

12 May 2021

Immediate release to the ASX

Revised Securities Trading Policy

Lifestyle Communities Limited (ASX code: LIC) releases to the market its revised Securities Trading Policy in accordance with ASX Listing Rule 12.10 which was approved by the Board on 11 May 2021.

A copy of the Securities Trading Policy is attached and can also be viewed on the corporate governance section of Lifestyle Communities Limited's website at <https://www.lifestylecommunities.com.au/investors/policies-and-charters/>.

Authorised for lodgement by the Board. For further information please contact:

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About Lifestyle Communities

Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable independent living residential land lease communities. Lifestyle Communities has twenty-three residential land lease communities in planning, development or under management.

Securities Trading Policy

1 Overview

The purpose of this Policy is to provide guidance to directors, key management personnel and employees on their obligations regarding trading in the shares of Lifestyle Communities Limited (**Company**).

The principal objectives are:

- to protect employees, Directors, and the Company from misusing inside or price sensitive information and contravening Australian laws on insider trading;
- to establish best practice procedures for dealing in Company securities;
- to align with obligations under the Corporations Act (2001) Cth, ASX listing rules and the ASX Principles and Recommendations of Good Corporate Governance.

This policy supports the Company's intention to deliver high standards of corporate governance and ensure public confidence. It seeks to safeguard both the Company and employees against substantial legal penalties and reputational damage.

2 Scope

This Policy applies to all:

- (i) directors, officers and employees of the Company or its subsidiaries whether full time, part time or casual; and
 - (ii) contractors; and consultants whose terms of engagement require them to comply with this Policy
- (collectively **Designated Persons**).

This policy also applies to **Connected Persons**, being persons in relation to a Designated Person who are:

- (iii) a family member of the Designated Person who may be expected to influence, or be influenced by, the Designated Person in his or her dealings with the Company or Company securities (this may include the Designated Person's spouse, partner and children, the children of the Designated Person's partner, or dependants of the Designated Person or the Designated Person's partner); or
- (iv) a company or any other entity which the Designated Person has an ability to control.

3 Key Terms of Policy

Directors, employees, contractors and consultants (and their Connected Persons) must not:

- trade in Company securities where the person trading in the securities has Inside Information in relation to those securities; and
- pass on Inside Information to others who may trade in Company securities.

This policy also imposes restrictions which include:

- obligations to obtain a prior written clearance from the Company before trading;
- set periods in which trading in securities is prohibited; and
- bans on certain types of dealings entirely.

Designated Persons must familiarise themselves with the entire contents of this Policy as it contains special provisions for different roles. Designated Persons must also ensure that their Connected Persons are familiar with the obligations under this Policy.

4 No Insider Trading

4.1 What is Insider Trading?

Under Australian law, if a person has price sensitive information or '**Inside Information**' about the Company that has not been publicly released, they (and their Connected Persons) must not at any time:

- (a) trade in that company's securities or enter into an agreement to do so;
- (b) encourage another person to trade in the company's securities or enter into an agreement to do so; or
- (c) directly or indirectly provide, or cause to be provided, the Inside Information to another person if they know, or ought to know, that the person would or would be likely to use the information to trade in the company's securities or enter into an agreement to do so.

This offence is called **Insider Trading** and can result in personal criminal liability, including large fines and/or imprisonment, and civil liability, which may include being sued by another party or the Company or fines under civil penalty provisions.

To avoid breaching the law, you must only trade in Company securities when you are not in possession of Inside Information.

It is important to note that trading in Company securities must not occur if it involves the use of Inside Information, irrespective of whether it complies with other elements of this Policy.

4.2 What is "Inside Information"?

"**Inside Information**" is information relating to a company which is:

- (a) not generally available; and
- (b) if the information were generally available, would be likely to influence investors in deciding whether to buy or sell the company's securities (**price sensitive**).

Inside Information can include facts, matters of speculation or un-exercised intentions.

Examples of price sensitive information may include:

- sales figures and profit forecasts;
- the financial performance of the company against its budget;
- likely or actual entry into, or loss of, a material contract;
- material acquisitions or sales of assets;
- significant revaluation of assets; or
- a material claim against the company or other unexpected liability.

