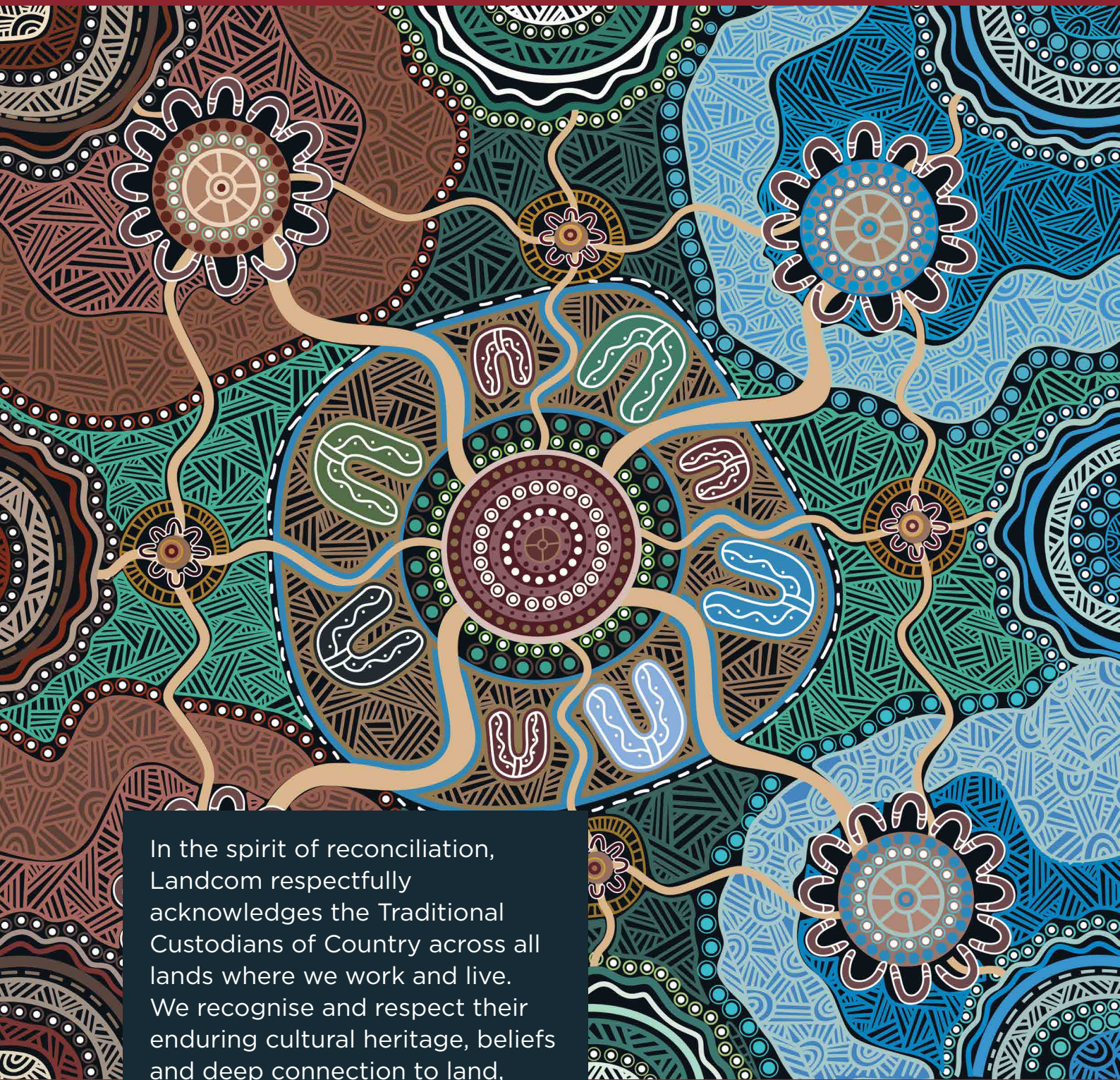


ANNUAL REPORT
FY 2025



LANDCOM

Our Reconciliation Action Plan (RAP) artwork, *Connecting with Country*, was designed by First Nations artists Luke Penrith and Nioka Marlowe.



In the spirit of reconciliation, Landcom respectfully acknowledges the Traditional Custodians of Country across all lands where we work and live. We recognise and respect their enduring cultural heritage, beliefs and deep connection to land, waters and community. We pay our respects to Elders past and present. This land always was and always will be Aboriginal land.

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Render of The Joinery, Annandale - build-to-rent rooftop

Letter to Shareholder Ministers

The Hon Daniel Mookhey MLC
Treasurer

The Hon Courtney Houssos MLC
Minister for Finance, Minister for Domestic
Manufacturing and Government Procurement,
and Minister for Natural Resources

Parliament House
Sydney NSW 2000

Dear Treasurer and Minister

We are pleased to submit to you the Annual Report for Landcom for the year ended 30 June 2025 for presentation to the Parliament of New South Wales. The report details Landcom's performance, operations and financial results and has been prepared in accordance with section 24A of the *State Owned Corporations Act 1989* (NSW), the *Government Sector Finance Act 2018* (NSW) and the *Government Sector Finance Regulation 2024*. Landcom has self-assessed as a group 1 agency under the NSW Government Framework for Financial and Annual Reporting and has prepared the Annual Report in line with TPG25-10a.

Yours sincerely



Ashley Mason
Chair



Alexander Wendler
Chief Executive Officer



Chair's review

As Chair of Landcom, I am proud to present our FY25 Annual Report. For almost 50 years Landcom has played a vital role in unlocking housing opportunities across New South Wales. As the state faces a housing supply crisis, our role has never been more critical.

Over the past two financial years, the Board, in close partnership with the Executive Leadership Team, has led a significant transformation in Landcom's strategic direction. We are evolving from a traditional land developer into an integrated land and property provider, introducing a built form capability and expanding into the build-to-rent sector with projects spanning metropolitan Sydney and regional NSW. We are investigating and piloting ways of bringing products to the market more quickly, including the adoption of modern methods of construction and partnerships to complement Landcom's experience.

To accelerate our impact, the NSW Government has provided over \$800 million in funding, including a \$515 million build-to-rent program and the reinvestment of a \$300 million special dividend. These investments are supported by streamlined planning pathways, a self-assessment framework for affordable housing, and access to surplus government land. We are also collaborating with the Government Architect to explore innovative design solutions through the NSW Government's Pattern Book design initiative.

As both a commercial and government-owned entity, we must balance market forces with public policy priorities. In FY25, we achieved \$263.4 million in sales revenue, with further financial achievements detailed in this report.

Our commitment to sustainability continues to be a cornerstone of our work in shaping inclusive, resilient communities across New South Wales. This year, we have made strong progress in embedding climate resilience, nature-positive design, and First Nations perspectives into our planning and delivery processes.

Our early adoption of climate-related financial disclosures reporting, and alignment with global frameworks such as the UN Sustainable Development Goals, reflect our dedication to transparency and long-term impact. These achievements are part of a broader sustainability journey, detailed in our FY25 Sustainability Report, which outlines the performance, partnerships and principles guiding our work.

Finally, I would like to acknowledge the contributions of outgoing Board members John Barbeler, Susan MacDonald and Selina Short, and warmly welcome our new Directors – Craig Knowles AM, Ilona Millar, Kieran Pryke, and Siobhan Toohill – whose deep expertise across property development, real estate, sustainability, law, urban design and finance will guide us through the next phase of growth and in delivering on the NSW Government's housing priorities. Trent Alston, our longest serving Director, provides important continuity.

I extend my sincere thanks to our CEO Alexander Wendler and the entire Landcom team. Their dedication and commitment to public purpose are the driving force behind our achievements. Together, we are making an even bigger difference in the lives of people across NSW.

Ashley Mason
Chair





CEO's review

Landcom is shaping a new era – one defined by transformation, momentum, and a bold response to the housing crisis in New South Wales.

As the NSW Government's land and property developer, we're on a mission to increase the supply of homes in more places, for more people. That is why we're stepping up – working shoulder to shoulder with councils, developers, local builders, and not-for-profits.

Together, we're responding to the State's most pressing challenges: housing supply, affordability and quality. Our efforts are grounded in a commitment to delivering homes and communities that are sustainable, affordable and full of possibility.

Evolving beyond traditional land development

In FY25, we accelerated our journey to become an integrated land and property provider. For the first time, we're delivering build-to-rent housing in both metropolitan Sydney and regional NSW, with over 500 units to be held on our balance sheet. These projects will offer secure, long-term rental options for essential workers and communities in need.

In regional NSW, construction has begun in Bomaderry, and East Lismore is close behind with a builder appointed in July 2025. We expect residents to move in during 2026. In metropolitan Sydney, The Joinery Annandale will combine build-to-rent, affordable and private housing with retail and commercial space.

Building momentum with a counter-cyclical approach

In FY25, we settled 1,951 residential lots, contributing \$263.4 million in revenue. We are working towards our goal to settle 22,000 lots from FY24 to FY29 – an ambitious target supported by a strong pipeline and strategic land acquisitions. Since FY24, we have secured new sites capable of delivering over 5,000 lots and continue to pursue opportunities through the NSW Government land audit and private market.

We're responding to economic headwinds with a counter-cyclical strategy. High construction costs and rising interest rates have stalled many private projects. In some areas, construction costs exceed sale values, impacting demand. We have reprogrammed superlot sales, rebalanced our schedule, and accelerated delivery where possible to maintain momentum.

Outside of Greater Sydney, our portfolio spans the Hunter region, the Northern Rivers, the South Coast, and Central Tablelands. In FY25, we secured approvals for rezonings and planning proposals for our projects in Bulli, Bomaderry, East Lismore, Edmondson Park, Lachlan's Line, Orange and Burdekin Road Schofields. Additionally, we lodged new rezoning and planning proposals for our projects in Airds, Annandale, Edmondson Park, Glenfield, Macarthur Gardens North and Wentworth Point. These rezonings and planning proposals will enable thousands of new homes, including affordable and build-to-rent options in new neighbourhoods that are well-designed, inclusive, and connected to transport and services.

Leveraging innovation and partnerships

Landcom champions smart ideas, strong partnerships and practical action. We plan with care, act with heart and move with urgency.

Our collaboration with the NSW Government Architect on the NSW Housing Pattern Book is a key initiative. Supported by new fast-track planning pathways, we are delivering pattern book terraces in Edmondson Park, de-risking the designs and giving people the opportunity check out the innovative homes.

Realigning our brand and empowering our people

Our transformation is guided by clear public commitments. Our Statement of Priorities and Statement of Expectations provide strategic direction, and our performance is measured against ambitious targets. We're realigning our brand to reflect the expectations of our staff, stakeholders and communities – to be a leader that is breaking ground and helping put vibrant, inclusive communities within reach of more people.

Our people are aligned with our strategic goals, empowered by a shared culture statement, and supported through leadership transparency and accountability. This cultural evolution is backed by a realigned leadership team and renewed Board.

Sustainability underpinning our work

Sustainability underpins everything we do – from land acquisition and design to delivery and community engagement. In FY25, we advanced our Net Zero ambitions and supported residents with cumulatively over \$830,000 in sustainability

rebates – rebates that help make their homes more energy efficient and lower household bills. We're also one of a handful of government agencies reporting this financial year on our management of climate-related financial matters.

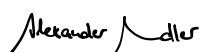
Our projects continue to prioritise climate resilience, energy efficiency and community wellbeing. We have also deepened our commitment to reconciliation, embedding First Nations knowledge and cultural values into our planning processes and progressing our Innovate Reconciliation Action Plan. These outcomes reflect our commitment to making a meaningful difference in people's lives across NSW. Further detail on our performance and future direction is available in our FY25 Sustainability Report.

Thank you to our Board and staff

Housing supply, affordability and quality are complex challenges that won't be solved overnight. But Landcom is not standing still. We are breaking new ground – literally and figuratively – to deliver the homes and communities NSW needs now and into the future.

Our momentum is real. With the leadership of our Board and the dedication of our people, we are making more homes happen and placing connected, inclusive neighbourhoods within reach of more people across the state.

The future isn't something we're waiting for – it's something we're shaping every day. I want to thank our Board for its guidance and our staff for their commitment to making a meaningful difference. Together, we are focused on delivering what matters most to the people of New South Wales.



Alexander Wendler
Chief Executive Officer



Overview

Our organisation

Landcom's ambition is to make a positive difference to people's lives in NSW by increasing the supply, affordability and diversity of housing and creating sustainable communities.

We develop land and property, increasing the supply of housing for the people of NSW.

As a State Owned Corporation, we are a commercial business that achieves public outcomes while also generating financial returns for the NSW Government. We enable development by de-risking and unlocking strategic and complex sites in collaboration with landowners and the market.

We supply home sites through the delivery of sustainable masterplanned communities and supply homes through targeted development projects.

Our land and property development projects facilitate:

- **market housing** - to increase the overall supply of homes
- **affordable housing** - to accommodate those on low to moderate incomes
- **diverse housing** - to increase the different types of housing stock in the area in which it is being delivered
- **universal housing** - to meet the changing needs of residents over their lifetime
- **build-to-rent** - to provide long-term rental homes, typically in the form of apartments that provide people with secure tenure.

In essence, we break new ground to make homes happen.







Render of Edmondson Park

Our customers

As a commercial venture – with a clear focus on community – Landcom needs to clearly identify its customers, understand their needs and requirements, and target its activities accordingly. Each of our products are aimed at different customer groups:

- retail customers purchase our retail land lots to build their home or investment property
- builders buy builder lots to be developed and on-sold to their retail customers
- private developers and community housing providers purchase our superlots.

As we deliver build-to-rent and other residential built form projects, our range of customers will grow to also include renters and investors in housing developments.

Across all our products, we seek to embed sustainability. Our aim is to create innovative and productive places that demonstrate global standards of liveability, resilience, inclusion, affordability and environmental quality.

Our goals

To achieve our ambition, we are focussed on four goals. These goals are where we want to be by the end of FY29, laying a stronger foundation for the chapters that follow.



Increase market housing supply and create well-designed, well-connected and sustainable places



Lead in the delivery of affordable housing across product types and tenures



Deliver built form to help us provide housing faster and in more innovative ways



Have an impactful presence in regional NSW

Operating commercially and our firm commitment to sustainability underpin each of these goals.

Our values

Our people are critical in reaching our ambition and achieving our goals. They have a diversity of skills and experience, combined with a strong drive and passion to make NSW a better place.

Their work is guided by our values and behaviours:

Values

- Embrace challenge to deliver outcomes
- Excel through strong relationships
- Bring an enterprising spirit

Behaviours

- Having a positive attitude
- Being respectful and supportive of each other
- Holding ourselves and each other accountable for performance and behaviour
- Making it feel safe to ensure we can speak up and act
- Recognising and celebrating success, having fun along the way

Our principal objectives and functions

Landcom was established in 1976 as the Land Commission of NSW. In 2001, we became a State Owned Corporation under the *Landcom Corporation Act 2001* (NSW), established to help the NSW Government achieve its urban management objectives. The Act establishes our principal objectives and functions.

These objectives and functions provide a broad, legislated framework that does not respond to specific issues or needs at any given time or policy of the Government of the day. Our Strategic Plan works within this broad framework.

Under the *Landcom Corporation Act 2001* (NSW), Landcom has seven principal objectives:

- a) To be a successful business and, to this end:
 - i. To operate at least as efficiently as any comparable businesses; and
 - ii. To maximise the net worth of the State's investment in it;
- b) To exhibit a sense of social responsibility by having regard to the interests of the community in which it operates;
- c) To protect the environment by conducting its operations in compliance with the principles of ecologically sustainable development contained in Section 6(2) of the *Protection of the Environment Administration Act 1991* (NSW);

- d) To exhibit a sense of responsibility towards regional development and decentralisation in the way in which it operates;
- e) To undertake, or assist the Government in undertaking strategic or complex urban development projects;
- f) To assist the Government in achieving its urban management objectives; and
- g) To be a responsible developer of residential, commercial and industrial land.

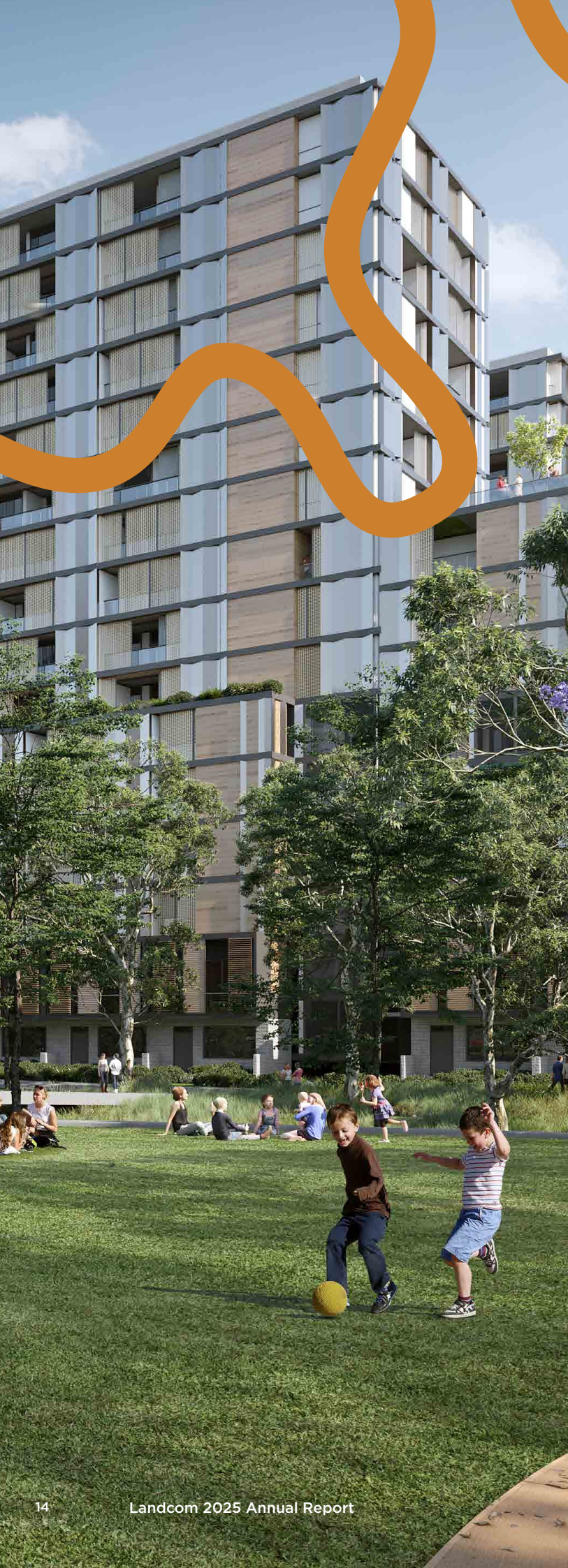
Under the *Landcom Corporation Act 2001* (NSW), Landcom has the following principal functions:

- a) To undertake and participate in residential, commercial, industrial and mixed development projects;
- b) To provide advice and services related to urban development, on a commercial basis, to government agencies and others;

And the following additional functions:

- a) To provide facilities or services that are ancillary or incidental to its principal functions; and
- b) To conduct any business or provide any service (whether or not related to its principal functions) that it considers will further its objectives.





