

ASX:LIC

15 September 2021

Immediate Release to the ASX

Appendix 3G

Lifestyle Communities Limited (ASX code: LIC) advises that it has granted 368,865 options in relation to its employee incentive scheme for FY22. The options granted represent the maximum possible award under the company's equity incentive scheme for FY22 (short term incentive and long term incentive) which are subject to performance hurdles. It remains the Company's intent that the options granted under the equity incentive scheme will be settled after vesting with fully paid ordinary shares in the Company, acquired on market.

Historically, the Company has used a single performance target, new home settlements, for the entire business. This structure served the business well and has been a key contributor to the Company's growth over many years.

However, as the business evolves, the Company acknowledges the need for the equity incentive scheme to evolve with it, to ensure it is fit for purpose to deliver the next phase of growth. For FY22, the Company has restructured the incentive scheme for the Executive Leadership Team (ELT). The scheme now has two core elements:

Incentive	Performance Metrics	Vesting
Short Term FY22	Near term performance metrics including new home settlements, cash flow from operating communities, and key project deliverables	Subject to performance: <ul style="list-style-type: none"> • 50% at the end of FY22 • 50% at the end of FY23
Long Term FY22 – FY24	Longer term performance hurdles including settlement targets and return on equity. The targets are for 3 years	Subject to performance: <ul style="list-style-type: none"> • 50% at the end of FY24 • 50% at the end of FY25

The short term incentive metrics above will also flow through to our emerging leaders program. The scheme for our broader team remains unchanged and will continue to focus on new home settlements which are the core driver of growth in the business, and one that all team members can positively contribute to.

All three tiers of the schemes are underpinned by a measure of the demonstrated values and behaviours displayed by each team member. This component seeks to maintain our key focus on a strong customer centric culture throughout the business.

Managing Director Mr James Kelly said “The Lifestyle Communities equity incentive scheme is a fantastic initiative to align our team towards common goals and drive outstanding service for our customers. I am pleased to see the scheme evolve as we grow to capture emerging parts of our business, reward our team for their discretionary efforts, and make Lifestyle a great place to work.”

Authorised for release by the Board.

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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-four residential land lease communities under contract, in planning, in development or under management.