4.3 When is information "generally available"?

Information is "**generally available**" if it:

- (a) consists of 'readily observable matters' or deductions; or
- (b) has been brought to the attention of investors through an announcement to the ASX or otherwise (such as reporting in news), and a reasonable period has passed since it was announced or brought to investors' attention; or
- (c) consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs 4.3 (a) or (b) above.

Examples of “**readily observable matters**” may include (without limitation) the following:

- a change in law which will affect the company's ability to make certain types of investments; or
- a severe downturn in global securities markets.

4.4 When might you come across Inside Information?

Through work, you may become aware of price sensitive information relating to the Company, or the Company's customers or business partners, that has not been released to the market. For example, you may know that the Company is about to sign a major agreement with another company, but it is yet to be finalised.

You do not need to be an insider to come across Inside Information. You can hear about it in the hallway, or over the water cooler. It does not matter how or in what capacity you become aware of the Inside Information, the prohibition still applies.

You cannot avoid the prohibition on insider trading by arranging for a family member or friend to trade in the company's securities or by giving “tips” to others.

If there is any uncertainty about the application of this provision, it is recommended that you speak with the Chief Financial Officer, the Company Secretary or seek advice from their legal advisor.

5 Prohibited trading periods

5.1 No trading during Prohibited Periods

At times, the Company will hold price sensitive information that it is not yet ready to be released to the public. At these times, the Company will notify some or all Designated Persons that they must not deal with the Company's securities during a set period (**Prohibited Period**).

A person to whom this Policy applies **must not trade** in the Company's securities during Prohibited Periods unless they have obtained a Clearance to trade.

Clearance is unlikely to be granted unless an Exception set out under clause 5.4 or exceptional circumstances described in 5.5.2 applies.

Again, it is important to note that trading in Company securities must not occur if it involves the use of Inside Information, irrespective of whether it is within a Prohibited Period, Clearance has been granted, or an Exception applies.

5.2 Trading outside of Prohibited Periods

A person to whom this policy applies **may only trade** in the Company's securities outside of a Prohibited Period if they:

- (a) have obtained a Clearance to trade;
- (b) possess no price sensitive or Inside Information; and
- (c) observe the restrictions set out in clause 6.

5.3 What are Prohibited Periods?

Prohibited Periods are periods during which the Company is in possession of price sensitive information and is not yet required to update or is arranging to update the market.

Prohibited Periods include the following:

- (i) from 1 January to the opening of trading on the second Business Day after the Company's half-yearly results are announced to the ASX;
- (ii) from 1 July to the opening of trading on the second Business Day after the Company's annual results for that year are announced to the ASX;
- (iii) from the opening of trading on the date that is two weeks prior to the AGM to the opening of trading on the first Business Day after the close of the AGM; and
- (iv) any extension to a period referred to in (i), (ii) or (iii),
- (v) or any additional period, as specified by the Board.

A Business Day means any day that is not a Saturday, Sunday or public holiday in Victoria.

5.4 Exceptions to Policy

Subject always to compliance with the overarching prohibition against Insider Trading, Clearance is unlikely to be refused for the following dealings (but must still be obtained):

- (a) an acquisition of securities under an employee incentive scheme or dividend reinvestment plan operated by the Company, however the subsequent disposal of securities is subject to this policy;
- (b) an acquisition or disposal of securities under a takeover offer or corporate action open to all shareholders (eg. pro-rata rights issue, share purchase plan or equal access buy-back);
- (c) dealings that result in no effective change to the beneficial interest in the securities (for example, transfers of securities already held into a superannuation fund or trust of which the Designated Person or Connected Person is a beneficiary);
- (d) trading under a pre-approved non-discretionary trading plan, where the Designated Person or Connected Person does not enter into the plan or amend the plan during a Prohibited Period, the plan does not permit the Designated Person or Connected Person to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a Prohibited Period, other than in exceptional circumstances.