Statement of Priorities

While Landcom must operate commercially, we can be asked to deliver Government policy objectives through a Statement of Priorities, a Statement of Expectations and/or Ministerial Directions.

Under the *Landcom Corporation Act 2001*, Landcom's Portfolio Minister periodically issues a Statement of Priorities. The current priorities to enhance the affordability and diversity of housing supply, issued in May 2024 by the Portfolio Minister are for Landcom to:

1. Establish a sustainable and scalable build-to-rent program with pilot projects on the NSW South Coast and in the Northern Rivers in accordance with NSW Government policy.
2. Demonstrate leadership in affordable housing through the delivery of an Affordable Housing Program. This program should deliver 1,800 affordable homes by 2029 in line with the NSW Government's commitment of 3,100 to the National Housing Accord, with a goal to deliver substantially more if provided access to surplus government land and relevant approvals.
3. Intensify Landcom's work to increase the supply, affordability and diversity of housing and achieve more sustainable communities by being the lead developer for surplus NSW Government land and transacting with private landowners.
4. Expand the activities of Landcom to regional NSW with a focus on areas where the regional economy is impacted by low housing supply and/or low rental vacancy rates.
5. Partner with NSW Government agencies on a commercial basis to deliver housing supply and improve housing affordability across the state and in accordance with NSW Government policy and any relevant housing targets.

Statement of Expectations

In May 2024, the NSW Government provided guidance on additional expectations for Landcom through a Statement of Expectations, issued by our Shareholder Ministers. In addition to delivering on our Statement of Priorities, the Statement of Expectations asks Landcom to:

- **Maintain high standards of public accountability and corporate governance**
 - Proactively communicate and engage with the Government to keep them informed of relevant matters of interest related to their accountabilities; and
 - Maintain the highest standards of governance, probity and integrity in line with government policies and community expectations.
- **Ensure the Government's investment of its capital is used efficiently**
 - Optimise business performance and deliver efficiencies to ensure Landcom maximises sustainable returns to government without compromising service quality, community outcomes and safety;
 - Undertake regular external efficiency reviews at least once every five years. The financial benefit from efficiencies should be returned to the State via dividends;
 - Seek to align Landcom's Target Capital Structure with the strongest performers among their industry peers while also ensuring their capital structure allows them to maintain a standalone credit rating at above Baa2/BBB (Moody's/Fitch or Standard & Poor's) (Minimum Credit Rating); and
 - Proactively identify surplus or underutilised assets and land whose value could be realised.
- **Operate the business sustainably**
 - Support the delivery of NSW Government climate change net zero and adaptation objectives and guiding principles in legislation and policy;
 - Reduce the carbon footprint of operation, including in the supply chain, contributing to NSW's emissions reduction targets in alignment with the *Climate Change (Zero Future) Bill 2023*;
- Minimise the risks of climate change on assets, operations and services;
- Help support NSW communities to benefit from the economic and employment opportunities created by decarbonisation;
- Monitor and report annually its activities against agreed sustainability reporting and climate risk disclosure frameworks; and
- Continue to deliver leading sustainability outcomes across Landcom's portfolio to achieve shared social, environmental, and economic value, with all future developments being entirely electrified (no gas connections).
- **Ensure robust procurement and employment practices that support the economic, environmental and social outcomes of the state**
 - Support diversity in its suppliers by considering procuring from small and medium enterprises, Aboriginal businesses, regional businesses, disability employment organisations, and social enterprises;
 - Support female workforce participation; and
 - Consider the environmental sustainability of goods and services being procured, including supporting the transformation to a circular economy.
- **Ensure Landcom balances the priorities of customers, stakeholders and communities**
 - Develop partnerships with customers and communities to foster mutual understanding relationships and responsiveness;
 - Consult with customers, stakeholders and communities prior to progressing initiatives that may have an adverse impact to improve engagement, understanding and outcomes; and
 - Support sustainable initiatives in communities that demonstrate care and are underpinned by goodwill and respect.

Our projects

As at June 2025, Landcom had 31 projects.



Project name

- ① Airds – Newbrook
- ② Annandale – The Joinery
- ③ Austral
- ④ Bella Vista (SMNWP)*
- ⑤ Bomaderry (South Coast build-to-rent)
- ⑥ Bulli
- ⑦ Castle Hill (SMNWP)*
- ⑧ Cherrybrook (SMNWP)*
- ⑨ Claymore – Hillcroft
- ⑩ Edmondson Park
- ⑪ Fennell Bay
- ⑫ Garden Suburb
- ⑬ Glenfield
- ⑭ Goonellabah – Bristol Circuit
- ⑮ Goonellabah – Cynthia Wilson Drive
- ⑯ Hills Showground (SMNWP)*
- ⑰ Kellyville (SMNWP)*
- ⑱ Lismore (Northern Rivers build-to-rent)
- ⑲ Macarthur Gardens North
- ⑳ Macarthur Heights
- ㉑ Macquarie Park – Lachlan’s Line
- ㉒ Mullumbimby
- ㉓ North Tuncurry
- ㉔ North Wilton – Panorama
- ㉕ Norwest (SMNWP)*
- ㉖ Orange – Redmond Place
- ㉗ Queenscliff
- ㉘ Rouse Hill
- ㉙ Schofields – Burdekin Road
- ㉚ Tallawong (SMNWP)*
- ㉛ Wentworth Point

* Sydney Metro Northwest Places

FY25 highlights

Financial performance



\$59.0m

returned to NSW Government
(FY25 income tax equivalents and dividend declared)



\$44.2m

net profit after tax



\$263.4m

sales revenue



\$39.5m

dividend paid



1,951

home sites settled

We achieved strong financial results this year, driven by increased residential and commercial settlements. This resulted in a **gross margin of 46%** and a closing cash surplus of **\$133.9 million**.

Sustainability

We have been certified **carbon neutral** under the Climate Active Carbon Neutral Standard for the last 5 years. Landcom's 2024 (calendar year) submission is in the queue to be assessed at the time of publication.

GRESB Real Estate Assessment ranked Landcom in the **top five most sustainable residential development organisations in Oceania**

We undertake transparent sustainability reporting under **Global Reporting Initiative Standards**

Our internal risk audit approach conforms to the International Professional Practice Framework and Internal Audit Standards of the Institute of Internal Auditors.



Awards

- **Winner of the Planning Institute of Australia NSW Award for Improving Planning Processes** (Landcom and Orange City Council) – Redmond Place development

- **Nominated for a national Planning Institute of Australia Excellence Award** – Redmond Place development

- **Nominated for the National Awards for Local Government in the affordable housing category** – Redmond Place development

- **Nominated for the Property Council of Australia Innovation and Excellence Awards** (finalists announced in September 2025):
 - **Best Public Art Project** – Sydney Metro North West Places Public Art Program (NSW) in partnership with Sydney Metro
 - **Best Sustainable Development** – 6-star sustainability at North Wilton
 - **Best Heritage or Adaptive Reuse Development** – transforming Mont St Quentin Oval into a vibrant community hub





Management and structure

Our governance framework





Our Board of Directors

From left to right

Trent Alston

Kieran Pryke

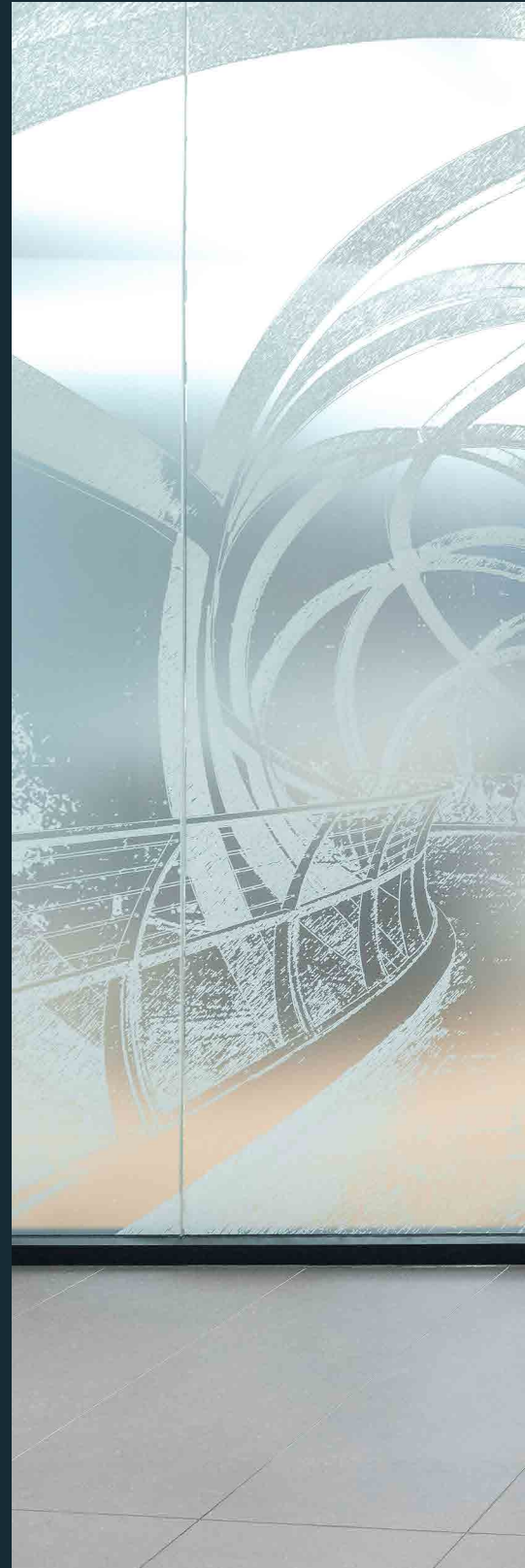
Ilona Millar

Ashley Mason

Siobhan Toohill

Susan MacDonald

The Hon Craig Knowles AM





Our Board of Directors



Ashley Mason
Chair - Independent Non-executive Director

Appointed to the Board in August 2024

Member of the Audit & Risk Management Committee

Mr Mason has spent over 25 years with senior roles in the construction, development and infrastructure services sectors working for numerous major public companies in Australia, Asia and the Middle East, including Leighton Holdings, Macmahon Holdings, Lendlease and Downer. He is currently Chief Risk Officer for Downer Group. He was Global Head of Operational Risk for Lendlease from 2016 to 2021 and Managing Director of Lendlease Services from 2013 to 2016.

Mr Mason's early career was with the Commonwealth Government where he was a member of the Senior Executive Service advising on Transport and Industrial Relations policy.

He is a previous NSW President and National Vice President of the Australian Industry (Ai) Group.

Mr Mason holds an Honours degree in political science, economics and industrial relations from the University of Queensland.



Trent Alston
Independent Non-executive Director

Appointed to the Board in August 2021

Chair of the People & Culture Committee

Mr Alston has more than 30 years' experience in the real estate industry including construction, project management, development, corporate real estate, investment management and funds management. He was Head of Real Estate at Challenger, General Manager Wholesale Funds at Colonial First State Global Asset Management and held a range of roles at Lendlease.

Mr Alston is also a Non-executive Director for Abacus Property Group and Chair of its People Performance & Culture Committee; an Independent Representative and the Chair of the Investor Review Committee for the Australian Prime Property Fund Commercial, the Australian Prime Property Fund Retail and the Australian Prime Property Fund Industrial; and a principal at Kokusai Business Advisory.

Mr Alston holds a Bachelor of Building (Honours) from the University of NSW, a Graduate Management Qualification from the Australian Graduate School of Management, an Advanced Management Program (INSEAD) and is a graduate of the Australian Institute of Company Directors.



The Hon Craig Knowles AM
Independent Non-executive Director

Appointed to the Board in August 2024

Member of the People & Culture Committee

Mr Knowles is a former State Member of Parliament (1990 - 2005). As a minister for 11 years, he held portfolios including Health, Planning and Housing, Sydney and Hunter Water Corporations, NSW Land Commission, Infrastructure, Planning and Natural Resources, and Forests and Lands. Mr Knowles has also served as Mayor of Liverpool City Council and as the Australian Consul-General to New Zealand, and Chair of the Murray Darling Basin Authority.

Mr Knowles is the Independent Chair of the NSW Natural Resources Access Regulator, Independent Chair of the Prospect Water Partnership, a partner in Tulich (Royce) Retirement Living and a Director of the Children's Medical Research Institute. He is also employed by the Department of Foreign Affairs and Trade.

Mr Knowles is a Certified Practising Valuer and is a Fellow of the Australian Property Institute of Valuers and Land Economist (now API) in both land economy and valuation practice. In 2015, he was awarded The Member of the Order of Australia (AM) for significant service to local government, the Parliament of NSW and the community through various health initiatives.



Susan MacDonald
Independent Non-executive Director

Served on the Board from August 2021 - August 2025

Member of the Audit & Risk Management Committee

Ms MacDonald has more than 30 years' domestic and international experience in property investment management, primarily in the retail sector, including asset, development and funds management. She has extensive experience in people management, organisational culture, strategy development and stakeholder engagement.

Ms MacDonald has held senior and executive positions with Mirvac, Lendlease, AMP Capital and Galileo Funds Management. She is the past Joint Deputy Chair, Shopping Centre Council of Australia. She holds a Bachelor of Arts from the University of NSW, is a graduate of the Australian Institute of Company Directors, a member of Chief Executive Women and a Global Trustee of Urban Land Institute.

Ms MacDonald is an Independent Director of Cbus Property, a Non-executive Director of QIC Limited, a Non-executive Director of Waypoint Real Estate Investment Trust (and associated entities) and a strategic advisor to Mainbrace Constructions.



Ilona Millar

Independent Non-executive Director

Appointed to the Board in April 2025

Member of Audit & Risk Management Committee since 25 July 2025

Ms Millar has worked over 25 years on environment and climate law and finance, including the development of law and policy and its implementation by both governments and the private sector. This experience extends to complex multi-jurisdictional transactions as well as the development of innovative responses to climate change and sustainability problems.

Ms Millar is a partner in Gilbert + Tobin's Banking + Projects group, specialising in Climate Change and Sustainability.

She serves on the Board of the NSW Natural Resources Access Regulator and is a former Commissioner of the NSW Independent Planning Commission.



Kieran Pryke

Independent Non-executive Director

Appointed to the Board in April 2025

Chair of Audit & Risk Management Committee since May 2025

Mr Pryke brings more than 30 years in finance across the real estate industry, including experience in investment management, construction and development, in both executive and non-executive roles.

Mr Pryke has held senior finance roles within the Lend Lease Group and was Chief Financial Officer of The GPT Group and Australand Property Group, both ASX listed real estate businesses.

Mr Pryke is currently a Director of Boom Logistics, Jatcorp, RAM Essential Services Property Fund, GFM Investment Management, OzHarvest and Bisley & Company. He brings to the Board extensive expertise in real estate financing, structuring and strategy, and is a CPA Australia Fellow and member of the Australian Institute of Company Directors.



Siobhan Toohill

Independent Non-executive Director

Appointed to the Board in April 2025

Member of People & Culture Committee since 25 July 2025

Ms Toohill brings over 20 years' experience leading sustainability in ASX50 companies, including as Australia's first Chief Sustainability Officer in listed financial services with Westpac, and she established the sustainability function at Stockland Property Group.

With a background in architecture and urban design, and as deputy chair of the Green Building Council of Australia, she helped pioneer green-rated, energy-efficient and community-responsive developments.

Her current roles include Member, Australian Government's Nature Repair Committee; Trustee, Greater Sydney Parklands; Trustee, NSW Responsible Gambling Fund; Member, NSW Anti-slavery Commissioner's Advisory Panel; Director, The Social Outfit; NSW Councillor, Australian Institute of Company Directors; Member, Chief Executive Women; and Director, Pure and Applied.

The Australian Financial Review's 2024 Women in Leadership, Financial Services – Banking award winner, Ms Toohill advises business and government on climate, nature, anti-slavery and gambling harm, and previously co-chaired the United Nations (UN) Environment Programme's Banking Board, co-authoring the UN Principles for Responsible Banking. She also served on the UN's Net-Zero Banking Alliance.



John Barbeler

Independent Non-executive Director

Served the Board from March 2018 – April 2025

Chair of Audit & Risk Management Committee until April 2025

Mr Barbeler has held chief financial officer (CFO) and business leadership positions in both the public and private sector and for the Sydney Organising Committee for the Olympic Games (SOCOG).

From 2010 to 2015, Mr Barbeler was the CFO at the Commonwealth Department of Health. Before that, he was CFO/Director of Corporate Services at the City of Sydney, General Manager, Finance at SOCOG and held CFO and business-enabling executive roles with major global private sector organisations.

Mr Barbeler is a former member of the Audit, Risk and Improvement Committees for Penrith City, Cumberland City and Snowy Monaro Regional councils. He is a former Director for Alzheimer's Australia ACT Ltd and a former member of the NSW Electoral Commission Audit Committee.

Mr Barbeler is a CPA Australia Fellow and holds a Bachelor of Commerce (Honours) from the University of Queensland.



Selina Short

Independent Non-executive Director

Served on the Board from December 2021 to November 2024

Member of the People & Culture Committee

A Partner and member of EY's Oceania Executive Leadership Team, Ms Short has spent two decades helping some of the world's biggest companies to grow, transform and succeed through complex problem-solving, value creation and impact acceleration.

With a deep background in economics and strategy focused on the built environment, Ms Short has led numerous projects focused on fuelling economic prosperity, liveability and sustainability.

Determined to help companies seize the opportunities of decarbonisation and the energy transition, Ms Short was instrumental in establishing the EY Net Zero Centre in 2021.

Ms Short sits on several high-profile boards, including the Green Building Council Australia, and was previously a foundation member of the Property Council of Australia's National Cities Roundtable.

Ms Short holds credentials in disruptive strategy from Harvard Business School and in climate change strategy from the University of Cambridge, as well as a Bachelor of Economics and a Master of Commerce.

Note - John Barbeler and Selina Short served on our Board for part of FY24. Pamela Hanrahan also served on our Board for the first month of FY25. She was appointed to the Board in October 2018 and retired at the end of July 2024. She was also the interim Chair from March 2022 to July 2024. Her service to, and retirement from the Board, was reported in our FY24 Annual Report.





