



POLICY ON THE INDEPENDENCE OF DIRECTORS

The Board of Lend Lease Corporation Limited (**Lend Lease** or **Company**) has approved the following policy by which the independence of a director of Lend Lease (**Director**) will be assessed.

GENERAL TEST

The general test of independence that will be used by the Board to determine the independence of a Director is whether the Director is:

independent of management and free of any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

Whether a Director satisfies this test will be determined on a case-by-case basis having regard to the relevant facts and each Director's individual circumstances. However, a Director will normally be considered to be independent if he or she meets all the criteria described below. The Board reserves its right to make an assessment that a Director is independent where he or she does not meet one or more of the criteria specified below. If the Board makes such an assessment, it will explain to shareholders in its Annual Report the criteria which the Director did not meet and the basis upon which the assessment of independence was made.

The Board will assess the independence of Directors each year and will re-assess a determination of independence on disclosure by a Director of any new interests or relationships.

CRITERIA FOR ASSESSMENT

In assessing independence, the Board will have regard to whether the Director or an immediate family member has any of the following relationships:

1. a substantial shareholder of Lend Lease or an officer of, or otherwise associated directly or indirectly with, a substantial shareholder of Lend Lease;
2. within the last three years, employment in an executive capacity by Lend Lease or a member of the Lend Lease group of companies (**Group**), or a Director of any Group company after ceasing to hold any such employment;
3. within the last three years, a principal of an external auditor or other material¹ professional adviser or material¹ consultant to a Group company, or an employee materially associated with the service provided;
4. within the last three years, employment by any entity while that entity had an executive officer of a Group company as a member of the remuneration committee of its board;
5. a material¹ supplier or customer of a Group company, or an officer or substantial shareholder of or otherwise associated directly or indirectly with a material¹ supplier or customer;

¹ Materiality is assessed on a case-by-case basis and having regard to each Director's individual circumstances.

6. a directorship of an unrelated entity which would materially interfere with the Director's unfettered and independent judgement or ability to act in the best interests of the Group;
7. a material¹ contractual relationship with a Group company other than as a director of a Group company;
8. acceptance from any Group company, directly or indirectly, of any consulting, advisory or other compensatory fees other than in their capacity as a director of a Group company. This includes payments to a family member or to an entity in which the Director is a partner, officer or substantial shareholder;
9. service as a Director for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Group; and
10. an interest or any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Group.

DISCLOSURE

The following disclosure will be made to shareholders in the Lend Lease Annual Report:

1. the Board's assessment of independence or non-independence of each Director;
2. the reasons on which an assessment of independence is based where the Director does not meet the criteria specified in this policy; and
3. details of the relationships or circumstances that give rise to an assessment of a Director as non-independent.

The independence or non-independence of any Director standing for re-election at each Annual General Meeting will be disclosed in the Notice of Meeting.

If the Board's assessment of a Director's independence changes, that change will be disclosed to the market.