5.5 Clearances

5.5.1 Clearances generally

A request for Clearance to trade must be made in writing (including by email) in advance of the dealing as follows:

Designated Person (and their Connected Persons)	Clearance obtained from
Director or member of Key Management Personnel	The Chair of the Board (or if the Chair of the Board is unavailable, the Chair of the Audit Committee)
Chair of the Board	Chair of the Audit Committee
All other Designated Persons	Managing Director or Chief Financial Officer

A copy of the Clearance must be provided to the Company Secretary to enter into the securities trading register.

A Clearance is not an endorsement of the proposed trade. A Designated Person requesting Clearance who comes into possession of Inside Information prior to the dealing must not deal in the Company's securities, and must take reasonable steps to ensure that their Connected Persons do not deal in Company Securities. The Designated Person and/or Connected Person remain ultimately responsible for ensuring that their dealings comply with applicable laws and this Policy.

In addition:

- Clearance can be given or refused at the discretion of the Company, without giving reasons, and will be decided on a case-by-case basis.
- Unless specified otherwise, a Clearance will remain in force for **three Business Days** from the date it is issued. If the trade will not be made while the Clearance is in force, a further Clearance must be requested.
- The approver can withdraw Clearance at any time before the dealing is processed if new information comes to light or there is a change in circumstances.
- If Clearance is refused, the person seeking clearance must keep the refusal confidential and not disclose it to anyone (other than Connected Persons where relevant).
- Where a Connected Person is required to obtain Clearance, the Designated Person may do so on their behalf.

5.5.2 Clearances requested during Prohibited Periods

Clearances during Prohibited Periods will only be granted in exceptional circumstances.

Exceptional circumstances may include circumstances in which the Designated Person is compelled by law or by severe financial hardship to undertake the trade.

6 Hedging, shorting, short term trading and margin lending

Designated Persons and their Connected Persons are **not permitted** to:

- (a) enter finance arrangements involving the Company's securities as collateral, such as options, warrants, derivatives, futures or any other financial products issued over the Company's securities by third parties such as banks and other institutions; or
- (b) enter into transactions in products associated with the Company's securities which operate to limit the economic risk of their security holding in the Company (such as hedging arrangements). This restriction also applies to Company securities held beneficially (including, for example, in trust or under any Company incentive plan) on the Designated Person's behalf; or
- (c) deal in the Company's securities pursuant to a margin lending arrangement; or
- (d) short sell the Company's securities.

Unless a Clearance has been obtained, Designated Persons and their Connected Persons are also not permitted to:

- (a) engage in short-term (less than 90 days) or speculative trading of Company securities; or
- (b) be involved in more than one sale of the Company's securities within a six-month period.

7 Confidentiality

Designated Persons are also bound by a duty of confidentiality in respect of information they obtain in the course of their duties. Accordingly, Designated Persons must not reveal any confidential information about the Company to third parties unless authorised, or use the information in any way which may cause damage or loss to the Company or gain advantage for themselves.

8 Notifications by Designated Persons

All Designated Persons and their Connected Persons must advise the Company Secretary in writing when they buy or sell shares in the Company within 2 business days after the trade so that the Company can inform the ASX as required by the ASX Listing Rules.

Notification should include whether the dealing occurred in a Prohibited period in circumstances where prior written approval was required and obtained.

9 Other Companies' securities

Designated Persons and their Connected Persons are generally free to deal in securities in other listed companies. However, insider trading rules also concern dealings in the securities of other companies that have business or other relationships with Lifestyle Communities.

Employees who have Inside Information about companies that they deal with in the course of their work with Lifestyle Communities, are advised not to deal in the securities of those companies.

10 Breach of this Policy

Breach of this Policy will be regarded by the Company as serious misconduct which may lead to disciplinary action or dismissal/contract termination, as appropriate.

11 Further Information

The Appendix at the end of this Policy provides a flowchart to help identify whether a trade in a Company security by a Designated Person or their Connected Persons is permitted.

For further information on the application of this Policy, please contact the Company Secretary or Chief Financial Officer.

12 Review of this Policy

This policy will be reviewed by the Board at least every 12 months to ensure it reflects current regulatory, community and investor requirements.

Policy Authorised by: The Board	Version No: 4
Policy Maintained by: Company Secretary	Last revised and approved: 11 May 2021