Our Executive Leadership Team

From left to right

Alexander Wendler

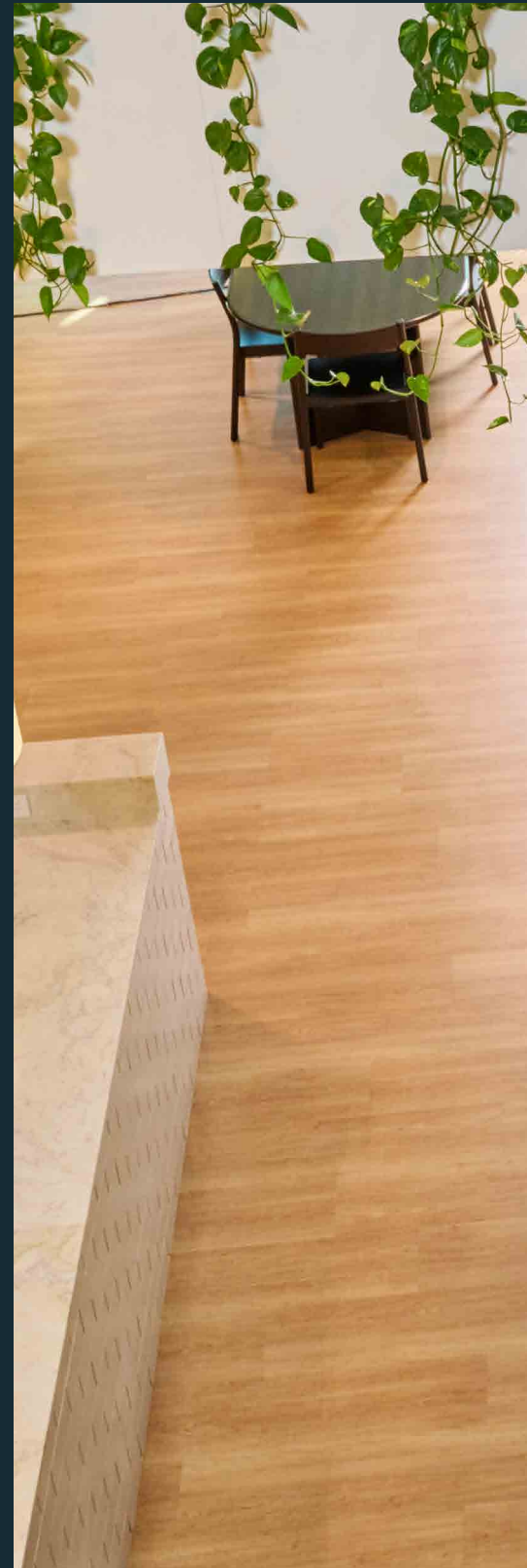
Tasha Burrell

Andrew Cooper

Matt Knight

Sally Anne Friedlander

Raema Melverton





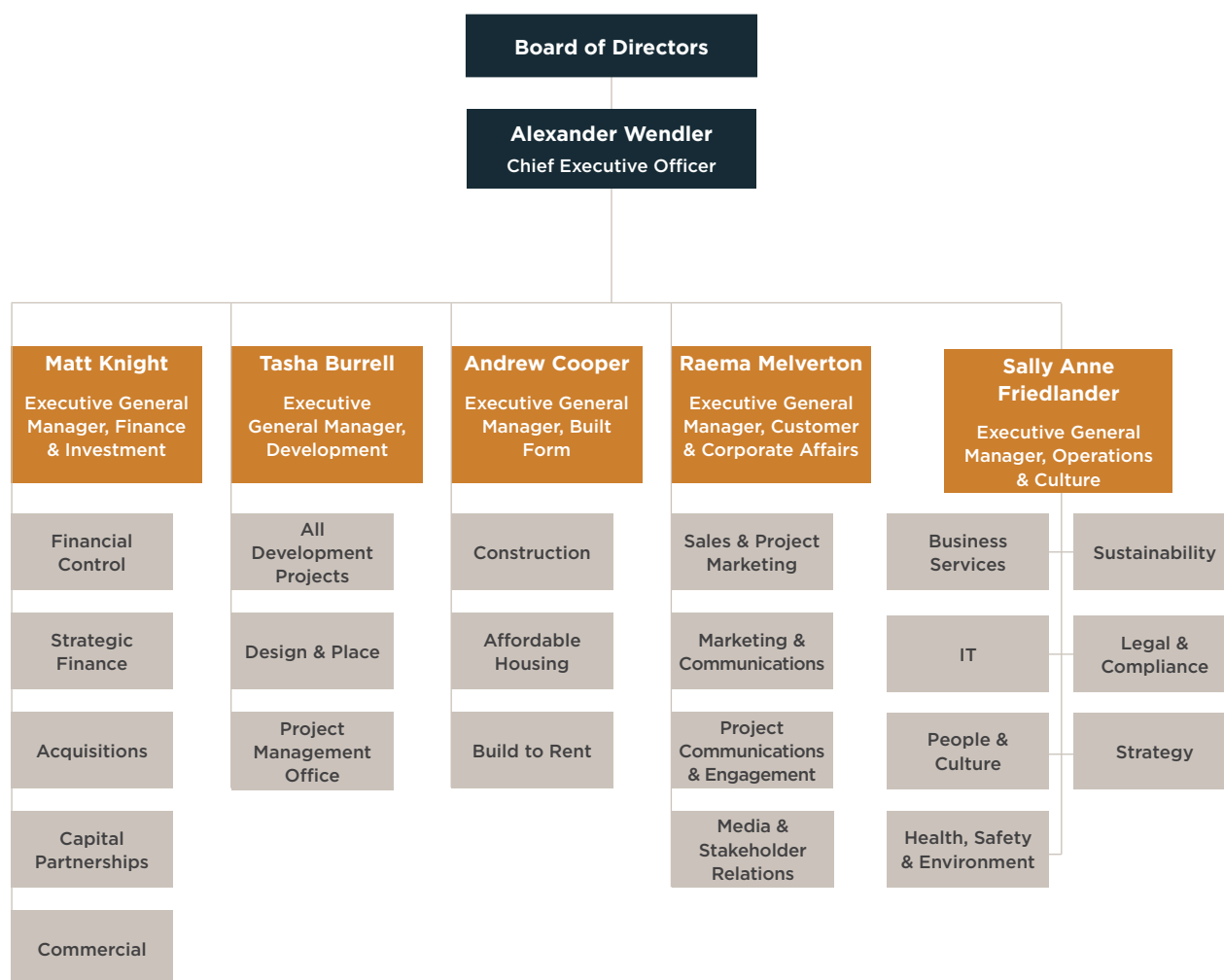
Our Executive Leadership Team

Table 1 - Executive Leadership Team qualifications

Executive	Qualification/Office held	Institution
Alexander Wendler Chief Executive Officer	Master of Public Administration	Hertie School of Governance, Berlin, Germany
	Diplom-Oekonom (Master of Management & Economics)	Ruhr-Universität Bochum, Germany
	Company Directors Course	The Australian Institute of Company Directors
Tasha Burrell Executive General Manager, Development	Bachelor of Architecture	University of Technology Sydney
	Bachelor of Arts	University of Technology Sydney
	Director	Women's Housing Company
Andrew Cooper Executive General Manager, Built Form	Bachelor of Engineering (Civil) (Honours)	University of New South Wales
	Bachelor of Science (Architecture)	University of Sydney
	Diploma of Laws (BAB)	University of Sydney
	Company Directors Course	The Australian Institute of Company Directors
Raema Melverton Executive General Manager, Customer & Corporate Affairs	Bachelor of Arts Communication (Journalism)	University of Canberra
	Graduate Certificate of Management	Chifley Business School
Sally Anne Friedlander Executive General Manager, Operations & Culture Commenced 31 March 2025	Master of Arts, Leadership and Change	Antioch University
	Master of Human Resource Management	Charles Sturt University
	Graduate Certificate Change Management (MBA)	Australian Graduate School Management
	Bachelor Education (Adult Education)	University of Technology Sydney
	Fellow	Australian Institute of Human Resources
	Board Member	Parramatta Women's Shelter
Matt Knight Executive General Manager, Finance & Investment Commenced 14 April 2025	Masters in Business and International Law (LLM)	University of Southampton
	Bachelor of Law (LLB)	University of Exeter
	Chartered Accountant (ICAEW)	Institute of Chartered Accountants of England and Wales
	Director	Bridge Housing

Our team

Landcom's staff consists of both Project delivery and Corporate teams, with a target split of 60% Projects and 40% Corporate under our Statement of Corporate Intent. We prioritise staff members' learning and development at all levels and participate in the NSW Government's Graduate Program. This enables consistent growth of talent within our organisation. The organisational chart below shows our structure and leadership team as of 30 June 2025.



Strategy

Landcom is stepping up to meet the challenges, and the expectations of our stakeholders and the people of NSW. Our FY24-29 Strategic Plan: Making a bigger difference, sets out clear goals, commitments and timeframes. These goals and commitments are challenging and require us to chart a new course – applying imaginative yet practical solutions to meet the housing crisis head on.

Our four strategic goals (see page 35), established in FY24, are the consistent drivers of delivery on our ambition, underpinned by determination to deliver what is needed. Our key strategic initiatives have evolved to reflect changing and emerging market conditions and provide clear direction as shown in our strategy on a page.




Strategy on a page (FY24-29) - FY26 update


Our ambition

To make a positive difference to people’s lives in NSW by increasing the supply, affordability and diversity of housing and creating sustainable communities


Our 4 goals




Increase market housing supply and create well-designed, well-connected and sustainable places



Lead in the delivery of affordable housing across product types and tenures



Deliver built form to help us provide housing faster and in more innovative ways



Have an impactful presence in regional NSW

Operating commercially and our firm commitment to sustainability underpin each of these goals

Our 2 strategic targets

Develop projects to achieve settlements of lots for **22,000** homes

Grow the affordable housing pipeline to deliver at least **1,800** affordable homes

Our 8 strategic initiatives

Drive efficiencies to optimise financial performance	Acquire new projects that have the capacity to deliver 30,000 homes	Deliver build-to-rent program	Deliver scorecard and performance framework
Establish Project Management Office	Uplift Design and Place skills	Build and promote Landcom’s brand	Drive climate impact and Net Zero Plan

Our 3 horizons

<p>Horizon 1 Grow and optimise the DEVELOPMENT business</p>	<p>Horizon 2 Nurture and grow the BUILT FORM business</p>	<p>Horizon 3 Create new business lines: Capital Partnerships, Build-to-Rent Operations and Modern Methods of Construction</p>
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Our high performance culture

We work together to drive high performance and create a culture where everyone feels trusted, valued and empowered

Charting a new course

In the first two years of the strategy (FY24 – FY25), the Board and Executive Leadership Team have transformed Landcom’s approach by:

- transforming from the traditional land developer model to an integrated land and property provider, adding a built form function to the business
- expanding into the build-to-rent market in both the regions and in metropolitan Sydney. Upon completion, Landcom will have over 500 build-to-rent units on the balance sheet
- continuing to expand its footprint in regional NSW with a focus on areas impacted by low housing supply and/or low rental vacancy rates.

We will continue to build on this transformation in FY26 to respond to the housing urgency and unlock more affordable, diverse and sustainable housing options.

We have publicly committed to specific targets from FY24 to FY29 in relation to housing supply and affordability:

- Develop projects to achieve settlements of lots of 22,000 homes.
- Grow the affordable housing pipeline to deliver at least 1,800 affordable homes.

We will monitor and report on these two targets regularly in FY26.

Our strategic initiatives

To reach the FY29 goals, the Board and Executive Leadership Team will work to uplift Landcom’s performance and implement strategic initiatives that will amplify its impact and strengthen social license and legacy. This is being done through eight refined strategic initiatives:

- driving efficiencies to optimise financial performance
- acquiring new projects between 2024 and 2029 that have the capacity to deliver 30,000 homes in the future
- strengthening our built form expertise and delivering on our build-to-rent program
- developing and implementing a corporate scorecard and performance framework
- establishing and embedding a Project Management Office to improve consistency and efficiency to achieve milestones
- realising density done well, supported by establishing design and place skills across the business
- building and promoting Landcom’s brand
- driving climate impact across the business and developing a Net Zero Plan.



Render of Redleaf, Orange – aerial view



Key areas of growth

To optimise delivery on the goals and supporting initiatives, the Executive Leadership Team is focusing on three key areas of growth in FY26 and beyond:

- Growing and improving our traditional core development activities to meet our strategic targets.
- Nurturing and scaling up our new business activities, especially built form activities.
- Supporting further growth by creating new business activities, including capital partnerships, build-to-rent operations and modern methods of construction.

All of this is underpinned by our culture statement that we will ‘work together to drive high performance and create a culture where everyone feels trusted, valued and empowered’.

Executed effectively, this strategy will enable us to meet our ambition and meaningfully contribute to resolving the undersupply of housing through delivering well-built and well located housing across NSW.

Performance monitoring and reporting

We actively monitor our progress towards achieving our strategic goals through a range of mechanisms. We regularly provide progress updates on our strategic initiatives and key results to the Board and Executive Leadership Team.

Resource allocation to implement our Strategic Plan

We operate in line with our approved Statement of Corporate Intent, which in turn is consistent with our Strategic Plan. Individual goal setting within Performance Development Plans and personal development opportunities ensure growth opportunities are realised for our staff while achieving our corporate targets. In addition, workforce planning occurs throughout the year in partnership with our people leaders to ensure that we have the right people for the right roles at the right time.

Market context

While the road ahead presents challenges – from high construction costs and labour shortages to the evolving planning system – there are emerging signs of market stabilisation. We will adopt a coordinated effort across government and industry to drive real change.

The environment for our core land development business remains supported by reasonable economics and strong underlying demand for dwellings at our flagship project locations such as Edmondson Park, North Wilton and Northwestern Sydney. While this segment is critical to the long-run viability of our business and is a key pillar of realisable housing supply for the state, the Government has signalled a desire for housing development to ‘go up and not out’ meaning that housing density is critical to a sustainable ramp-up in supply.

Operations and performance

Landcom is going through a period of growth and revitalisation. This is driven by the housing supply crisis that NSW is experiencing and the trust and conviction of our shareholders, that we not only have an important role to play but can make a positive difference in people's lives.

The NSW Government has given us a clear direction under the Statement of Priorities to do more to address the housing crisis by building more homes, in more places, for more people. This includes delivering affordable homes, establishing a scalable and sustainable build-to-rent program, increasing supply and diversity of housing and expanding our activities in the regions.

Performance against our Statement of Corporate Intent (SCI)

Our Statement of Corporate Intent includes our 10-year financial forecast, non-financial key performance indicators and sustainability performance indicators.

The results against our financial key performance indicators for FY25 are shown in Table 2.

Table 2 - Financial key performance indicators

Indicator	FY25 SCI forecast	FY25 Actual
Sales revenue	\$294.1 million	\$263.4 million
Gross margin	\$116.9 million	\$120.3 million
Earnings before interest and tax	\$58.8 million	\$52.7 million
Operating profit before tax	\$59.2 million	\$63.2 million
Net profit after tax	\$41.5 million	\$44.2 million
Return to government - tax	\$17.8 million	\$19.0 million
Return to government - dividend	\$40.0 million	\$40.0 million
Return to government - Government Guarantee Fee	\$1.1 million	-
Return on equity	6.0%	6.1%
Dwellings settled*	4,500	1,951

* Dwellings reported are land lots settled in the financial year for construction of homes.

More information on our dwelling settlements is covered under 'Developing projects to achieve settlement of 22,000 lots by FY29' in this chapter (see page 41).

Our non-financial key performance indicators are the same as the eight strategic initiatives in our FY24-29 Strategic Plan (June 2024) (see table 3) and our performance against these is covered in this chapter.

Our sustainability performance and activities are reported in our FY25 Sustainability Report. Sustainability indicators relating to workforce diversity are covered under 'Workforce diversity performance' in this report (see table 76).

Performance against our strategic initiatives

In FY25, we had eight key initiatives to help us achieve our four strategic goals. The initiatives and their alignment with our goals are shown in Table 3.

Table 3 - Alignment of FY25 strategic initiatives and goals

Strategic initiative	Alignment with goals			
	Market housing supply	Affordable housing	Regional housing	Built form
Create a strong culture and achieve full strategic alignment for all people across the organisation				
Secure new projects in metropolitan and regional areas by FY29 that have the capacity to deliver 30,000 dwellings				
Develop projects to achieve settlement of lots for 22,000 dwellings by FY29				
Demonstrate and promote the benefits of density done well for communities				
Grow the affordable housing pipeline, to deliver at least 1,800 affordable homes by FY29				
Grow and deliver on a build-to-rent program				
Establish and embed built form expertise				
Proactively build and promote Landcom's brand				

Creating a strong culture

Over the last past years, we have continued to evolve how we align workforce capability with long-term strategic goals. FY25 marked a significant step forward in embedding a culture of performance, accountability and empowerment across the organisation.

A key milestone was the co-creation of our culture statement with staff - 'We work together to drive high performance and create a culture where everyone feels trusted, valued and empowered'. The culture statement now underpins our Strategic Plan and guides our behaviours.

Throughout FY25, we focused on integrating our culture into everyday practices - reviewing systems and processes to ensure alignment with our values. Staff feedback gathered through our engagement survey reflected encouraging progress in areas such as leadership transparency, communication and clarity of purpose.



Securing new projects in metropolitan and regional areas

We are accelerating our acquisition efforts to expand our project pipeline, transform surplus land into new homes and support the NSW Government's priorities around housing and transport-oriented development. In FY25, our focus was on identifying and securing sites that will enable future residential growth in metropolitan and regional NSW.

We continued to build momentum, acquiring new sites with the potential to deliver thousands of homes over the coming years. These acquisitions reflect our commitment to unlocking surplus land and transforming it into vibrant, connected communities.

We also began engaging with sites identified through the NSW Government's land audit, securing two locations for development. In Annandale we acquired the former WestConnex site (now known as The Joinery Annandale) for \$40 million. The costs associated with developing an essential worker build-to-rent site will be funded by the \$450 million equity injection committed by the NSW Government in the FY25 Budget.

The development on this site will provide about 577 homes including build-to-rent units for essential workers, private units and affordable housing, as well as retail and commercial space. These will be located close to public transport, public spaces, amenities and education and health centres, including the Royal Prince Alfred Hospital. More information on this project is under 'Growing and delivering on build-to-rent'.

We also recently acquired a site in Edmondson Park through the NSW Land Audit process with an indicative yield of 52 standard residential lots.

In addition, we are undertaking due diligence on additional opportunities. These efforts are helping to shape a pipeline of future projects aligned with government priorities and community needs.



Render of The Joinery, Annandale – Parramatta Road view

Developing projects to achieve settlement of 22,000 lots by FY29

Landcom is responding to housing urgency, driving long-term outcomes and working in partnership to put vibrant and inclusive communities in reach for more people. We recognise the headwinds and are not immune to interest rate changes, supply-chain costs or fluctuating market conditions. However, we are tackling these challenges head-on.

Currently, we manage a pipeline of 31 active projects, representing \$543 million in project value. This will give people more opportunities to build, rent or buy well-designed homes.

