

# FY24 Corporate Governance Statement



Landcom is established under the *Landcom Corporation Act 2001* (NSW) (**Landcom Corporation Act**) and operates under that Act and the *State Owned Corporations Act 1989* (NSW) (**State Owned Corporations Act**).

## Landcom's Governance Model



# Lay solid foundations for management and oversight

## Constitution and Board Charter

The Landcom Constitution sets out the procedures to be followed by the Landcom Board and Management in the conduct of the affairs of Landcom and reflects the requirements of the Landcom Corporation Act and the State Owned Corporations Act.

The Board is accountable to our Shareholder and Portfolio Ministers for the performance of Landcom against:

- The Statement of Corporate Intent under the State Owned Corporations Act;
- The Business Plan; and
- The Statement of Priorities for the purposes of section 11 of the Landcom Corporation Act 2001 and the Statement of Expectations for the purposes of TPG22-02.

In doing this, the Board aims to deliver on the NSW Government's housing objectives across NSW, including by

- Maintaining high standards of public accountability and corporate governance;
- Ensuring the Government's investment of its capital is used effectively;
- Operating the business sustainably;
- Ensure robust procurement and employment practices that support the economic and social outcomes of the state; and
- Enhance the affordability and diversity of housing supply, with an increasing focus on regional housing.

The Landcom Board Charter, reviewed annually by the Board, reflects the Landcom Constitution and sets out the duties, independence requirements, ethical standards, and expectations of individual Directors, including procedures for declaring conflicts of interest.

Full details of the roles and responsibilities of the Board are set out in the Board Charter.



The Board Charter is available on Landcom's website: [landcom.com.au](http://landcom.com.au)

## Director appointment and selection

Selection of a new director is conducted by NSW Treasury in accordance with 'Board Appointments for State Owned Corporations and Other Commercial Government Businesses - TPG23-06'.

The Landcom Corporation Act requires Landcom's Board to consist of seven directors. The process of appointment of new directors is the responsibility of NSW Treasury.

The tenure of a director is determined by Cabinet and the Board acknowledges NSW Treasury's policy recommendation that two terms of three years each is the preferred tenure for directors.

## Company Secretary

The Board is responsible for the appointment of the Company Secretary who is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The Company Secretary works with the Chair to monitor and enhance corporate governance processes and to ensure that Board policies are followed.

All Directors have access to the Company Secretary for advice and information on governance matters.

The Company Secretary, on a day-to-day basis, reports to the Executive General Manager, Legal & Compliance.

## Diversity and inclusion

The Board oversees Landcom's diversity and inclusion aspiration – to create a workplace culture

and environment that is respectful, inclusive, free from any form of discrimination and harassment, where Diversity is valued and leveraged to bring together a wealth of knowledge, backgrounds, ideas and perspectives to create a workforce that's innovative, agile and resilient enabling higher levels of productivity, flexibility, and creativity. Landcom's Diversity & Inclusion Policy outlines Landcom's dedication to fostering a workplace culture that embraces equity, diversity, and inclusion at all levels of the corporation.

An important aspect of promoting greater diversity and inclusion at Landcom is our Diversity & Inclusion calendar which enables the acknowledgement and celebration of significant days, festivals, and events that align with organisational strategic goals and our Diversity & Inclusion Action Plan.

Landcom remains dedicated to implementing our Diversity & Inclusion Action Plan under the oversight of the Executive Committee.

The Action Plan is structured around three main pillars:

1. Foster a culture of fairness, respect and equal opportunities;
2. Increase attraction, retention, and development of underrepresented and marginalised groups, including women, Aboriginal and Torres Strait Islanders, culturally and linguistically diverse people, people with disability, generational diversity and LGBTQIA+; and
3. Reduce bias and embed diverse and inclusive practices into how we work.

To measure performance against the Diversity & Inclusion Policy, benchmarks have been set across four workforce diversity groups (gender, Aboriginal and/or Torres Strait Islander People, people

whose first language spoken as a child was not English, and people with a disability) and have been reported against annually. Additionally, we track key metrics such as female representation in key decision-making roles, diversity of recruitment panels and support for LGBTQIA+ employees.

Performance against measurable objectives is included in the Annual Report.



The Diversity & Inclusion Policy is available on Landcom's website: [landcom.com.au](http://landcom.com.au)

## Board Evaluation

The Board is committed to undertaking performance reviews on an annual basis and an external and independent evaluation at least each alternate year, or as otherwise determined by the Board from time to time. Recommendations arising from each review address common themes identified from the evaluation and the Board establishes a program to implement the recommendations.

