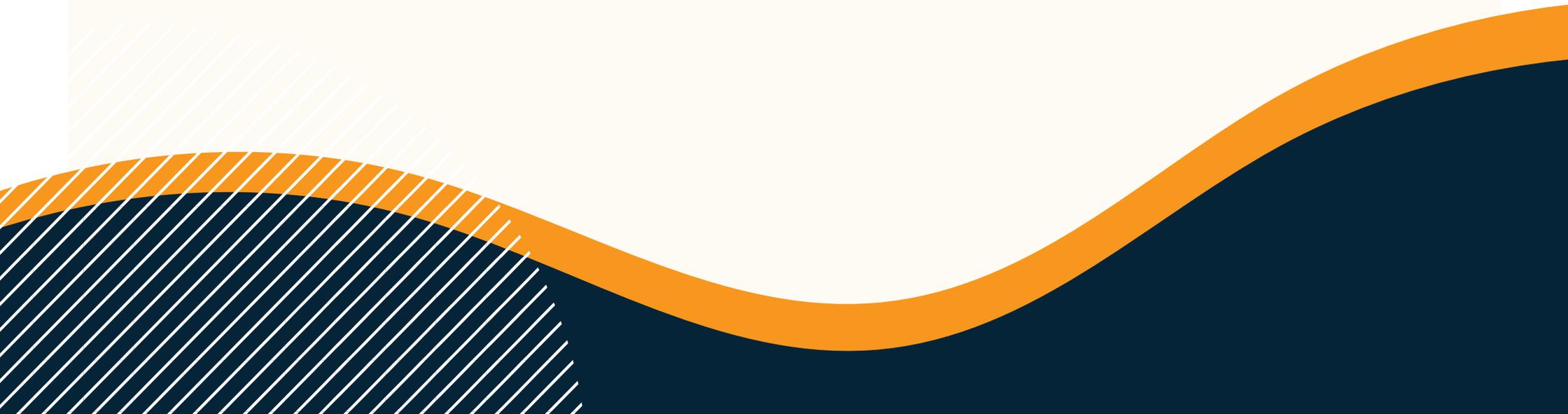




# Procurement Policy



# Procurement Policy

## 1 Objectives

The purpose of this policy is to provide guidance on the approach to procurement adopted by Lifestyle Communities Limited and its subsidiaries (“Group”).

The objectives of this policy are to enhance shareholder value by ensuring that the procurement of goods and services:

- is conducted in an ethical, responsible, competitive, fair and transparent manner;
- maximises the Company’s purchasing power by focusing on strategic sourcing and obtaining the best value outcomes;
- manages price and supply risk;
- protects the reputation of the Company;
- properly controls commitments made on behalf of the Company and ensures responsible spending; and
- is done in a way which allows the team to make proactive, confident and timely purchasing decisions.

## 2 Scope

The Board has adopted this policy which applies to all directors, officers, employees (including temporary employees), contractors and consultants of the Group.

This Policy applies to all purchases of goods and services by the Group, and is to be read in conjunction with the following policies and documents:

- Procurement Procedure;
- Employee Code of Conduct;
- Board Delegation of Authority and any valid individual or standing delegations;
- Fraud, Bribery and Corruption (Prevention and Detection) Policy

### 3 Authority

Authority for the procurement of goods and services is provided by the Board to management through the Board Delegation of Authority.

All purchasing decisions must be approved by a team member authorised under the Board Delegation of Authority Policy prior to making a commitment to proceed.

### 4 Ethical conduct

The Company takes active steps to avoid both the commission and perception of unethical conduct when engaging and working with suppliers. In this regard, team members must:

- understand and at all times comply with the obligations set out in the Fraud, Bribery and Corruption (Awareness and Prevention) Policy, including in relation to managing and reporting gifts and conflicts of interest;
- 
- follow all procedures and financial controls outlined in the Procurement Procedures and other policies and procedures relating to procurement matters; and
- 
- handle confidential or proprietary information of suppliers with due care, including not disclosing to outside parties the prices, terms or conditions quoted by other suppliers.

### 5 Best Value

All purchases must be done in an open and competitive environment to ensure that the prices the Company pays are fair and reasonable. Purchasing decisions need to consider the best overall value of the proposal, not just the lowest price. An assessment of overall value should include consideration of:

- the price and timing of delivery;
- the specification and fitness for purpose of the goods and/or services;
- product quality and service standards;
- financial stability and responsibility of the supplier;
- supplier's reliability in supplying the goods or ability to perform the services;
- innovation opportunities;
- the environmental and social impact of the purchase; and
- the total cost of ownership over time of the goods or service product.

## 6 Financial Controls

The Company has implemented financial controls that aim to provide assurance of the effectiveness and efficiency of operations, compliance with laws and regulations, and reliability of financial reporting.

Details of the financial controls that must be followed for procurement activities are set out in the Procurement Procedures.

## 7 Environmental and Social Impact

As a business for purpose, Lifestyle Communities recognises its corporate responsibility to respect the environment in which we work and live, and is committed to:

- meeting all relevant regulatory and legislative environmental requirements;
- honouring diversity and social responsibility, and
- continually improving its environmental and social performance.

Lifestyle Communities recognises businesses that are committed to similar values and welcomes opportunities to engage with suppliers that promote a positive environmental and social impact. When choosing significant suppliers, consideration will be had of their environmental and social policies and credentials.

## 8 Risk Management

The Company acknowledges the many legal and commercial risks presented by supplier engagements. Through the sourcing, approval and financial measures set out in this policy and the Procurement Procedures, it seeks to find an appropriate balance between the responsible management of those risks and the business need to enable team members to act confidently and efficiently with purchasing activities.

## 9 Review of this Policy

This policy will be reviewed by Management and the Board at least every 2 years to ensure it reflects current regulatory, community and investor requirements.

Policy Authorised by: The Board	Version No: 3
Policy Maintained by: CFO	Last revised and approved: 15 April 2021