Of the 22,000 residential lots we plan to have sold by FY29, about 19,000 lots will come from our existing pipeline of projects, with the remaining 3,000 lots from projects in our acquisitions pipeline. We are focussing on metropolitan Sydney and expanding into regional NSW, targeting areas where low housing supply and low rental vacancy rates significantly impact local economies.

FY25 settlements

In FY25, we settled 1,951 residential lots with total revenue from contracts with customers of \$263.4 million. Further detailed information is in the Financial Statements Note number 2.1 – Revenue from contracts with customers.

The projects where we achieved settlements included:

- Airs – 103 residential lots
- Claymore – 60 residential lots
- Edmondson Park – 17 residential lots
- Lachlan’s Line – 466 residential lots
- Sydney North-West Metro – 873 residential lots
- North Penrith – 189 residential lots
- North Wilton – 104 residential lots and 1 superlot (school site)
- Riverstone – 132 residential lots
- Others – 7 residential lots.

The total number of residential lots settled represents a shortfall of 2,549 against our Statement of Corporate Intent target for the year. The shortfall was due to market conditions that delayed the divestment of a number of superlots with high yields. High interest rates and significant increases in construction costs caused a slowdown in superlot sales across the whole of NSW. We have re-programmed the forecast superlot sales to future years, including several sites going through upzoning in the interim. Additionally, we have rebalanced our sales schedule in future years and accelerated where possible to make up the shortfall in the shortest possible time given market conditions.

Getting on with the job

Throughout FY25, Landcom made significant progress on several projects which will see us transform land into new homes, businesses, recreational centres and open spaces in well-connected areas.

Airds (Newbrook) and Claymore (Hillcroft): In both Airds and Claymore, we are partnering with Homes NSW to renew social housing estates into modern, socially mixed communities. Newbrook in Airds will provide about 2,104 homes, with 1,006 delivered to date. Civil construction for Stage 7A started in March 2025, and Site 1 of the cottage subdivisions was completed in April 2025.

Hillcroft in Claymore will provide about 1,400 homes with 462 built to date and 179 under construction. Stage 5 works were completed in April 2025 and Stage 4 works started in May 2025. Additionally, we have begun establishment works for Dimeny Park and received development application approval for Davis Park. Social housing tenant relocation to facilitate the renewal for both projects is under the responsibility of Homes NSW. Timing for the delivery of the future stages is dependent on Homes NSW relocation and demolition works program.

Bulli: In June 2025, the Southern Regional Planning Panel approved our subdivision development application for 50 homes, including freestanding homes, duplexes and terraces. We will also provide green spaces, landscaping, a new access street with 58 parking spaces, and pedestrian connections.

Edmondson Park: Our concept plan modification for 3,030 homes north of the train station was approved in February 2025, increasing the number of lots from 440 residential lots. This expansion will address housing affordability and support the NSW Government's approach to transport-oriented development by offering diverse housing options and increased building heights around the station.

Remediation and subdivision works are also underway on Precinct 3 for retail settlements within FY26. Civil works continue in Precinct 9 to support future divestments of superlots.

Garden Suburb: We are enabling delivery of new homes while retaining 70% of the site as bushland. This site was registered as a biodiversity conservation stewardship site in January 2025. Set up by Landcom and with support from expert ecologists – the bushland areas are now protected into perpetuity under an agreement with the Markets and Offsets Division of the NSW Department of Climate Change, Energy, the Environment and Water (registration number – BSO162). The project will provide diverse housing options and a minimum of 30% affordable rental housing to alleviate critical housing pressure in the area.

Glenfield: Housing development is advancing alongside a rezoning process to improve the design outcomes and yield of our site. We have lodged one development application to create about 500 apartments (across five superlots) and 18 terraces. Other approvals have been granted for early works, and we will start site enabling works early in FY26.

The existing structure plan envisages 7,000 new homes, including 3,900 west of the rail line, however we can accommodate more housing than first thought. We are progressing the rezoning process by lodging a planning proposal to increase housing lots west of the rail line, including diverse housing types, a town centre, parks, and up to 10% affordable housing.

Macarthur Gardens North: In May 2025, the Department of Planning, Housing and Infrastructure publicly exhibited our proposal for 375 additional homes, which would increase the total residential lots to over 1,600, with 10% set aside for affordable rental housing. The Department of Planning, Housing and Infrastructure is assessing community feedback and will consider any necessary changes to the final proposal. Civil works are underway for infrastructure, including roads, landscaping and utilities. Construction of new open spaces has also begun, including a fitness park and central park.

North Wilton (Panorama): Stage 1 has at least 50 homes under construction or completed, with the first residents now living full-time in the development. We have obtained approvals for Stages 2 and 3 which will provide over 318 new homes, and superlots for future medium-density development. Stage 4, comprising of 103 residential lots, is complete and registered. We have also completed bulk earthworks in Stage 2, ready for civil works to progress the next 123 residential lots in FY26.

Construction is underway on a new sales centre, temporary park, and net zero operational home. The home will feature cutting-edge renewable energy technology, sustainable construction methods, resilient building materials, and renewable products. Once built, this home will generate as much or more energy than it uses, potentially saving the average household up to \$1,700 a year in bills.

Orange: In April 2025, we received rezoning approval for 330 new homes in Orange’s Redmond Place housing precinct under the NSW Government’s Social and Affordable Housing Rezoning Pathway. The project unlocks 24.2 hectares of Council owned land for new homes with 20% designated for affordable housing. We are collaborating with Orange City Council and the local community to create a neighbourhood with open spaces, parks, and shared community facilities and are preparing the masterplan development application for lodgement.

Wentworth Point: From January 31 to February 27 2025, our State Significant Development Application for a mixed use site was publicly exhibited. The application seeks approval for 412 residential units including 61 affordable housing dwellings, above-ground parking, retail and an internal plaza. Major construction is also underway for a new park providing four hectares of open space, including a playground, parking, picnic areas and a shared oval, expected to open in mid-2026.

Further highlights for our affordable housing and build-to-rent projects are covered throughout this chapter.



Demonstrating and promoting density done well

Landcom's goal is to achieve density done well by developing great places to live, each with high amenity and a strong sense of community. We want to create lively and diverse neighbourhoods where residents can easily walk or cycle to public open spaces, shops, restaurants, schools and public transport. To support this vision, we established a dedicated Design & Place team in FY25, which will elevate and enhance design and place as crucial elements of our projects. This team will provide expertise in architecture, urban design and planning.

The Design & Place team will also work closely with our Development and Built Form teams to drive design excellence by assisting with consultant procurement and briefing, design guidelines and design review. More information is under 'Establishing and embedding built form expertise'.

Design Review Panel

The Landcom Design Review Panel (the Panel) provides independent, expert and impartial design advice on our development land and built form projects to help teams achieve design excellence, including incorporating sustainability and housing diversity in the creation of great places.

During monthly meetings in FY25, the Panel provided design advice on more than 20 of our developments including Glenfield, Annandale, Panorama North Wilton, Redmond Place Orange, Macarthur Gardens North, Bomaderry and Lismore build-to-rent and Annandale essential worker build-to-rent. They reviewed a broad range of projects including masterplans, build-to-rent, affordable housing and modern methods of construction, as well as design guidelines and the NSW Government Architect's Pattern Book designs.

Density done well partnership with Committee for Sydney

In FY25, we entered a three-year Density Done Well partnership with the Committee for Sydney, allowing us to shape research and advocacy priorities. The Committee launched the 'Defining Density (Done Well)' report, the first of six, comparing Sydney's density to other cities globally and nationally, and highlighting the importance of doing density well as Sydney changes and grows. The second report, 'Walkable Density', centred on achieving walkability in new urban developments. As part of the report's launch, our CEO participated in a panel discussion on the non-negotiables of density, such as walkability and reducing car dependence.

Our staff also participated in workshops with the Committee for Sydney on sustainable housing design and creating communities that are not just liveable, but loveable (loveable density).

Engaging to create well-designed communities

Density offers exciting opportunities for vibrant, well-connected communities. We listen widely, lead collaboratively, and design with community at the centre to create places where everyone is welcome. At the same time, our engagement with current and future residents allows us to showcase how thoughtful design enhances lifestyle benefits while respecting heritage.

Engagement can take many forms and ranges from informing stakeholders about a project, to obtaining input and feedback, or including stakeholders in decision-making. Through major campaigns, we engaged with our communities using a variety of approaches including workshops, surveys, drop-in sessions, pop-up information stands, and interactive websites tailored to our projects. These were supported by social media campaigns across Facebook, Instagram and LinkedIn and paid and editorial promotions in local print media.

Throughout FY25, we ran 11 significant campaigns engaging with over 11,000 community members. Our key community consultation and engagement activities are shown in Table 4.

Table 4 – Key community consultation and engagement activities, FY25

Project	Purpose of community consultation and engagement activities
Annandale	Help shape our plans for build-to-rent housing, affordable rental housing, new shops, services and landscaped areas.
East Lismore	Feedback on our plans for our build-to-rent housing.
Edmondson Park	Inform planning for proposed development of affordable homes.
Glenfield	Feedback on our proposal to amend the existing structure plan to deliver more new homes west of the rail line together with parks, open spaces, pathways and community facilities.
Goonellabah	Feedback on our plans for affordable housing developments in Bristol Circuit and Cynthia Wilson Drive.
Kellyville	Feedback on designs for open public spaces during public exhibition.
Macarthur Gardens North	Feedback on our plans to change planning controls to provide more homes as part of an already approved transit-oriented development next to the station.
Mullumbimby	Feedback on the plans for a proposed mixed use affordable housing development.
North Wilton	Inform the environmental assessment to build new entry and exit ramps onto the Hume Motorway.
Orange	Feedback to refine our designs for parks and open spaces, and progress Connecting with Country and public art opportunities.
Wentworth Point	Invite comments on plans for mixed use development.



Our stakeholder engagement framework, Join In, helps drive engagement excellence and continuous improvement. In FY25, we updated this framework to embed a commitment to, and recommendations for, effective youth engagement. We explored opportunities to work with youth organisations to promote and support youth engagement activities, providing a balanced view for sustainable developments. We have included more targeted youth engagement including a youth focus group (18-30) as part of our engagement on the Annandale project, using the Council Youth Committee for Edmondson Park, and holding a workshop with a local high school to better understand the needs and preferences of young people in the design of open spaces in Orange.

Connecting communities

Our placemaking program creates safe and desirable spaces, motivating people to visit, stay and return. On the Sydney Metro Northwest project, we strive to create a sense of community and belonging and foster connections as these places evolve. In the temporary Bella Vista Pocket Park, we ran several significant activations including:

- Light Up Bella Vista, a celebration of Diwali in partnership with the Community Migrant Resource Centre, attracting over 500 attendees from different backgrounds

- two outdoor family movie nights, attracting over 450 community members
- an always-on program with free fitness classes, pre-school dance classes with Stage Door and learn to skate with Totem Skateboarding workshops.

At North Wilton, we:

- sponsored and attended Illuminate Wollondilly, Wollondilly Shire Council's premier arts and cultural event
- initiated a community shuttle bus to provide a public transport option for Panorama's very first residents, fostering early community connections.

As part of our projects, we invest in public spaces which are crucial for creating healthy and liveable communities. In August 2024, we opened Lake Thomson with a community event, attended by about 1,000 people from Macarthur Heights.

In Edmondson Park, we celebrated the reopening of Mont St Quentin Oval following restoration. Originally serving as the main parade ground for the Ingleburn Army Camp, we preserved the military significance of this heritage-listed site while introducing a new AFL field, amenities building, barbecue facilities and an all-abilities playground.





Growing the affordable housing pipeline

To expand our affordable housing pipeline, we are actively developing land for community housing providers and developers to construct homes, while also planning to build affordable housing developments ourselves. Our strategy aims to provide viable housing solutions for individuals and families who struggle with the costs associated with buying or renting a home in NSW.

We are playing a critical role in helping the NSW Government achieve its affordable housing targets and are making good progress on our target of 1,800 new affordable homes by FY29. To help achieve this, at least:

- 10% of new homes in metropolitan projects will be affordable housing
- 20% of new homes in regional projects will be affordable housing.

The NSW Government is also empowering us to address the housing supply crisis through planning pathways that unlock opportunities for development. These include:

- a self-assessment pathway for 100% affordable housing developments up to 75 dwellings, allowing Landcom to deliver smaller affordable housing projects faster
- a state significant development pathway for larger scale developments with an estimated development cost of more than \$30 million, or more than 75 dwellings that deliver a minimum of 50% affordable housing
- a priority rezoning pathway for certain Landcom housing projects that include affordable housing.

Working with community housing providers and developers

In FY25, Landcom provided land for community housing providers or developers to build 450 affordable homes including:

- Lot 117 Lachlan’s Line – 135 homes
- Queenscliff – 37 homes
- Sydney Metro Tallawong – 55 homes
- Sydney Metro Showground Precinct East – 44 homes
- Sydney Metro Showground Doran Drive – 22 homes
- Sydney Metro Showground Precinct West – 15 homes
- Epping – 22 homes
- North Penrith – 135 homes.

Lot 117 Lachlan’s Line was the first infill affordable housing project to achieve State Significant Development (SSD) approval, and Link Wentworth is now working on the detailed design. They also received SSD approval for 156 new homes at 108 Burdekin Road, Schofields, with 63 apartments designated for affordable housing. Civil works on the site are complete with Firststyle Homes building the first homes. Additionally, we handed over the Queenscliff project to Link Wentworth, where at least 12 homes (32%) will be Affordable Rental Housing for women over 55 at risk of homelessness.

Progressing planning approvals

We are progressing planning approvals for five additional projects with a combined total of 489 homes expected:

Bella Vista: This project will provide a minimum of 171 affordable housing apartments on a single lot within the Bella Vista precinct as part of the Sydney Metro Northwest Places divestment program.

Macarthur Gardens North: This project includes two residential buildings that will provide 130 affordable rental apartments. These buildings will include a mix of 1-bedroom, 2-bedroom, and 3-bedroom apartments. We are preparing the State Significant Development Application for this project.

Garden Suburb: Affordable housing will be delivered using our self-assessment power and will include 69 affordable housing dwellings with 51 apartments and 18 townhouses.

Edmondson Park: We are proposing 58 affordable housing apartments on a single lot within the Edmondson Park Town Centre North in partnership with a community housing provider. We invited the community to provide feedback on our Environmental Impact Statement and have lodged our State Significant Development Application.

Wentworth Point: We anticipate approval of our State Significant Development Application in FY26 which includes 61 affordable housing dwellings to be provided by a community housing provider in partnership with the future developer, once we divest the site.

Partnership projects on council owned land

The following partnership projects using council owned land will also contribute up to 86 homes to our target:

Mullumbimby: We are partnering with Byron Shire Council and the NSW Reconstruction Authority to deliver affordable rental homes on a Council owned carpark. We plan to work with a community housing provider to deliver and manage the proposed mixed use development.

Goonellabah: We are preparing the development application for Bristol Circuit and Cynthia Wilson Drive. The two projects will provide affordable homes across two sites and will be co-designed and delivered with Lismore City Council and a community housing provider, with funding from Homes NSW, the Reconstruction Authority and a Building Better Regional Cities grant.

Realisation of any of the above projects progressing through planning approvals, or on council owned land, is subject to financing including access to Housing Australia Future Fund (HAFF).

Affordable Housing Delivery Panel

Our Affordable Housing Delivery Panel includes eleven Tier 1 community housing providers covering six different geographic locations within NSW. We have been actively engaging with the panel members on several Landcom affordable housing projects, seeking advice on design to tendering for the final divestment of the completed projects.



Growing and delivering on build-to-rent

For the first time in our history, we are expanding into the build-to-rent market to boost housing supply in areas where we know people are struggling with the rising cost of rent. We are also helping to fill gaps in the housing market, where there is a need for a greater mix of housing, with more smaller homes and housing suited to smaller households.

Build-to-rent housing is designed and built to provide long-term rental homes, rather than sold to homebuyers, providing an alternative to home ownership. It offers longer leases, often up to five years, which give tenants security of tenure.

Upon completion, we will have over 500 build-to-rent units on our balance sheet. The NSW Government has backed the program with \$515 million in funding including:

- \$450 million for the Essential Worker Build-to-Rent Program (metropolitan Sydney)
- \$65 million for the regional build-to-rent pilot program (Bomaderry and East Lismore).

Essential Worker Build-to-Rent Program

As the first project in the Essential Worker Build-to-Rent Program, we will transform the former WestConnex site in Annandale into:

- 220 build-to-rent units offered to essential workers like health workers, paramedics, teachers, police officers and firefighters at a discount to market rent, through a separate discount
- up to 357 additional units, including private units and a proportion of affordable rental housing
- ground-floor retail and commercial spaces, landscaped public domain and outdoor spaces and new pedestrian links, enhancing the neighbourhood's amenity and vibrancy.

Our vision is to create a revitalised mixed use precinct, called The Joinery Annandale, close to the Sydney Central Business District, public and active transport, parks and major health and education hubs. This precinct will foster a more connected, sustainable and inclusive community, while improving housing supply, choice and affordability for renters and buyers.

In June 2025, we submitted two applications to the Department of Planning, Housing and Infrastructure for assessment – a Planning Proposal to rezone the site for future housing and a State Significant Development Application for the build-to-rent housing and landscaped public outdoor space. We expect construction to begin in 2026, pending approvals, with the first essential workers moving in around 2028.

Bomaderry and East Lismore build-to-rent

In the regions, we are stepping up to address the housing crisis head on. In July 2024, the Southern Regional Planning Panel approved our development application for 60 new build-to-rent apartments in Bomaderry, just 84 days since we lodged with Shoalhaven Council.

With at least 20% designated as affordable rental housing, the apartments will offer various sizes to meet the needs and budgets of the local community, with easy access to Bomaderry railway station, shops, open spaces and other amenities.

The project is targeting a four-star Green Star building rating through the Green Building Council of Australia, demonstrating our commitment to sustainable and resilient homes for future generations.

Regionally based Zauner Construction Pty Ltd started construction in June 2025 with new residents expected to move in by late 2026.

We are also leading the development of 50 new build-to-rent apartments in East Lismore with the Northern Regional Planning panel approving the plans in November 2024, just 68 days since we lodged them with Lismore City Council. This development will also include a mix of apartment sizes, with 20% designated as affordable rental housing, supporting essential workers and low to moderate-income households.

Housing affordability and availability is one of the biggest pressures facing NSW residents, with regional communities like Lismore and the wider Northern Rivers region doing it tough, particularly following the 2022 and recent floods. Continuing the NSW Government's ongoing efforts to support flood recovery in the Northern Rivers, the build-to-rent project will also support jobs during and beyond construction. We issued the design and construct tender in March 2025 and appointed the successful builder in July 2025 to start construction of the project with the aim of residents moving into their new homes in 2026.

The speed at which we have reached these milestones for these projects is a testament to working collaboratively with councils and other key stakeholders to fast-track new homes.