The last Board Performance Review was conducted through external and independent service providers in March 2024.

## Senior executive evaluations

The performance of senior executives is reviewed annually, including the setting of Key Performance Indicators (KPIs) which are measurable and quantifiable. Performance against these KPIs is assessed during

interim six-monthly reviews and regular check-ins.

During FY24, all staff participated in mandatory performance reviews and setting of individual performance and professional development plans.

The Board is responsible for reviewing the performance of the Chief Executive Officer against approved objectives. The CEO's performance plan was established in August 2023 and has been assessed in this way for the FY24 period.

## Compliance with governance principles and disclosure requirements

The NSW Treasury policy and guidelines paper 'Guidelines for Governing Boards of Government Businesses – TPP17-10' provides a framework for the Government's expectations for standards of corporate governance that should be adopted by all governing boards of Government businesses which includes Landcom.

TPP17-10 also sets out the disclosure requirements under relevant legislation, which includes an 'if not, why not' approach. If the Board considers any recommendation in TPP17-10 not appropriate, or Landcom has not adopted the recommendation, the Board must explain 'why not', and explain how its practices are consistent with the spirit of the relevant recommendation.

Landcom has adopted the standards of corporate governance

contained in TPP17-10, except in relation to the following matters

*Have a board nomination committee with at least three members, a majority of whom are independent directors, an independent chair and a committee charter.*

The Board notes that Director appointments are conducted by NSW Treasury in accordance with TPG23-06, which does not provide for nomination of Directors by the Landcom Board. Accordingly the People & Culture Committee's responsibilities are to prepare the Board skills matrix, develop the Board Plan and consult with NSW Treasury in identifying suitable candidates for appointment.

*Tenure for board directors should generally be limited to two terms of three years each.*

The Board notes that the recommendation for membership of the board's audit committee should include at least one member with relevant qualifications and experience (that is, a qualified accountant or other finance professional with experience of financial and accounting matters), to ensure independence and effectiveness of the Committee. With the second term expiry of John Barbeler, the Board's qualified accountant and finance professional, being 13 March 2024 and a suitably qualified board director not yet having been appointed, Mr Barbeler's term has been extended for a nine-month period to December 2024.



# Board structure

The Board should have a range of skills, experience, perspectives and diversity for it to properly understand and competently address significant current and emerging issues for Landcom and meet its statutory objectives.

## Directors' independence, appointment date and government board appointments

Director	Independent	Year appointed	Number of Government Boards <sup>1</sup>
Pamela Hanrahan (Interim Chair)	Yes	2018	1
Trent Alston	Yes	2021	1
John Barbeler	Yes	2018	1
Susan MacDonald	Yes	2021	2
Selina Short	Yes	2021	1

<sup>1</sup> As at 30 June 2024. Government Boards includes any Board or Committee positions held within Government or Local Government, including Landcom.


## Board and Board Committee meeting attendance (FY24)

Director	Board (Scheduled meetings)		Board (Meetings at short notice)		Audit & Risk Management Committee		People & Culture Committee	
	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
Trent Alston	8	8	2	2	1*	0	3	3
John Barbeler	8	8	2	2	5	5	0	0
Pamela Hanrahan	8	8	2	2	5	5	3	3
Susan MacDonald	8	8	2	2	5	5	0	0
Selina Short	8	8	2	2	0	0	3	3

\* Mr Alston attended 1 Audit & Risk Management Committee meeting in his capacity as Director.

## Gender diversity breakdown for the Board at the start and end of the reporting period

	1 July 2023	30 June 2024
Female	60%	60%
Male	40%	40%

 Details on the Directors are available on Landcom's website: [landcom.com.au](https://landcom.com.au)

### Director independence

The composition of the Board, the independence of Directors and the limitation on Government Board appointments are all determined in accordance with the Board Charter having regard to TPPI7-10.

The Company Secretary maintains a Register of Director's declarations of interests and associations including any previous relationships with Landcom that may impact their independence, which is reviewed at each Board meeting. Directors are also required to declare any conflicts of interest (perceived or actual) at the start of each Board meeting.

All Directors have no more than three Government Board appointments.


For these reasons, the Board considers that there are no material impacts arising from the interests, positions, associations and relationships of each Director that hinders that Director's independence.

