director as Chairman of the Board. The Chairman will not be a current or former CEO of the Group.
- 9.2 Where the Chairman is absent from a Board meeting, a Chairman for the meeting will be appointed by the present members of the Board.
- 9.3 The principal role of the Chairman is to provide leadership to the Board and ensure that the Board works effectively and discharges its responsibilities.
- 9.4 The Chairman will serve as the primary link between the Board and management. The Chairman will work with the CEO and Company Secretary to set the agenda for each Board meeting and is responsible for ensuring that all Directors are adequately briefed in relation to issues addressed at Board meetings.

## **10 COMPANY SECRETARY**

- 10.1 The appointment and, where appropriate, removal of the Company Secretary is a matter for the full Board.
- 10.2 The Company Secretary is accountable to the Board, through the Chairman, for monitoring and enhancing corporate governance processes and ensuring that the principles and procedures of the Board are followed.
- 10.3 All Directors will have direct access to the Company Secretary.

## **11 MEETINGS**

- 11.1 The Board will meet in accordance with the Constitutions of LLC and LLREL.
- 11.2 Directors will use all reasonable efforts to attend each meeting of the Board and Committees of which they are members.
- 11.3 Board and Committee papers will be circulated to Directors prior to each Board and Committee meeting. Directors are expected to undertake adequate preparation to permit their effective contribution at each meeting.
- 11.4 At each Board meeting, Non-Executive Directors will be given the opportunity to meet without management present.

## **12 REVIEW AND AMENDMENT**

The Board will review annually the Board and Committee charters, and approve amendments as it considers appropriate.

*This Charter was approved by the Board at a meeting of the Directors held on 16 April 2010.*