Establishing and embedding built form expertise

With the integration of a built form function in our business, we are strengthening our ability to deliver housing at scale – particularly affordable high-rise and build-to-rent developments. Our Built Form team is focused on designing and delivering homes that are efficient to construct, high-quality, and adaptable to diverse community needs.

We are preparing to pilot modern methods of construction to explore new approaches to productivity and delivery. This initiative will test modular building techniques for medium-density housing, with the goal of accelerating timelines and reducing costs while maintaining design integrity and comfort.

As part of this work, we are implementing a proof of concept that will inform future developments across our portfolio. The learnings from this pilot will help shape our broader built form program, with potential applications across key sites in metropolitan and regional NSW.

In July 2024, the Government Architect NSW launched a pattern book design competition, inviting architects and architecture students to submit simple-to-build proposals for three terrace house sites and three mid-rise apartment buildings sites. The objective is to speed up the supply of quality and diverse housing through designs that can be easily replicated.

The NSW Housing Pattern Book features sustainable and adaptable low-rise housing designs that are simple to build, faster to deliver, and adaptable to people's needs, sites, location and budget. To complement these, a collection of mid-rise designs is currently in development.

We offered two medium-density superlots at Edmondson Park for the competition as potential demonstration sites. In November 2024, the Government Architect NSW announced the winning designs for the terraces and mid-rise residential flat building schemes.

We have engaged Other Architects and NMBW to build the low-rise housing design (Terraces 4 in the Pattern Book) within precinct 9 at Edmondson Park.

Internally, we are also fostering a culture of design excellence by building a network of design champions and exploring partnerships with public and private sector organisations. These collaborations aim to enhance our capabilities and drive innovation in housing and community development.

Proactively building and promoting our brand

Landcom makes a difference by making more homes happen for both retail and wholesale customers. Our active participation in the market means we focus on showcasing the unique attributes our governance model and position in the market enables.

To help us achieve our strategic goals, we are refining and optimising our brand strategy to evolve our positioning, value proposition and impact across our stakeholder groups.

The Executive Leadership Team has listened to staff and stakeholders and is realigning the brand to their expectations for us to evolve further as a leader that is breaking ground to help put vibrant, inclusive communities in reach of more people.

To date the project has developed a brand blueprint based on qualitative and quantitative research across key audience groups. The blueprint sets the foundation for our brand evolution.



Management and accountability

Landcom's culture statement, anchored by our behaviours, ensures we work together to drive high performance and create a culture where everyone feels trusted, valued and empowered. We aim to strengthen our relationships with all stakeholders to drive positive outcomes for the people of NSW.

Corporate governance

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 how boards of Government businesses including Landcom should manage corporate governance.

It includes an 'if not, why not' approach, which means that if the Board considers any recommendation in TPP17-10 not appropriate, or has not adopted the recommendation, the Board must explain 'why not' and show 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 the following matters:

- **Each director should be limited to sitting on three government boards.***

In addition to the Landcom Board, Director Siobhan Toohill sits on three State Government boards (the Greater Sydney Parklands Trust, NSW Responsible Gambling Fund Trust, and NSW Anti-slavery Commissioner's Advisory Panel) and one Federal Government board (the Nature Repair Committee – a Committee of the Federal Department of Climate Change, Energy, the Environment and Water), totalling five government boards.

The Landcom Board has determined that the total time commitment required for Ms Toohill to hold these positions does not impact on her ability to fulfil her duties as a Director of Landcom, and those positions do not impact on her independence. All other Directors do not sit on more than three government boards.

* Government boards includes any board or committee positions held within government or local Government.

- **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 NSW Treasury conducts Director appointments in line 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.

Between 30 November 2024 and 30 June 2025, the Committee comprised two members. The Board has determined that the responsibilities of the People & Culture Committee under its Charter have been fulfilled as the Chair of the Board, Mr Ashley Mason attended the Committee meetings held in November 2024 and April 2025, and Director Ms Siobhan Toohill, attended the meeting held in April 2025. Their involvement ensured prudent and appropriate deliberations on matters before the Committee.

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

The Board notes the audit committee membership recommendation is to 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. John Barbeler's second term as Director was ultimately extended from 13 March 2024 to 16 April 2025 to ensure the Board had a suitably qualified accountant and finance professional.

Board of Directors

Constitution and Board Charter

The Landcom Constitution sets out how the Landcom Board and Management should conduct Landcom's affairs and reflects the requirements of the *Landcom Corporation Act 2001* (NSW) and the *State Owned Corporations Act 1989* (NSW).

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 1989* (NSW);
- The Business Plan; and
- The Statement of Priorities for the purposes of section 11 of the *Landcom Corporation Act 2001* (NSW) and the Statement of Expectations for the purposes of 'Ownership and Portfolio Expectation Policy - 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 efficiently;
- Operating the business sustainably;
- Ensuring robust procurement and employment practices that support the economic, environmental and social outcomes of the state;
- Ensuring Landcom balances the priorities of customers, stakeholders and community; and
- Enhancing the affordability and diversity of housing supply.

Board performance review

The Board is committed to conducting performance reviews annually and an external and independent evaluation at least every second year, or as otherwise determined by the Board. After each review, the Board identifies common themes and creates a plan to act on the recommendations.

The last Board Performance Review was conducted through BoardOutlook, an external and independent service provider, in March 2025.



Board structure

Table 5 – Directors’ independence, appointment date and government board appointments

Director	Independent	Year appointed	Number of government boards ¹
Ashley Mason (Chair)	Yes	2024	1
Trent Alston	Yes	2021	1
John Barbeler ²	Yes	2018	1
Pamela Hanrahan ³	Yes	2018	1
The Hon Craig Knowles AM	Yes	2024	1
Susan MacDonald	Yes	2021	2
Ilona Millar	Yes	2025	2
Kieran Pryke	Yes	2025	1
Siobhan Toohill	Yes	2025	5
Selina Short ⁴	Yes	2021	1

1 As at 30 June 2025. Government Boards includes any board or committee positions held within government or local government, including Landcom.

2 Mr Barbeler’s term as Director of Landcom concluded on 16 April 2025.

3 Ms Hanrahan’s term as Interim Chair and Director of Landcom concluded on 31 July 2024.

4 Ms Short’s term as Director of Landcom concluded on 30 November 2024.

Board meetings

Table 6 – Board and Board Committee meeting attendance, FY25

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 ¹	7	7	-	-	1	-	2	2
John Barbeler ²	4	4	-	-	3	3	-	-
Pamela Hanrahan ³	0	0	-	-	0	0	0	0
The Hon Craig Knowles AM ⁴	8	8	-	-	5	-	2	2
Susan MacDonald	7	8	-	-	5	5	-	-
Ashley Mason ⁵	8	8	-	-	5	4	2	-
Ilona Millar ⁶	2	2	-	-	-	-	-	-
Kieran Pryke ⁷	2	2	-	-	1	1	-	-
Siobhan Toohill ⁸	2	2	-	-	1	-	1	-
Selina Short ⁹	2	2	-	-	-	-	1	2

- 1 Mr Alston attended the 3 September 2024 Board meeting as an Observer/Advisor between Director appointment terms. Mr Alston attended one Audit & Risk Management Committee meeting in his capacity as Director of Landcom.
- 2 Mr Barbeler's terms as Director of Landcom paused on 19 December 2024 and resumed on 5 March 2025 when a short extension to this term commenced. During the interim period, Mr Barbeler was appointed as a consultant to the Board through a Contingent Fixed Term Employment Agreement with Landcom and attended the Board meetings on 31 January 2025 and 28 February 2025 in this capacity. Mr Barbeler's term as Director expired upon new directors being appointed to the Board, effective 16 April 2025. To allow a sufficient handover as Chair of the Audit & Risk Management Committee, Mr Barbeler was re-appointed as a consultant to the Board through a Contingent Fixed Term Employment Agreement with Landcom and attended the Board meeting on 1 May 2025 in this capacity.
- 3 Ms Hanrahan's appointment as Interim Chair and Director concluded on 31 July 2024.
- 4 Mr Knowles AM's appointment as Director commenced on 21 August 2024. Mr Knowles was appointed as a Member of the People & Culture Committee on 3 November 2024 and attended five meetings of the Audit & Risk Management Committee in his capacity as a Director of Landcom.
- 5 Mr Mason's appointment as Chair and Director commenced on 21 August 2024. Mr Mason attended one meeting of the Audit & Risk Management Committee in his capacity as a Director of Landcom, prior to being appointed as a Member of that Committee on 3 November 2024. Mr Mason attended two meetings of the People & Culture Committee in his capacity as Director of Landcom.
- 6 Ms Millar's appointment as Director commenced on 16 April 2025.
- 7 Mr Pryke's appointment as Director commenced on 16 April 2025 and he was appointed Chair of the Audit & Risk Management Committee on 1 May 2025.
- 8 Ms Toohill's appointment as Director commenced on 16 April 2025. Ms Toohill attended one meeting each of the Audit & Risk Management Committee and People & Culture Committee in her capacity as Director of Landcom.
- 9 Ms Short's appointment as Director concluded on 30 November 2024.

Board diversity and inclusion

The Board oversees Landcom’s diversity and inclusion aspirations 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
- bring together a wealth of knowledge, backgrounds, ideas and perspectives
- 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.

Table 7 - Gender breakdown for the Board at the start and end of FY25

Gender	1 July 2024	30 June 2025
Female	60%	43%
Male	40%	57%

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 Board approval. The Committee Charters detail their respective purpose, membership criteria, role and responsibilities.



Table 8 – Board Committees

Board Committees	
Audit & Risk Management Committee	People & Culture Committee
<p>The Audit & Risk Management Committee comprises three Independent Non-executive Directors. The Committee is chaired by an independent Chair who is not the Chair of the Board.</p> <p>Membership of the Audit & Risk Management Committee as at 30 June 2025 consists of:</p> <ul style="list-style-type: none"> • Kieran Pryke (Committee Chair); • Ashley Mason; and • Susan MacDonald. <p>The Committee operates under a Charter and its role includes oversight and review of the effectiveness of:</p> <ul style="list-style-type: none"> • Systems of internal control of Landcom; • External accountability, reporting and financial management; • The work health and safety framework; • Risk management; • External and internal audit capability; • Sustainability; and • Compliance with applicable legislation. <p>Kieran Pryke is a Fellow Certified Practising Accountant and has extensive executive experience in managing the financial concerns of commercial operations.</p>	<p>The People & Culture Committee comprises three Independent Non-executive Directors. The Committee is chaired by an independent Chair who is not the Chair of the Board.</p> <p>Membership of the Committee as at 30 June 2025 consists of:</p> <ul style="list-style-type: none"> • Trent Alston (Chair); and • The Hon Craig Knowles AM. <p>The Committee operates under a Charter and is responsible for making recommendations to the Board on:</p> <ul style="list-style-type: none"> • Board composition: Developing a composition framework for the Board that includes the right mix of diversity, skills and expertise, tenure and cohesion to fulfill its responsibilities to Landcom and makes appropriate recommendations to Government for new Director appointments; and • People & Culture: Overseeing significant people and culture matters.

Leadership and organisation structure

See page 21 for our governance structure and page 33 for our organisational chart.

Executive diversity and remuneration

As at 30 June 2025, Landcom's Executive Leadership Team had six members, of which three were female and three were male, a 50% gender split.

Total remuneration for senior executives is calculated as the sum of the cost of employment, which includes contributions for superannuation and novated lease payments for a motor vehicle, where such option has been exercised. The Chief Executive Officer's performance is reviewed yearly by the People & Culture Committee, which reports the outcomes of the review to the Board.

The Chief Executive Officer reviews the performance of each of the Executives each year, with high level findings reported verbally to the People & Culture Committee.

Table 9 – Executive diversity and remuneration, three-year comparison

PSSE band equivalent	FY25		FY24		FY23		Average remuneration (TRP)		
	Female	Male	Female	Male	Female	Male	FY25 (\$)	FY24 (\$)	FY23(\$)
Above Band 4 equivalent	-	1	-	1	-	1	694,551	665,239	638,600
Band 4 equivalent	1	1	-	1	-	-	518,074	520,199	-
Band 3 equivalent	2	1	4	2	4	4	469,373	436,363	439,937
Band 2 equivalent	-	-	-	-	-	-	-	-	-
Band 1 equivalent	-	-	-	-	-	-	-	-	-
Totals	3	3	4	4	4	5	-	-	-

Staff employed, or acting, in recurrent senior executive roles represented 15.9% of total net employee related expenditure in FY25, compared with 17.3% in FY24. Staff employed, or acting, in recurrent senior executive roles represented 10.8% (FY24: 11.6%) of total gross employee related expenditure in FY25.

Our workforce

The following tables give a three-year comparison breakdown of our workforce numbers.

Table 10 – Employment type by gender, three-year comparison

Staff numbers by employment type	Gender	FY25	FY24	FY23
Full time	Female	92	94	80
	Male	91	89	83
Part time	Female	14	7	6
	Male	2	1	1
	Total	199	191	170

Table 11 – Contract type by gender, three-year comparison

Staff numbers by contract type	Gender	FY25	FY24	FY23
Award staff	Female	83	81	70
	Male	66	64	62
Non-award contract staff	Female	23	20	16
	Male	27	26	22
	Total	199	191	170

Table 12 - Award staff breakdown by gender, three-year comparison

Award staff breakdown	Gender	FY25	FY24	FY23
Permanent	Female	76	77	66
	Male	64	58	57
Fixed term	Female	7	4	4
	Male	2	6	5
Total		149	145	132

Table 13 - Non-award contract staff by gender, three-year comparison

Non-award contract staff breakdown	Gender	FY25	FY24	FY23
Permanent	Female	22	19	13
	Male	24	24	21
Fixed term	Female	1	1	3
	Male	3	2	1
Total		50	46	38

Table 14 - Employee location by gender, FY25

Location of employees (at last pay FY25)	Female	Male	Total
Parramatta	105	90	195
Other	1	3	4
Total	106	93	199

Table 15 - Employee turnover by gender and age group, FY25

Age group	Gender	FY25	New Starters	Leavers
<30	Female	11	3	0
	Male	12	4	2
	Total	23	7	2
30-50	Female	71	16	15
	Male	65	18	15
	Total	136	34	30
>50	Female	24	6	5
	Male	16	3	5
	Total	40	9	10
All	Female	106	25	20
	Male	93	25	22
	Total	199	50	42

Table 16 - Employee turnover by gender, three-year comparison

Turnover	Gender	FY25	FY24	FY23
New starters	Female	25	27	14
	Male	25	27	18
	Total	50	54	32
Leavers	Female	20	12	20
	Male	22	21	17
	Total	42	33	37

Table 17 - Ratio of average base pay, three-year comparison

Ratio of average base pay of female to male	FY25	FY24	FY23
Award staff	93.2%	95.7%	93.4%
Non-award contract staff	90.8%	96.4%	97.2%
All staff	87.2%	89.3%	88.5%

Table 18 - Employees eligible for parental leave in accordance with the Landcom Award by gender, FY25

Gender	Entitled	Not entitled
Female	88	18
Male	80	13
Total	168	31

Table 19 - Employees who took parental leave during FY25 by gender, including CEO discretion to approve beyond the bounds of the Landcom Award

Gender	Leave taken
Female	12
Male	7
Total	19

Table 20 – Employees who returned to work, continue on parental leave or left before returning from parental leave by gender, FY25

Gender	Returned to work	Still on parental leave	Left during or within 12 months from return from parental leave
Female	8	3	1
Male	5	2	0
Total	13	5	1

Table 21 – Return to work rate by gender, FY25

Gender	Eligible to return	Left during or within 12 months from return from parental leave	% Left during or within 12 months from return from parental leave
Female	12	1	8.33%
Male	7	0	0.0%
Total	19	1	5.26%

Leadership skills development

In FY25, we deepened our commitment to building a high-performing, purpose-driven workforce that supports the delivery of sustainable urban development and our strategic growth agenda. Our people strategy focused on embedding a values-led culture, strengthening leadership capability, and enhancing employee experience to drive commercial outcomes and organisational resilience.

We embedded culture-building initiatives across the organisation, which are covered under the 'Operations and performance' chapter of this report.

Additionally, we commenced work to strengthen our leadership and governance capability. This included restructuring the Executive Leadership Team, initiating a refreshed strategic meeting framework to enhance alignment and decision making, and the initial development of a team charter to guide collaboration and accountability.

We further developed workforce capability through a structured Learning Program aligned to the Landcom Learning Framework. Our diverse team of professionals across projects and corporate functions participated in targeted development initiatives, including leadership programs, technical workshops, and soft skills training. We also supported professional growth through participation in recognised industry programs, the Collaborative Leadership Program, 500 Women in Property, and the Strategic Leadership Program, reinforcing our position as a destination for purpose-driven talent.

Operational enhancements included the launch of a new onboarding platform and refined workflows to improve employee integration and experience. We also streamlined communication channels to support transparency, alignment and engagement across the business.

In remuneration and performance, Landcom approved a refreshed strategy aligned to market benchmarks and initiated a performance scorecard project to strengthen accountability and culture alignment.

Legislation

In FY25, the following significant legislative changes occurred which have or will impact our business:

Amendments to Australia's Anti-Money Laundering and Counter-Terrorism Financing Laws

Significant amendments to the *Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Act 2006 (Cth)* received Royal Assent on 10 December 2024. These reforms aim to modernise and expand Australia's regulatory framework to better combat money-laundering and counter-terrorism.

An external law firm completed a review of our operations which confirmed that we will provide designated services which will be regulated when the changes to the AML/CTF Act 2006 (Cth) come into force on 1 July 2026. As a result, we will become a reporting entity and subject to new requirements which include obligations to:

- conduct a money laundering, proliferation financing and terrorism finance risk assessment of our operations
- establish an AML/CTF compliance program
- report certain matters to Australian Transaction Reports and Analysis Centre (AUSTRAC), including suspicious matters, threshold transactions and international funds transfers.

Our AML/CTF risk assessment is underway. Once completed, we will develop and implement an appropriate AML/CTF compliance program to ensure that we are fully compliant by 1 July 2026.

Property and Stock Agents Regulation 2022

The *Property and Stock Agents Amendment (Landcom Exemption) Regulation* was passed on 2 April 2025. The amendments exempt us from relevant requirements in the *Property and Stock Agents Act 2002 (NSW)* for holding a corporate real estate licence.

We intend to apply for a corporate real estate licence which is required should we begin selling activities for projects involving private sector project partners.

Public access to information and the protection of privacy

Privacy and Personal Information Protection Act 1998 (NSW) requirements

We are committed to protecting the personal information of our customers, stakeholders, staff members and the public. We are subject to both the *Privacy and Personal Information Protection Act 1998 (NSW)* and the *Health Records and Information Privacy Act 2002 (NSW)*.