### Succession plan and crisis management procedures

The Board, through its People & Culture Committee, considers Board succession planning on a regular basis.

In the event of a major event or crisis, the Board will follow internal protocols on crisis management which are reviewed annually and tested regularly as part of business continuity planning.


The Crisis Management Plan and Business Recovery Plan are reviewed annually to consider and test scenarios to prepare for the possibility of future crises. The Plans were last approved by the Board in November 2023.

 The Crisis Management Plan and Business Recovery Plan are internal documents and not publicly available.

### Board Plan

The Board Plan sets out the best structure for the Board to add value having regard to the current Board's composition, diversity, skills and expertise, cohesion and need for appropriate renewal while meeting future needs. The Board Plan draws upon inputs encompassing five key elements:

- Board performance evaluations;
- The Board skills matrix;
- Board policies, including the Diversity & Inclusion and Director Professional Development Policies;
- Consultation with relevant stakeholders, as deemed appropriate; and
- People & Culture Committee recommendations.

 The Board Plan is an internal document and not publicly available.

The Board skills matrix identifies the number of Directors with skills and experience in areas considered most relevant for Landcom. The skills matrix is reviewed annually. In FY24, the assessment was conducted through an external and independent service provider with input from each Director through a self-assessment and peer-review process.

Directors whose skills have been assessed Expert satisfied the capability requirement for inclusion in the matrix.

Board skills matrix as at 30 June 2024	
Critical skills	No. of Directors (out of 5)
Strategy oversight	3
Corporate governance experience	2
Government engagement oversight	2
Environment and sustainability oversight	1
Residential development, planning and investment	1
Accounting and financial reporting oversight	1
Major residential property projects	0
General skills	No. of Directors (out of 5)
Major change and transformation oversight	3
Culture oversight	2
CEO Experience	2
Risk management oversight	2
Innovation and disruption oversight	2
Oversight of talent, leadership, diversity and inclusion	1
Safety oversight	1
Legal oversight	1
Community engagement oversight	0

### Board induction and professional development

Landcom's Director Induction Program is designed to ensure that newly appointed Directors receive an appropriate induction through the provision of corporate governance documents, briefings and workshops with senior executives and visits to selected project sites. This program allows Directors to familiarise themselves with the Landcom business and its industry, thus allowing new Directors to contribute to decision-making at the earliest opportunity.

Briefings and workshops with the CEO and other senior executives assist new Directors with a timely understanding of:

- Landcom's business and business model;
- Landcom's relationship and interaction with Government, in particular Shareholder and Portfolio Ministers and NSW Treasury;
- Landcom's financial, strategic, operational, regulatory and risk management framework, plans and policies;

- Rights, duties and responsibilities of Directors;
- Roles and responsibilities of Management; and
- Roles and responsibilities of Board committees.

In addition to an appropriate initial induction, the Board has adopted a Professional Development Policy to support Directors in maintaining and enhancing their effectiveness, including:

- Site visits to understand Landcom's operations;
- Attendance at suitable governance seminars;
- Briefings to understand changes to industry and regulatory requirements, including regular health, safety & environment updates; and
- Engagement with Stakeholders to gain a greater understanding of trends in the property industry, urban development and demographics.



*The Director Induction Program and Professional Development Policy (for Landcom's Board of Directors) are internal documents and not publicly available.*



# Board Committees

The Board has two standing Committees to assist with discharging its responsibilities.

The Board determines the composition and membership of its Committees. Each Committee sets, reviews and updates its Charter annually for approval by the Board. The Committee Charters detail their respective purpose, membership criteria, role and responsibilities. A summary is set out below.


Audit & Risk Management Committee	
Details	
<b>Composition</b>	<ul style="list-style-type: none"> <li>Comprises three Directors, each of whom are independent non-executive directors.</li> <li>The Committee is chaired by an independent Chair who is not the Chair of the Board.</li> </ul>
<b>Membership as at 30 June 2024</b>	<ul style="list-style-type: none"> <li>John Barbeler (Chair);</li> <li>Pamela Hanrahan; and</li> <li>Susan MacDonald.</li> </ul>
<b>Purpose and Responsibilities</b>	<p>The Committee operates under a Charter and the role of the Committee is directed towards and includes oversight and review of the effectiveness of:</p> <ul style="list-style-type: none"> <li>Systems of internal control of Landcom;</li> <li>External accountability, reporting and financial management;</li> <li>The work health and safety framework;</li> <li>Risk management;</li> <li>External and internal audit capability; and</li> <li>Compliance with applicable legislation.</li> </ul>

John Barbeler is a Fellow Certified Practising Accountant and has extensive executive experience in managing the financial concerns of commercial operations.