In FY25, we:

- continued to provide resources under our Privacy Framework, giving staff access to the Privacy Management Plan, Data Breach Policy, template collection notices, factsheets, checklists and links to the NSW privacy legislation
- delivered an online privacy awareness training module, which is required to be completed by new staff as part of their onboarding
- delivered targeted privacy training to staff who frequently handle personal information
- further embedded the requirement for privacy impact and cyber assessments to be undertaken for relevant new engagements
- provided advice and support to staff about their responsibilities and obligations when handling personal information
- undertook privacy impact and cyber assessments to ensure that personal information was being handled in line with the legislation
- arranged for relevant staff to attend privacy webinars.

Government Information (Public Access) Act 2009 (NSW) (formal access applications)

During the reporting period, we received one formal access application under the *Government Information (Public Access) Act 2009 (NSW)* which was determined during the reporting period. The following tables contain statistical information about the formal access application decided in FY25.

Public access to information tables

Table A – Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	1	1	1	0	0	0	0	0

* More than one public interest consideration may apply in respect to a particular access application. If so, a recording must be made in respect to each such application. This also applies to table B.

Table B – Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	1	1	1	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

* A 'personal information application' is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C - Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (Section 41 of the Act)	0
Application is for excluded information of the agency (Section 43 of the Act)	0
Application contravenes restraint order (Section 110 of the Act)	0
Total number of invalid applications received	0
Invalid Applications that subsequently became valid applications	0

Table D - Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Privilege generally - Sch 1(5A)	0
Information provided to High Risk Offenders Assessment Committee	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E - Other public interest considerations against disclosure: matters listed in table to Section 14 of the Act

	Number of occasions when application not successful
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	1
Environment, culture economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F - Timelines

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	1
Decided after 35 days (by agreement with applicant)	0
Not decided within timeframe (deemed refusal)	0
Total	1

Table G - Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld
Internal review	0	0
Review by Information Commissioner	0	0
Internal review following recommendation under Section 93 of the Act	0	0
Review by NCAT	0	0
Total	0	0

Table H - Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by people to whom information the subject of access application relates (see Section 54 of the Act)	0

Table I - Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications for review
Agency-initiated transfers	0
Applicant-initiated transfers	0

Authorised proactive release of information under section 7(3) of *Government Information (Public Access) Act 2009 (NSW)*

Under section 7 of the *Government Information (Public Access) Act 2009 (NSW)*, agencies must identify the kinds of government information that can be made publicly available at least every 12 months.

Landcom’s program for the proactive release of information involves regularly updating our website and individual project websites to provide information about our policies, projects and initiatives. We also consider publishing information about the community consultations we undertake and other commonly requested categories of information and the impact, if any, of proactively releasing this information.

During the year, we:

- considered the informal requests for information received and categories of information that are frequently requested, including input from relevant staff
- determined that there were no specific additional categories of information that were being regularly requested in the informal requests for information.

In addition, we regularly build on our industry knowledge and expertise through the work we do. Where we can, we share our knowledge freely within government, throughout the development industry and among interested members of the public. This practice is an effective way to build and maintain credibility.

Internal audit and risk management

Risk management framework, implementation and monitoring

Our Board's approach to risk management includes governance, compliance, risk appetite and business continuity management. This aligns with the Australian Standard AS ISO 31000:2018 Risk Management – Guidelines. We review our Enterprise Risk Management Framework (the framework) at least annually to ensure it is current and our approach to risk management continues to be sound.

Our framework defines our risk appetite and limits, raises awareness throughout the organisation and provides the policies and guidelines to successfully manage our business risks.

The Board oversees the framework and reviews it yearly, delegating risk management through a three-line model:

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

The Board last approved the framework in March 2025. To ensure effectiveness, we:

- promote a culture of risk management throughout the organisation from the Board, CEO, and Executive Committee to all staff
- continuously integrate risk management within our business processes
- assign risk management responsibilities within the organisation
- review our framework each year to improve decision-making and business processes and provide clear, consistent methodology, reporting and auditing tools.

We continuously manage and report risks in key business areas, including:

- strategic and operational risks
- projects risks
- health, safety and environment risks
- fraud and corruption prevention.

Our framework includes processes to govern, review and audit our risks. These include:

- regular risk oversight by the Audit & Risk Management Committee
- strategic risk discussions at Board meetings
- regular risk workshops with the CEO and the Executive Committee to monitor and update risks
- a risk-based internal audit program that assesses our treatment of risks
- comprehensive risk reporting at all levels of the business.

The Board's Audit & Risk Management Committee consists of Non-executive Directors and is attended by management representatives, independent advisers and observers. The committee regularly considers risk matters from internal and external audits. It also considers independent assessments of performance against key risk management systems such as the Legal Compliance Framework, Health, Safety and Environment Management System; Fraud Control Framework; and others.

Crisis management and business continuity

Our Crisis Management and Business Continuity Strategy includes a Crisis Management Plan and Business Recovery Plan to minimise adverse impacts on our staff, stakeholders and business operations during a major incident or crisis. The plans identify scenarios that could disrupt our business and outline steps to stabilise and restore critical business processes. We test and review both plans each year to ensure that we have the resources and capability to respond to any event that could disrupt or threaten our business.

Insurance

Landcom is insured through the NSW Treasury Managed Fund, which is based on the principles of self-insurance and emphasises sound risk management. Insurance and Care NSW (icare) administer the self-insurance scheme, covering motor vehicle, property, public/product liability, professional indemnity, director and officer liability, and workers compensation.

We completed our FY25–26 Renewal Declarations for the Treasury Managed Fund in September 2024 and renewed all policies for the current policy period.

Internal audit

Our internal audit function is led by our Director, Audit & Risk and supported by an external internal audit provider. The function reports to the Chair of the Audit & Risk Committee, providing the committee and senior management with independent, objective assurance around internal controls.

The Director, Audit & Risk reports to the Audit & Risk Management Committee at each meeting on the internal audit plan.

Risks affecting our goals

We face a range of political, economic, industrial, commercial and operational, legal and regulatory, social, technological, sustainability and environmental risks. In FY25, the Board and Executive updated strategic risks against the FY24-29 Strategic Plan. These strategic risks are monitored and discussed continually by the Board. We also have processes in place to reduce inherent risks and manage residual risks across the organisation, including the CEO and Executive Committee participating in quarterly risk workshops to review our Strategic Risk Register.

Miscellaneous activities

Disclosure of approved exemptions

The new TPG25-10 Framework for Financial and Annual Reporting released by NSW Treasury on 30 June 2025 replaces the former framework, TPG23-10 for FY25 and future years – and sets three different levels of reporting requirements depending on whether an agency is classified as a group 1, group 2 or group 3. Under the framework, Landcom is a group 1 agency.

On 23 July 2025, we received approval for a reporting exemption from the requirements outlined in section 2.2, pursuant to section 5.1 of TPG25-10a, relevant to this Annual Report:

'If a group 1 agency has a major work(s) in progress during the reporting year, it must include the following information in its annual reporting information:

- description of the major works in progress
- cost to date
- dates of completion
- summary of any significant delays or amendments.

Major works has the same meaning as in the budget papers. Refer to the budget papers for the reporting year for the relevant cost threshold for major works'.

NSW Treasury approved the exemption to overcome concerns about the loss of commercial confidentiality for statutory State Owned Corporations.

Consultants

In FY25, we engaged nine consultants for \$50,000 or less, with total cost of \$110,000.

Additionally, \$252,000 was paid to three consultants for engagements valued at over \$50,000. These are detailed below:

Table 21 – Consultants

Consultant name	Contract description	Amount
Squidgie Enterprises Pty Ltd	Equity Sourcing Strategy Advisory Services	\$100,00
Australia East PropertyCorp Pty Ltd	New Business Investigations Consulting	\$77,000
HILLPDA Pty Ltd	Urban and Retail Economic Consulting Services	\$75,000
Total		\$252,000

International travel

There has been no international travel in FY25 by Landcom officers or employees.



Sustainability

Our commitment to sustainability

In 2025, Landcom continued to deliver on our commitment to creating places that are climate resilient, productive, healthy and inclusive. Our achievements reflect strong collaboration, innovation and accountability across every aspect of our work – from sustainability rebates and Indigenous design integration to top-tier energy ratings and community engagement. These highlights showcase the tangible impact of our efforts, illustrated through select case studies. For the full story of our sustainability journey, please see our FY25 Sustainability Report.

2025 highlights



Climate Resilient Places

\$13.2%

upfront carbon reduction across all in-scope dwellings

Net positive (+3%)

overall portfolio performance achieved a net positive nature outcome of 3%



100% of projects carried out climate risk assessments and identified actions to address physical and transition climate risks

Green Star ratings

Two new 5 Star Certifications and seven new registrations across Buildings, Communities and Homes tools



Healthy & Inclusive Places



100%

new projects used our Join In Framework for engagement



100%

new projects reviewed by the Landcom Design Review Panel



90%

of residents report high physical and mental health



71%

residents report the design of their community is resilient and best practice



Productive Places

20,697

cumulative jobs enabled toward our goal of enabling 30,000 enduring jobs by 2036

767

students engaged cross our programs

\$69,000

cash investment in research and development



Accountable & Collaborative Places

★★★★☆

GRESB Green Star

Landcom achieved 97/100 for GRESB reporting, well above the average 88/100



Nature

Landcom's Board Charter and Risk Appetite Statement's were updated to include impacts to Nature in Board decision making

Innovate RAP

Landcom created and launched our Innovate Reconciliation Action Plan

Climate-related financial disclosures

Landcom's first year of mandatory disclosure to Treasury on our approach to managing climate change risks

Respecting First Nations

We remain steadfast in our commitment to cultivating respectful and meaningful relationships with Traditional Owners and Aboriginal and Torres Strait Islander communities in our sphere of operation. In December 2024, we formally launched our Innovate Reconciliation Action Plan (RAP).

This plan was developed by our Reconciliation Action Plan Collaborative in partnership with Aboriginal-owned consultancy, Ngura Advisory, and Reconciliation Australia. It outlines a series of substantive actions that support the broader national reconciliation movement.

The launch event was honoured by the presence of Aunty Julie Jones, who delivered a Welcome to Country, and featured contributions from our Innovate RAP artists, Luke Penrith and Nioka Marlowe.

Building upon the foundations established through our Reflect RAP, which concluded in December 2023, the Innovate RAP reflects our enduring dedication to reconciliation. Key focus areas have been identified in alignment with our role as a land developer, including:

- fostering reciprocal and meaningful relationships with Aboriginal and Torres Strait Islander communities across New South Wales
- enhancing organisational cultural capability through ongoing learning and engagement
- embedding the principles of Connecting with Country throughout our operations and project delivery.

For more information on our approach to Respecting First Nations including a Case Study on 'Designing with Country' see our FY25 Sustainability Report.

Climate-related financial disclosures

Landcom's first year of mandatory disclosure to Treasury on our approach to managing climate change risk can be found in Appendix 2.

Modern Slavery Act 2018

This was our sixth year of reporting since the introduction of the *Modern Slavery Act 2018* (Cth), marking an important strategic milestone in our modern slavery journey and our commitment to safeguarding human rights throughout our operations and broader value chain.

In FY25, we continued our staff education and improved our policies and procedures by engaging with people with lived experience via The Freedom Hub's Survivor Advisory Board. We also furthered our industry knowledge-sharing through active membership of the Property Council of Australia (PCA) Human Rights and Modern Slavery Working Group.

This reporting year, we continued to take steps to review and understand key risks in our supply chain and assessed our procurement spend for inherent modern slavery risks using the Inherent Risk Identification Tool (IRIT) from the Office of the NSW Anti-Slavery Commissioner for the second year in a row.

For full details on our disclosures in accordance with the *Modern Slavery Act 2018* (Cth), please see our FY25 Modern Slavery Statement on our website and within our FY25 Sustainability Report.

For full details on Landcom's disclosures in accordance with our reporting obligations under section 31 of the *Modern Slavery Act 2018* (NSW) can be found on our website [here](#).

Work health and safety

Our approach

In FY25, we reinforced our commitment to creating physically and psychologically safe environments across all projects, workplaces and community spaces. We enhanced foundational health, safety and environment (HSE) systems, including incident management processes and consultation through our HSE Committee. We introduced a balanced scorecard incorporating both lead and lag indicators to provide our leadership teams with a more rounded representation of safety performance. We also implemented a targeted approach to identifying psychosocial hazards and launched a range of wellbeing initiatives to support the mental and physical health of our people. This will allow us a more effective mitigation of any relevant risks in the upcoming financial year.

Our safety performance

During FY25, Landcom workers¹ did not sustain incidents resulting in disabling injuries or fatalities. By comparison, two incidents resulted in psychological injuries with workers compensation claims² recorded in FY24. The injured workers have since been deemed fit for restricted duties and are currently engaged in return-to-work programs, supported by Landcom.

During FY25, external principal contractors reported only one lost time injury – a musculoskeletal incident. The injured worker made a full recovery and successfully returned to work. The Lost Time Injury Frequency Rate (LTIFR) for principal contractors was 4.85, representing a significant reduction from the FY24 indicator, 10.43.

Conversely, the Total Recordable Injury Frequency Rate (TRIFR) for principal contractors increased markedly – from 10.43 in FY24 to 24.23 in FY25. Although no medical treatment cases were recorded during the financial year, most recordable incidents involved first aid injuries. While not the desired outcome, this rise in reported incidents is likely the result of our targeted efforts to promote a transparent and proactive safety reporting culture among our principal contractors, encouraging the capture of even minor events.

Table 22 – Details of injuries FY24 and FY25

Financial year	Fatality	Lost time injury	Medical treatment injury	First aid injury	LTIFR*	TRIFR**
Landcom workers						
FY24	0	2	0	3	5.81	14.53
FY25	0	0	0	2	0	5.76
Principal Contractor workers						
FY24	0	2	0	0	10.43	10.43
FY25	0	1	0	4	4.85	24.23

* 12 months rolling Lost Time Injury Frequency Rate per 1,000,000 hours worked. Only includes Lost Time Injuries.

** 12 months rolling Total Recordable Injury Frequency Rate contractors per 1,000,000 hours worked. Includes lost time, medical treatment and first aid injuries.

- 1 Defined as anyone performing work for Landcom. This includes, but is not limited to, employees, subcontractors directly engaged by Landcom, apprentices, trainees, work experience students, volunteers and outworkers.
- 2 This is an amended outcome to the FY24 annual report which reflected zero lost time injuries for Landcom workers. Following detailed investigations by Landcom insurer, the diagnosis for both psychological injuries was determined and communicated to Landcom during FY25.



Figure 1 - FY25 Lost Time Injury Frequency Rate (LTIFR)

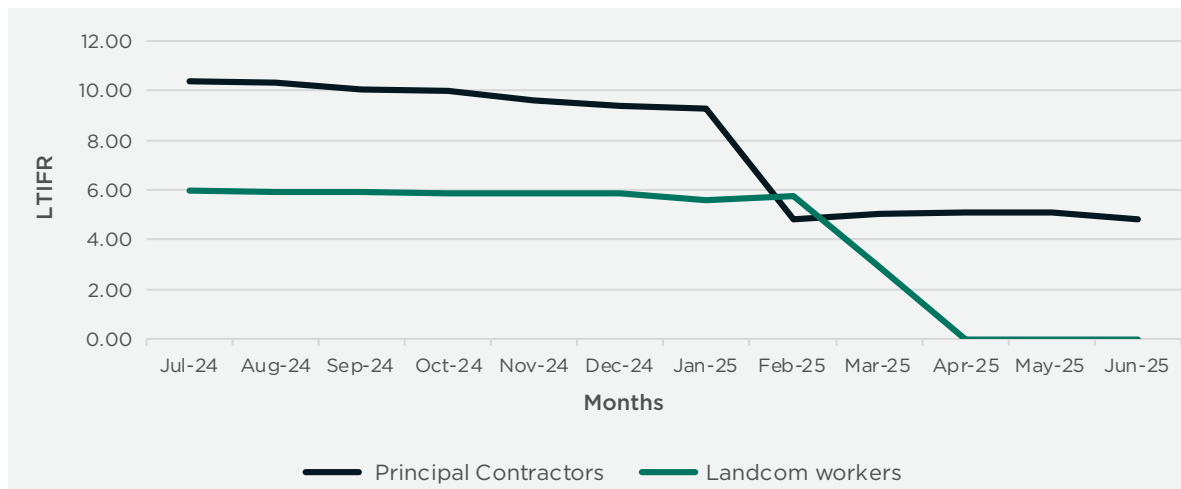
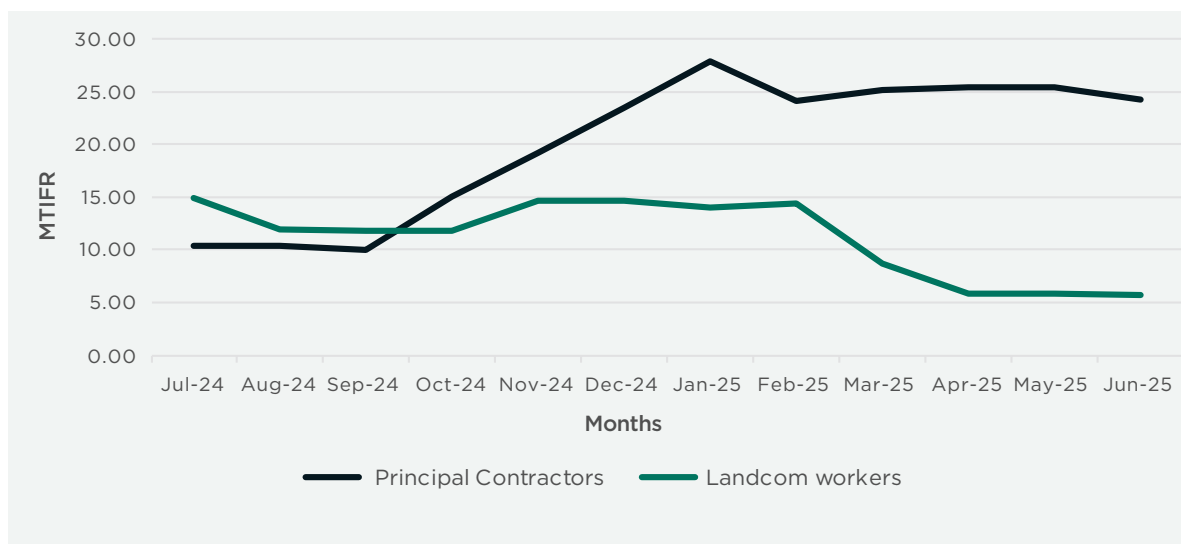


Figure 2 - FY25 Total Recordable Injury Frequency Rate (TRIFR)



Future focus

As our safety culture will continue to evolve in FY26, we are advancing our approach with targeted enhancements to our health, safety and environment management systems aligned to our shifting organisational direction. We will broaden our safety monitoring to include additional indicators that reinforce consistency across assurance-related activities, underlining our proactive stance on risk identification and incident prevention as a residential developer.

Key focus areas in our operational plan include embedding a Psychosocial Safety Framework, strengthening stewardship of major hazards throughout the project lifecycle, and delivering a comprehensive Occupational Health, Safety and Wellbeing program.

Workforce diversity performance

Table 23 - Workforce diversity groups, three-year comparison

Workforce diversity group	Landcom benchmark	FY25	FY24	FY23
Women	50.0%	53.3%	52.9%	50.6%
Women in senior leadership ¹	50.0%	53.0%	53.0%	— ²
Aboriginal and/or Torres Strait Islander People	3.3%	1.0%	1.6%	0.6%
People whose first language spoken as a child was not English	23.2%	31.2%	32.5%	35.9%

1 Senior leadership is made up of our executive and senior leadership teams who are direct reports to the Executive Leadership Team and other key business leaders.

2 We began capturing women in senior leadership data from FY24.



Our commitment to diversity & inclusion

Landcom is committed to building a workplace culture that values diversity and inclusion, enabling all staff to thrive. To deliver more affordable and sustainable communities, our workforce must reflect the diversity of the NSW communities we serve. Our Diversity & Inclusion Policy sets the foundation for a respectful, inclusive, and discrimination-free environment where differences are embraced and leveraged to drive innovation, agility and resilience.

This commitment is actioned through our Diversity & Inclusion Action Plan, which outlines targeted initiatives to foster fairness, attract and support underrepresented groups, and embed inclusive practices across our organisation. Together, these efforts ensure our people can bring their whole selves to work and contribute meaningfully to Landcom's success.

Together, our policy and action plan form a strong foundation for a workplace that is innovative, agile and resilient – where diversity is not only embraced but drives meaningful impact across our organisation and the communities we serve.

During FY25, Landcom proudly delivered a range of initiatives aligned with our Diversity & Inclusion goals:

- Delivering Landcom's Frontier program – an advanced leadership initiative that equips female leaders with the confidence and adaptive mindset to navigate today's leadership challenges.
- Launching our second Reconciliation Action Plan (RAP), an Innovate RAP. Developed with input and guidance from Aboriginal-owned consultancy, Ngurra Advisory, the Innovate RAP builds on our work under our Reflect RAP, so that we can ensure lasting and impactful change at Landcom.
- Nominating candidates for the Women in Infrastructure Mentoring Program and 500 Women in Property Program.
- Providing regular workplace training for all staff, including RAP Cultural Competency, diversity and inclusion, and bullying and harassment. We also provided leadership training in recruitment to raise awareness of bias and promote fair decision-making.
- Celebrating and recognising events of significance, including International Women's Day, National Reconciliation Week and NAIDOC Week.
- Participating in the Australian Network on Disability's PACE Program as part of our Diversity and Inclusion Action Plan. Five mentors supported university students with disability in preparing for meaningful employment. We marked the program's conclusion at the closing event on 20 August 2025.



Landcom financial statements

**For the year ended
30 June 2025**



INDEPENDENT AUDITOR'S REPORT

Landcom

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of Landcom (the Corporation), which comprise the Directors' declaration, the Statement of Comprehensive Income for the year ended 30 June 2025, the Statement of Financial Position as at 30 June 2025, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation) and the Treasurer's Directions
- presents fairly the Corporation's financial position, financial performance and cash flows.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Corporation in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Key Audit Matters

Australian Auditing Standard ASA 701 'Communicating Key Audit Matters in the Independent Auditor's Report' applies to the audit of the general purpose financial statements of listed entities or when an auditor is required by legislation to communicate key audit matters in the auditor's report. There is no legislative requirement to communicate key audit matters in my independent audit report on the Corporation. I have voluntarily included a narrative on Key Audit Matters to enhance the readability of my audit opinion.

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 30 June 2025. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

Key Audit Matter	How my audit addressed the matter
Measurement of inventory	
<p>At 30 June 2025, the Corporation's Statement of Financial Position reported \$572.4 million as inventories.</p> <p>The Corporation has a portfolio of long-term land development projects, classified as inventories, that are being developed for future sale.</p> <p>Inventory is measured at the lower of cost and net realisable value (NRV), which is assessed at each reporting date.</p> <p>The cost of inventory includes land acquisition costs, development costs and capitalised overhead associated with bringing the inventory to its present location and condition.</p> <p>NRV is calculated based on the estimated selling price of the inventory, less the estimated costs of completion. Where a project's NRV is lower than cost it is written down to its NRV.</p> <p>This is a key audit matter because:</p> <ul style="list-style-type: none"> inventories are financially significant to the Statement of Financial Position the measurement of NRV requires the use of significant judgements and estimates related to future project sales and costs to complete. <p>Further information on recognition and measurement of inventories is disclosed in Note 3.1.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> obtaining profitability forecasts for each of the projects classified as inventory and assessing management's review and certification of the recoverability of inventories at reporting date selecting a sample of projects to perform the following procedures: <ul style="list-style-type: none"> inquiring of management to understand the status of selected projects including the related key project risks, opportunities, and changes in general macro-economic factors on forecasts reviewing documentation that supports the basis of significant judgments and estimates made to forecast sales and costs to complete (this included independent valuation reports, evidence of sales data for comparable sold properties, committed costs under contracts, external and internal cost and price estimates) testing additions to the cost of inventory, on a sample basis, to ensure they qualified for capitalisation and are directly attributable to the relevant project comparing the carrying value to the selected project's NRV to assess whether any write down was required.
Provision for cost to complete projects	
<p>At 30 June 2025, the Corporation's Statement of Financial Position reported \$32.5 million provision for cost to complete projects (the provision).</p> <p>The provision captures future development costs based on the original land development schedule and estimates of other known obligations expected to be incurred when the land is sold.</p> <p>This is a key audit matter because:</p> <ul style="list-style-type: none"> the provision is financially significant to the Statement of Financial Position the measurement of the provision requires the use of significant judgements and estimates that are subject to revision. <p>Further information on recognition and measurement of the provision for cost to complete projects is disclosed in Note 4.6(ii) and a reconciliation of the movements in the balance is disclosed in Note 4.6(i).</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> reviewing the nature and value of the provision and any changes from the prior year to determine the reasonableness of the current year provision obtaining evidence demonstrating management had reviewed the provision for each project and certified the accuracy of the balance at reporting date selecting a sample of projects to perform the following procedures: <ul style="list-style-type: none"> inquiring of management to understand the status of selected projects and basis for recognising a provision reviewing documentation to assess the reasonableness of significant judgements and estimates used in calculating the provision (including current contract rates, committed contract costs and other cost estimates)

Key Audit Matter	How my audit addressed the matter
	<ul style="list-style-type: none"> - testing movements of the provision in selected projects, to ensure they were attributable to the relevant project provision - reviewing the appropriateness of the rate used to index future cost estimates and discount the provision, and the mathematical accuracy of the calculation.
Valuation of defined benefit superannuation liabilities	
<p>At 30 June 2025, the Corporation's Statement of Financial Position reported net defined benefit superannuation liabilities totalling \$2.8 million.</p> <p>This liability balance is provided to the Corporation by the Administrator of the SAS Trustee Corporation based on an independent actuarial assessment.</p> <p>This is a key audit matter because:</p> <ul style="list-style-type: none"> • the gross balances of the defined benefit obligation and fair value of fund assets are financially significant • the underlying valuation model is complex due to the significant degree of judgement required to determine key assumptions used to value the liability • the value of the liability is sensitive to minor changes in valuation inputs. <p>Further information on the significant actuarial assumptions and sensitivity analysis is disclosed in Note 5.1.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • obtaining an understanding of the processes and key controls in place supporting the: <ul style="list-style-type: none"> - membership data used in the model - defined benefit superannuation liability calculation • assessing the completeness and accuracy of the membership data used in the model • with the assistance of actuarial experts, reviewing the methodology and key assumptions for reasonableness • assessing the qualifications, competence and objectivity of actuarial experts • evaluating the adequacy of financial statement disclosures against the requirements of applicable Australian Accounting Standards and Treasurer's Directions.

Directors' Responsibilities for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and Treasurer's Directions and the *State Owned Corporations Act 1989*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Corporation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar6.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Corporation carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Chris Harper
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

1 September 2025
SYDNEY

Directors' declaration

Pursuant to Section 7.6 of the *Government Sector Finance Act 2018*, we state that in the opinion of the Directors of Landcom:

- (a) The financial statements:
 - (i) present fairly the financial position of Landcom as at 30 June 2025 and of its performance, as represented by the results of its operations and its cash flows for the year ended on that date;
 - (ii) comply with Australian Accounting Standards, Australian Accounting Interpretations, the *State Owned Corporations Act 1989*, the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2024* and Treasurer's Directions mandated by the Treasurer.
- (b) We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.
- (c) At the date of this statement, there are reasonable grounds to believe that Landcom will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Directors:



ASHLEY MASON
Chair



KIERAN PRYKE
Director

28 August 2025
Sydney

Statement of Comprehensive Income for the year ended 30 June 2025

	Notes	30 June 2025	30 June 2024
		\$'000	\$'000
Revenue from contracts with customers	2.1	263,423	282,618
Cost of sales		(143,085)	(157,916)
Gross profit		120,338	124,702
Other income	2.2	2,663	261
Finance income	2.3	11,101	13,352
Employee related expenses	2.4	(29,737)	(28,984)
Other expenses	2.5	(29,361)	(23,970)
Depreciation and amortisation expense	2.6	(3,040)	(2,974)
Net fair value loss on investment properties	3.2	(8,120)	-
Finance costs	2.3	(652)	(420)
Profit before income tax		63,192	81,967
Income tax equivalent expense	2.7	(18,959)	(24,657)
Net profit for the year		44,233	57,310
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Superannuation actuarial loss	5.1(vi)	(141)	(72)
Income tax equivalent benefit	2.7(i)	43	21
Total items that will not be reclassified to profit or loss		(98)	(51)
Other comprehensive loss for the year, net of income tax equivalent		(98)	(51)
Total comprehensive income for the year		44,135	57,259

The above Statement of Comprehensive Income should be read in conjunction with the attached notes to the financial statements.

Statement of Financial Position as at 30 June 2025

	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	133,889	211,773
Trade and other receivables	4.2	127,373	115,462
Inventories	3.1	144,038	139,583
Current tax asset	2.7(iii)	2,010	-
Prepayments		7,579	6,467
Total Current Assets		414,889	473,285
Non-current assets			
Trade and other receivables	4.2	9,904	-
Inventories	3.1	428,324	403,570
Investment properties	3.2	19,942	-
Property, plant and equipment		2,665	2,747
Right-of-use assets	4.4	9,371	11,098
Intangible assets		678	1,330
Deferred tax assets	2.7(ii)	14,683	26,707
Total Non-Current Assets		485,567	445,452
TOTAL ASSETS		900,456	918,737
Liabilities			
Current liabilities			
Trade and other payables	4.3	117,939	120,450
Borrowings	4.5	-	901
Lease liabilities	4.4	1,478	1,390
Current tax liability	2.7(iii)	-	8,208
Provisions	4.6	34,096	71,180
Total Current Liabilities		153,513	202,129
Non-current liabilities			
Trade and other payables	4.3	6,946	9,035
Borrowings	4.5	749	-
Lease liabilities	4.4	9,048	10,526
Provisions	4.6	10,313	8,995
Total Non-Current Liabilities		27,056	28,556
TOTAL LIABILITIES		180,569	230,685
NET ASSETS		719,887	688,052
Equity			
Contributed capital	4.8	300,527	272,827
Retained earnings		419,360	415,225
TOTAL EQUITY		719,887	688,052

The above Statement of Financial Position should be read in conjunction with the attached notes to the financial statements.

Statement of Cash Flows for the year ended 30 June 2025

	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Cash flows from operating activities			
Receipts from customers and grants (inclusive of GST)		270,615	356,921
Interest received		7,099	8,994
Payments to suppliers and employees (inclusive of GST)		(300,997)	(366,134)
Income taxes equivalent paid	2.7(iii)	(17,110)	(29,276)
Finance costs		(652)	(420)
Net cash used in operating activities	4.1	(41,045)	(29,915)
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles		(640)	(2,178)
Payments for investment property acquisitions and capital expenditure		(22,735)	-
Proceeds from sale of property, plant and equipment		-	13
Net cash used in investing activities		(23,375)	(2,165)
Cash flows from financing activities			
Proceeds from borrowings		5,288	-
Repayment of borrowings		(5,534)	-
Principal elements of lease payments		(1,390)	(1,656)
Dividends paid to NSW Treasury		(39,528)	(42,269)
Proceeds from equity contributions	5.2	27,700	-
Net cash used in financing activities		(13,464)	(43,925)
Net decrease in cash and cash equivalents		(77,884)	(76,005)
Cash and cash equivalents at the beginning of the year		211,773	287,778
Cash and cash equivalents at the end of the year	4.1	133,889	211,773

The above Statement of Cash Flows should be read in conjunction with the attached notes to the financial statements.

Statement of Changes in Equity for the year ended 30 June 2025

	Notes	Contributed capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2024		272,827	415,225	688,052
Profit for the year ended 30 June 2025		-	44,233	44,233
Other comprehensive loss				
Superannuation actuarial loss on defined benefit plans	5.1(vi)	-	(141)	(141)
Income tax relating to components of other comprehensive income	2.7(i)	-	43	43
Total other comprehensive loss		-	(98)	(98)
Total comprehensive income for the year		-	44,135	44,135
Transactions with owners in their capacity as owners				
Contributions of equity	5.2	27,700	-	27,700
Dividends to NSW Treasury	4.3	-	(40,000)	(40,000)
Total transactions with owners in their capacity as owners		27,700	(40,000)	(12,300)
Balance as at 30 June 2025		300,527	419,360	719,887
	Notes	Contributed capital \$'000	Retained earnings \$'000	Total equity \$'000
Balance as at 1 July 2023		272,827	397,494	670,321
Profit for the year ended 30 June 2024		-	57,310	57,310
Other comprehensive loss				
Superannuation actuarial loss on defined benefit plans	5.1(vi)	-	(72)	(72)
Income tax relating to components of other comprehensive income	2.7(i)	-	21	21
Total other comprehensive loss		-	(51)	(51)
Total comprehensive income for the year		-	57,259	57,259
Transactions with owners in their capacity as owners				
Dividends to NSW Treasury	4.3	-	(39,528)	(39,528)
Total transactions with owners in their capacity as owners		-	(39,528)	(39,528)
Balance as at 30 June 2024		272,827	415,225	688,052

The above Statement of Changes in Equity is to be read in conjunction with the attached notes to the financial statements.

Notes to the financial statements

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Notes to the financial statements

1 Basis of Preparation

Reporting Entity

Landcom (the Corporation) is a NSW Government statutory State Owned Corporation established on 1 January 2002 by the *Landcom Corporation Act 2001* and is controlled by the State of New South Wales, which is the ultimate parent. The Corporation operates under the commercial disciplines of the NSW Government's Commercial Policy Framework and is a for-profit entity for financial reporting purposes.

Landcom works with the NSW Government to improve the supply, diversity and affordability of housing across the state. Landcom is focused on supporting this government priority and delivering the local infrastructure required to help communities grow and thrive. Landcom unlocks surplus or underutilised government-owned sites, or large institutional and/or private land holdings, to create vibrant urban places with housing choices, community facilities, open spaces and access to sought-after services.

Landcom has a long history of building award-winning sustainable urban developments and delivering civic projects, which add economic and social value to the state of NSW. Landcom is regularly working with the NSW Government to manage strategic and complex residential projects on vacant land and established sites.

These financial statements for the year ended 30 June 2025 have been authorised for issue by the Landcom Board of Directors on 28 August 2025.

Basis of Accounting

These general purpose financial statements have been prepared on an accrual basis in accordance with:

- The *State Owned Corporations Act 1989*;
- Applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- The requirements of the *Government Sector Finance Act 2018* and *Government Sector Finance Regulation 2024*; and
- Mandated Treasurer's Directions issued under the *Government Sector Finance Act 2018*.

Material accounting policies that describe the recognition and measurement bases used, as well as key judgements and estimates applied in preparing the financial statements, are disclosed in the relevant notes to the financial statements.

Where necessary, comparative information has been restated to conform to the current year's presentation and disclosures.

All amounts are rounded to the nearest one thousand dollars and expressed in Australian currency, which is also the Corporation's functional currency.

Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations. Compliance with Australian Accounting Standards ensures that Landcom's financial statements and notes also comply with International Financial Reporting Standards (IFRS). The accounting policies have been consistently applied, unless stated otherwise.

New or revised Australian Accounting Standards

(i) New and amended standards adopted by the Corporation

The accounting policies applied for the year ended 30 June 2025 are consistent with those of the previous financial period. Landcom has adopted the following amendments for the first time for the year ended 30 June 2025.

- *AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- *AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements*
- *AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*

Notes to the financial statements

1 Basis of Preparation (continued)

New or revised Australian Accounting Standards (continued)

(i) New and amended standards adopted by the Corporation (continued)

- *AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*

Amendments and interpretations adopted by the Corporation for the year ended 30 June 2025 have not had a material impact on the current period or any prior period.

(ii) New accounting standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been issued but are not yet effective for the year ended 30 June 2025. They have not been early adopted by the Corporation. Based on current management assessment, these standards, amendments, and interpretations are not expected to have a material impact on the Corporation in the current or future reporting periods and on foreseeable future transactions.