Full details of the roles and responsibilities for the Audit & Risk Management Committee are set out in the Committee Charter.

People & Culture Committee	
Details	
<b>Composition</b>	<ul style="list-style-type: none"> <li>Comprises three Directors, each of whom are independent non-executive directors.</li> <li>The Committee is chaired by an independent Chair who is not the Chair of the Board.</li> </ul>
<b>Membership as at 30 June 2024</b>	<ul style="list-style-type: none"> <li>Trent Alston (Chair);</li> <li>Pamela Hanrahan; and</li> <li>Selina Short.</li> </ul>
<b>Purpose and Responsibilities</b>	<p>The Committee operates under a Charter and is responsible for making recommendations to the Board with respect to:</p> <ul style="list-style-type: none"> <li>Board Composition: Developing a composition framework for the Board having regard to the appropriate diversity, skills and expertise, tenure and cohesion in order to fulfill its responsibilities to Landcom, and as a consequence make appropriate recommendations to Government for the appointment of new Directors; and</li> <li>People &amp; Culture: Fulfilling its oversight responsibilities in relation to significant people and culture matters.</li> </ul>

Full details of the roles and responsibilities for the People & Culture Committee are set out in the Committee Charter.


 *The Committee Charters are available on Landcom's website: [landcom.com.au](http://landcom.com.au)*

# Staff Code of Conduct

The Staff Code of Conduct is one of the ways Landcom puts its values into action to achieve our Strategic Plan. It sets the expectation that everyone who works for or on behalf of Landcom, including Directors, demonstrates high standards of conduct and ethics in the performance of their duties.

The Code provides guiding principles that are expected and required to be followed by every person, including

Landcom's Directors, employees, secondees and contingent workers.

 *The Staff Code of Conduct is available on Landcom's website: [landcom.com.au](http://landcom.com.au)*

# Safeguard integrity in corporate reporting

## CEO and CFO declaration

The Board receives declarations twice a year for the half and full year financial periods in accordance with Section 41C of the *Public Finance and Audit Act 1983* (NSW) and/or Section 23 of the State Owned Corporations Act (for half year reports) from the CEO and Executive General Manager with functional responsibilities of the Chief Financial Officer (Landcom's Executive General Manager, Finance & Commercial). The declarations confirm whether, in their opinion, the financial records of Landcom have been properly maintained, whether the financial statements comply with the appropriate accounting standards and give a true and fair view of Landcom's financial position and performance, and whether any circumstances exist which may render the financial statements misleading or inaccurate.

## Make timely disclosure

### Disclosure policy

Landcom has a Continuous Disclosure Policy which includes the following principles consistent with the NSW Treasury Policy 'Performance Reporting and Monitoring Policy for Government Businesses – TPP18-02':


- Landcom will make timely disclosures to Shareholder Ministers where Landcom becomes aware of any matters concerning Landcom or its operations,

whether strategic, financial or non-financial performance outcomes, which might reasonably be expected to influence NSW Treasury or Shareholder Ministers' view of Landcom's outlook;

- Landcom will make timely disclosures to NSW Treasury where Landcom becomes aware of any matters concerning Landcom or its operations which may have the potential to cause a material variation of at least \$20m or 20 percent to Landcom's latest current year forecast Net Profit Before Tax, whichever is higher; and
- Landcom will make timely disclosures to the public and key stakeholders (including Landcom's Portfolio Minister) where Landcom becomes aware of any information concerning Landcom or its operations that a reasonable person would expect would be of significant interest or concern to those entities or that is likely to impact on the general public.

Full details of Landcom's continuous disclosure obligations, including exceptions to these obligations, are set out in the Continuous Disclosure Policy.

Full details of Landcom's continuous disclosure obligations are set out in the Continuous Disclosure Policy.

 *The Continuous Disclosure Policy is available on Landcom's website: [landcom.com.au](http://landcom.com.au)*

# Acknowledge the rights of shareholders

## Processes for communication with shareholders

In collaboration with Landcom, NSW Treasury has prepared a Shareholder Engagement Plan to document through who, when and how Landcom's Shareholder Ministers and Landcom will engage, and to ensure that engagement between Landcom and its Shareholder Ministers is effective and supports their mutual goals.

Landcom may conduct additional briefings for our Shareholder Ministers as required.

The Chair and CEO attend half-yearly meetings with the Secretary of NSW Treasury. Additionally, Landcom's Management frequently interact with NSW Treasury as the representative of Landcom's Shareholder Ministers.

# Recognise and manage risk


## Risk Management Framework

The Board has adopted a consolidated approach to risk management which incorporates governance, compliance, risk appetite and business continuity management. This approach is consistent with the Australian Standard AS ISO 31000:2018 Risk management – Guidelines. The Enterprise Risk Management Framework is reviewed at least annually for currency and to ensure the approach to risk management continues to be sound.

The Board oversees and annually reviews that an effective Enterprise Risk Management Framework is in operation and has delegated to Management responsibility for risk management activities, following a Three Lines Model:

- **Line 1** – Ownership, Responsibility and Accountability: assessing, controlling and mitigating risk through management controls and internal control measures such as internal policies and procedures;
- **Line 2** – Oversight: identifying, documenting and reporting risks, developing policies, procedures and internal controls, and monitoring of risk through risk management, compliance and safety functions; and
- **Line 3** – Assurance: independent and objective assurance over all governance and risk management activities through an internal audit function.

The Enterprise Risk Management Framework was last approved by the Board in March 2023.

 The Enterprise Risk Management Framework is an internal document and not publicly available.

## Internal audit

Landcom has co-sourced the internal audit function, led by Landcom’s Director, Audit & Risk and supported by an external internal audit provider. The function provides the Audit & Risk Management Committee and senior management with independent, objective assurance around internal controls.

The Director, Audit & Risk functionally reports to the Chair of the Audit & Risk Management Committee and attends and reports to each meeting of the Audit & Risk Management Committee against the internal audit plan, as approved by the Audit & Risk Management Committee.

## Material risk

Landcom is exposed to a range of political, economic, industrial, commercial and operational, legal and regulatory, social, technological, sustainability and environmental risks which could have an adverse effect on Landcom’s future. These risks may vary over time and from project to project. Landcom puts processes in place to reduce inherent risks and manage residual risks, including the Executive Committee of Landcom participating in quarterly risk workshops to review Landcom’s Strategic Risk Register and Operational Risk Register.



# Schedule of documents

Document	Last reviewed	Next review	Link
Board Charter	March 2024	March 2025	<a href="https://www.landcom.com.au/assets/Board-Charter-v10-Approved-28-March-2024.pdf">https://www.landcom.com.au/assets/Board-Charter-v10-Approved-28-March-2024.pdf</a>
Diversity & Inclusion Policy	February 2024	February 2027	<a href="https://www.landcom.com.au/assets/Policies/Diversity-Inclusion-Policy-Feb-2024.pdf">https://www.landcom.com.au/assets/Policies/Diversity-Inclusion-Policy-Feb-2024.pdf</a>
Crisis Management Plan	November 2023	November 2024	Internal document only
Business Recovery Plan	November 2023	November 2024	Internal document only
Board Plan	October 2023	October 2025	Internal document only
Director Induction Program	April 2023	April 2025	Internal document only
Professional Development Policy (for Landcom’s Board of Directors)	April 2023	April 2025	Internal document only
Audit & Risk Management Committee Charter	November 2023	November 2024	<a href="https://www.landcom.com.au/assets/ARMC-Charter-v10-Approved-November-2023.pdf">https://www.landcom.com.au/assets/ARMC-Charter-v10-Approved-November-2023.pdf</a>
People & Culture Committee Charter	August 2023	November 2024	<a href="https://www.landcom.com.au/assets/Policies/People-Culture-Committee-Charter-approved-31-August-2023.pdf">https://www.landcom.com.au/assets/Policies/People-Culture-Committee-Charter-approved-31-August-2023.pdf</a>
Code of Conduct	April 2024	April 2026	<a href="https://www.landcom.com.au/assets/Code-of-Conduct-March-2024.pdf">https://www.landcom.com.au/assets/Code-of-Conduct-March-2024.pdf</a>
Continuous Disclosure Policy	October 2023	October 2024	<a href="https://www.landcom.com.au/assets/Continuous-Disclosure-Policy-v9-approved-25-October-2023.pdf">https://www.landcom.com.au/assets/Continuous-Disclosure-Policy-v9-approved-25-October-2023.pdf</a>
Enterprise Risk Management Framework	March 2024	March 2025	Internal document only

**FY24** Corporate  
Governance Statement