Critical accounting estimates and judgements

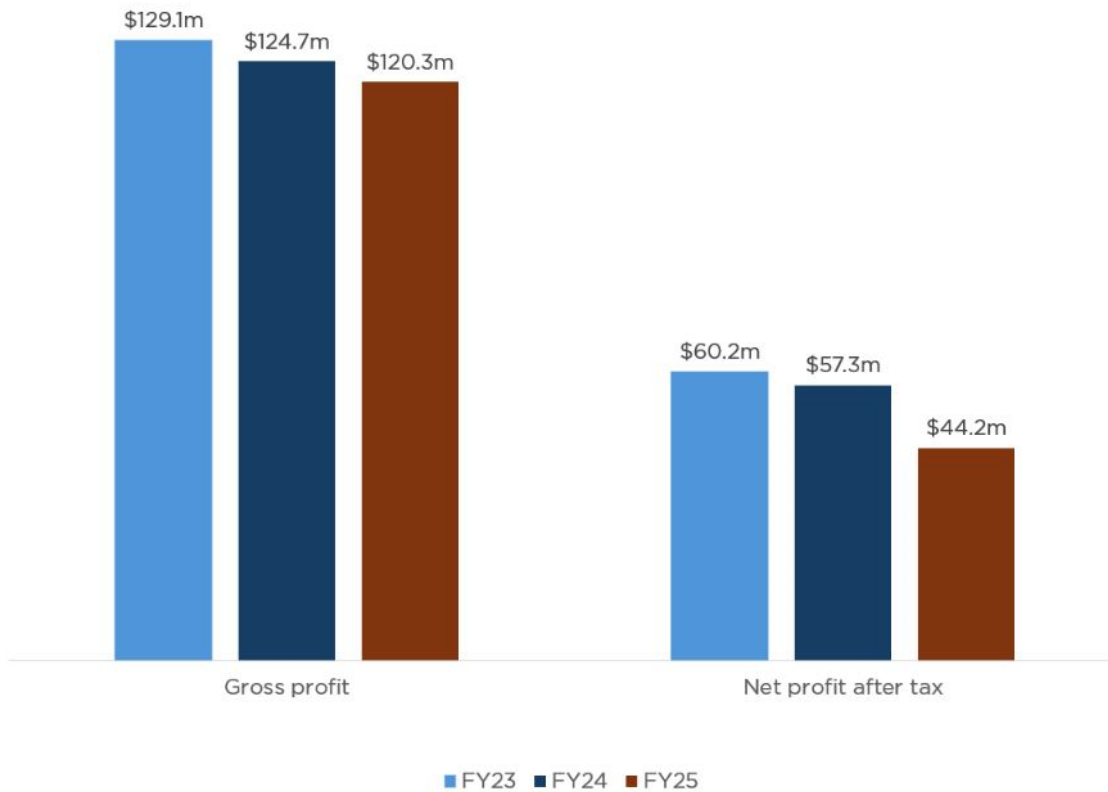
The preparation of the financial statements requires estimation or judgment. These are continually evaluated and are based on historical experience as adjusted for current market conditions. The areas of the financial statements involving a higher degree of estimation or judgement are included in the following notes:

- Revenue from contracts with customers (Note 2.1);
- Taxation (Note 2.7);
- Inventories (Note 3.1);
- Investment properties (Note 3.2);
- Leases (Note 4.4);
- Provisions (Note 4.6);
- Financial instruments and risk management (Note 4.7); and
- Superannuation (Note 5.1).

Notes to the financial statements

2 Financial performance

Three year performance review



2.1 Revenue from contracts with customers

	30 June 2025 \$'000	30 June 2024 \$'000
Land sales	122,164	229,472
Managed land sales	139,486	50,674
Management fees	1,773	2,472
	263,423	282,618
Timing of revenue recognition		
Transferred at a point in time	153,159	277,760
Transferred over time	110,264	4,858
Revenue from contracts with customers	263,423	282,618

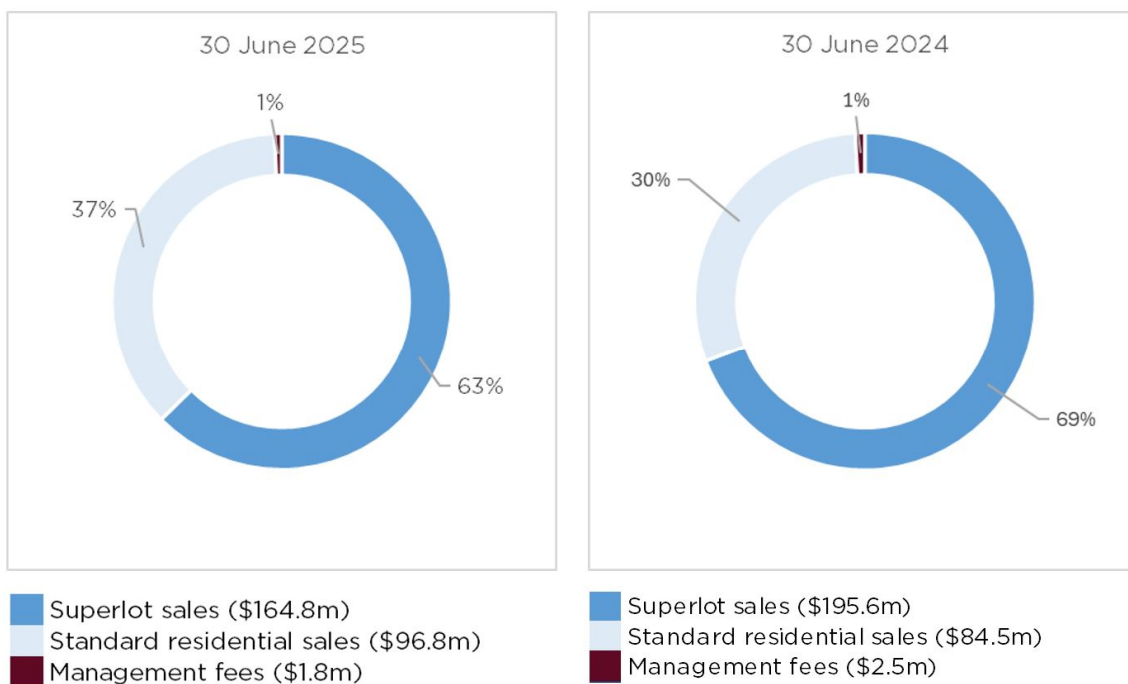
Assets and liabilities related to contracts with customers are disclosed in Note 4.2 and Note 4.3 respectively. Landcom has not recognised assets for contract costs, such as commissions and legal fees on sales to fulfil contracts. These costs are generally incurred within the same period that the respective contracts' performance obligations are fulfilled.

Notes to the financial statements

2.1 Revenue from contracts with customers (continued)

Sources of Revenue

Revenue from contracts with customers comprises wholesale revenue (superlot sales and associated Landcom contract entitlements), retail revenue (standard residential sales and associated rebate adjustments), and management fees.



2.1(i) Recognition and measurement

Land sales

Landcom derives its revenue from the development and sale of its own land lots to customers. Landcom's performance obligations to a customer to deliver the land lot is completed and satisfied when the legal title and control has been transferred to the customer, typically at settlement. Revenue is then recognised and is measured at the transaction price agreed under the sale agreement. Landcom's sales of land are usually settled within a 12 month period or less, otherwise a recognised receivable is discounted if a significant financing component exists.

Managed land sales

Managed land sales arise from Landcom's agreements to develop and sell land lots owned by other parties. Under most agreements, Landcom typically has one performance obligation to deliver a land lot, satisfied when control of the land lot is transferred to the customer. This generally occurs on settlement at which point revenue is recognised. The revenue recognised is measured at the transaction price per the agreement. Landcom's sales of land are usually settled within a 12 month period or less, otherwise a recognised receivable is discounted if a significant financing component exists.

In some agreements, a series of land lots are delivered progressively to the customer as part of one performance obligation (one promise). In this case, the performance obligation is satisfied over time and revenue is recognised over time. The methodology for calculating revenue, cost of sales, and margin employs a percentage of completion approach (output method based on settlement prices) throughout the project's duration.

Notes to the financial statements

2.1 Revenue from contracts with customers (continued)

Sources of Revenue (continued)

2.1(i) Recognition and measurement (continued)

Managed land sales (continued)

Key estimates and judgements

Revenue derived from certain managed land sales may include a variable amount, which requires the estimation of the amount of consideration to which Landcom will be entitled to under the contract. Estimates of variable consideration in the transaction price is only included to the extent that it is highly probable that the amount of variable consideration recognised will not be significantly reversed when the uncertainty is resolved.

Judgement is required in determining the following inputs for recognition of variable revenue:

- Estimates of future underlying asset values, serving as bases for forecast revenue
- The degree of probability that any potential variable revenue may be reversed taking into account a variety of factors such as historical performance.

Management fees

Landcom provides property development management services to NSW State Government agencies and other parties. Landcom generates development management fees typically calculated as a fixed percentage of total project costs. The management fees are recognised over time based on project costs incurred.

2.2 Other income

	30 June 2025 \$'000	30 June 2024 \$'000
Grant income	2,285	-
Other income	378	261
	2,663	261

2.2(i) Recognition and measurement

Government grants

Government grants relating to assets are recognised when there is reasonable assurance that the grant will be received and that the Corporation will comply with the conditions attached to them. These grants are held on the Statement of Financial Position as deferred income and released to the Statement of Comprehensive Income on a systemic basis when related expenses are incurred.

During the year, the Corporation recognised grant income of \$2.3 million (30 June 2024: \$nil) associated with the development of residential dwellings in regional NSW.

As at 30 June 2025, the carrying value of grants recorded as deferred income was \$1.5 million (30 June 2024: \$2.5 million) relating to the development of residential dwellings in NSW.

Notes to the financial statements

2.3 Finance income and costs

Finance income

	30 June 2025 \$'000	30 June 2024 \$'000
Interest from bank	4,978	8,808
Net interest income from discounting adjustments	4,649	4,168
Interest from delayed settlements	794	-
Interest on deferred settlement proceeds	680	376
	11,101	13,352

Finance costs

	30 June 2025 \$'000	30 June 2024 \$'000
Interest expense from lease liabilities	652	420
	652	420

2.4 Employee related expenses

	30 June 2025 \$'000	30 June 2024 \$'000
Salaries and wages	31,609	29,676
Termination payments	621	2,095
Superannuation – Defined benefit plans	172	220
Superannuation – Defined contribution plans	3,762	3,367
Long service leave	727	635
Annual leave	2,661	2,537
Payroll tax and fringe benefits tax	2,240	2,093
Other employee related expenses	2,176	2,736
	43,968	43,359
Less amounts capitalised	(14,231)	(14,375)
	29,737	28,984

2.4(i) Recognition and measurement

Salaries and wages, paid sick leave and annual leave

Salaries and wages, paid sick leave and annual leave (including non-monetary benefits) that are due to be settled within twelve months after the end of the period in which the employee renders the service are recognised and measured at undiscounted nominal amounts. Employees are expected to avail annual leave within twelve months and as such, no present value measurement is required.

Non-vesting sick leave

Unused non-vesting sick leave does not give rise to a liability.

Termination payments

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

Notes to the financial statements

2.4 Employee related expenses (continued)

2.4(i) Recognition and measurement (continued)

Termination payments (continued)

Termination benefits are recognised at the earlier of the following dates:

- (a) when Landcom can no longer withdraw the offer of those benefits; and
- (b) when Landcom recognises costs for a restructuring that is within the scope of AASB 137 Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to present value.

Superannuation – Defined contribution plans

Landcom pays fixed contributions into independent entities in relation to several superannuation plans for individual employees. Landcom has no legal or constructive obligation to pay contributions in addition to fixed contributions, which are recognised as an expense in the period that the related employee services are received.

Superannuation – Defined benefit plans

Refer to Note 5.1 for further detail regarding the defined benefits plans.

Long service leave

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits for all employees with five or more years of service. Expected future payments are discounted using high quality corporate bond rates at the reporting date. An actuarial valuation is obtained on a triennial basis, with the latest valuation obtained for the financial year ended 30 June 2023. This is in line with the requirements of TPG24-23 *Accounting for Long Service Leave and Annual Leave*, and a shorthand approach is adopted to update for the intervening two years.

2.5 Other expenses

	30 June 2025 \$'000	30 June 2024 \$'000
Advertising, marketing and selling expenses	3,344	2,108
Auditor's remuneration – audit of financial statements	268	280
Operating lease rental expense	824	845
General administrative costs	14,014	11,531
Council rates	1,258	834
Land tax	11,303	9,221
Adjustment of inventory to net realisable value	525	4,271
Project establishment costs	7,034	2,942
Write back inventory previously written off	(185)	(143)
Property and accommodation	100	172
Consultancy fees	363	421
Loss on disposal of property, plant and equipment	60	29
	38,908	32,511
Transfer of capital costs to inventories	(9,547)	(8,541)
	29,361	23,970

Notes to the financial statements

2.6 Depreciation and amortisation expense

	30 June 2025 \$'000	30 June 2024 \$'000
Right of use assets	1,727	1,866
Leasehold improvements	194	45
Plant and equipment	421	387
Intangible assets	681	662
Motor vehicles	17	14
	3,040	2,974

2.7 Taxation

2.7(i) Income tax equivalent expense recognised in the Statement of Comprehensive Income

	30 June 2025 \$'000	30 June 2024 \$'000
Current income tax charge	6,892	20,715
Deferred income tax	-	67
Origination and reversal of temporary differences	12,067	3,875
Income tax equivalent expense reported in the Statement of Comprehensive Income	18,959	24,657

Deferred income tax included in income tax expense comprises:	30 June 2025 \$'000	30 June 2024 \$'000
Decrease in deferred tax assets	12,067	3,875
	12,067	3,875

Income tax recognised directly in equity

Deferred income tax related to items charged or credited directly to equity:		
Superannuation actuarial loss	(43)	(21)
Income tax equivalent benefit reported in equity	(43)	(21)

Reconciliation between tax expense applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the entity's effective income tax rate:

	30 June 2025 \$'000	30 June 2024 \$'000
Accounting profit before income tax	63,192	81,967
At the statutory income tax rate of 30% (2024: 30%)	18,958	24,590
Under provision in prior years	-	67
Deductions not allowable for income tax purposes	1	-
Income tax expense reported in profit	18,959	24,657

Notes to the financial statements

2.7 Taxation (continued)

2.7(ii) Deferred tax assets

The balance comprises temporary differences attributable to:	30 June 2025 \$'000	30 June 2024 \$'000
Depreciation and amortisation	484	224
Provisions	13,495	24,173
Sundry	31	18
Right-of-use assets	347	246
Fair value adjustments	2,319	3,550
Prepayment	(1,993)	(1,504)
	14,683	26,707
Movements		
Carrying amount at beginning of the year	26,707	30,561
Charged to the Statement of Comprehensive Income	(12,067)	(3,875)
Charged to equity	43	21
Carrying amount at end of the period	14,683	26,707

2.7(iii) Current tax asset / (liability)

	30 June 2025 \$'000	30 June 2024 \$'000
Carrying amount at beginning of the period	(8,208)	(16,702)
Income tax equivalent expense	(18,959)	(24,657)
Movement in deferred tax asset	12,067	3,875
Net tax payment	17,110	29,276
Carrying amount at end of the period	2,010	(8,208)

2.7(iv) Recognition and measurement

Landcom is subject to notional taxation of income tax equivalent (income tax), in accordance with the *State Owned Corporation Act 1989*. From 1 July 2003, the taxation liability has been assessed according to the National Tax Equivalent Regime of the NSW Treasury, which proposes, as far as practical, the adoption of the relevant Commonwealth tax legislation as the basis for determining taxation liability. Tax effect accounting has also been adopted from 1 July 2003.

Current tax

Current tax is calculated based on the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as an asset (or liability) to the extent that it is refundable (or unpaid).

Deferred tax

Deferred tax is accounted for all temporary differences. Temporary differences are differences between the tax base of an asset or liability and the carrying amount in the Statement of Financial Position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

Notes to the financial statements

2.7 Taxation (continued)

2.7(iv) Recognition and measurement (continued)

Deferred tax (continued)

Key estimates and judgements

Deferred tax assets are recognised to the extent that it is probable that sufficient future profits and taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised.

Future taxable profits are influenced by a variety of assumptions embedded in approved budgets and forecast for future periods. Landcom has prepared forecasts indicating sufficient future taxable profits to support the recognition of deferred tax assets. However, any significant changes to the assumptions underlying these forecasts could necessitate a reassessment of the recovery of deferred tax assets.

Deferred tax assets and liabilities are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets are classified as non-current in the Statement of Financial Position as these are expected to be settled after more than twelve months.

Income tax

Current and deferred tax is recognised as an expense or income in the Statement of Comprehensive Income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity.

3 Investments

3.1 Inventories

	30 June 2025 \$'000	30 June 2024 \$'000
Current		
Current Inventory	144,038	139,583
	144,038	139,583
Non-Current		
Non-Current Inventory	428,324	403,570
	428,324	403,570
	572,362	543,153

3.1(i) Recognition and measurement

Land or property acquired or being developed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realisable value (NRV).

Notes to the financial statements

3.1 Inventories (continued)

3.1(i) Recognition and measurement (continued)

The Corporation's inventories consist of a single classification, being real estate under development. Principally, this is residential property that the Corporation develops and intends to sell before, or on completion of, development.

The balance includes directly attributable costs of purchase and costs incurred in bringing the land to a condition ready for sale. Borrowing costs on qualifying assets are also included in the cost of inventories. Capitalised borrowing costs includes interest and fees.

Net realisable value

Key estimates and judgements

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and sell the development. In assessing and determining the net realisable value, significant judgement and assumptions are made that could influence the net realisable value. These include:

- Sales price
- Government policies
- Timing of settlements
- General economic landscape including inflationary impacts to costs and interest rate changes
- Climate change assumptions that impact forecast revenue and costs
- Estimated cost to complete based on program of works and unsold stock, measured at reporting date.

When conducting impairment assessments, management incorporates an assessment of the cost to develop inventory to required design standards, and factors in property-specific aspects such as building design and locations when assessing sales volumes and pricing.

Inventories are written down where the NRV is less than the carrying amount, assessed based on the latest forecast. When the circumstances that previously caused inventories to be written down below cost no longer exist, i.e., due to changes in economic circumstances, a write back is credited in the Statement of Comprehensive Income limited to the amount of the original write-down so that the new carrying amount is the lower of the cost and the revised net realisable value.

Transfer of capital costs to inventories

All administrative overheads are initially charged to and disclosed in the Statement of Comprehensive Income, as they are incurred. However, to the extent that those costs are attributable to the capital projects, they are transferred (capitalised) to inventories.

Cost of sales

Inventories are expensed as cost of sales when the associated revenue is recognised. All costs, including those spent to date and those forecast in the future, are proportionally allocated to each lot using a reasonable basis such as revenue. The allocation of costs can change throughout the life of the project, as revenue and cost forecasts are updated to reflect market conditions.

Notes to the financial statements

3.2 Investment properties

3.2(i) Reconciliation

	30 June 2025 \$'000	30 June 2024 \$'000
Investment properties		
Balance at beginning of the year	-	-
Acquisitions	19,121	-
Capital expenditure	4,860	-
Transfer from inventories	4,081	-
Net fair value loss	(8,120)	-
Balance at end of the year	19,942	-

3.2(ii) Recognition and measurement

The Corporation's investment properties consist of residential properties subject to final acquisition, and under development for long-term rental yields and/or capital appreciation. Investment properties are initially measured at cost and subsequently at fair value. Changes in fair values are recorded in the Statement of Comprehensive Income. Investment properties are not subject to depreciation.

Valuation process

Investment properties are comprehensively revalued at least every three years. In years when no comprehensive revaluation is performed, the Corporation will conduct a management assessment to determine whether there is any indication that the carrying amounts differ materially from their fair value. Where management assessments indicate a material difference, an interim revaluation will be performed.

Comprehensive revaluations and interim formal revaluations are prepared by external professionally qualified valuers. As neither a comprehensive revaluation nor an interim formal revaluation was required during the current financial year, no valuation by external professionally qualified valuers was undertaken.

Fair value measurement, valuation techniques and inputs

The fair value of investment property is determined using a combination of market sales comparisons and discounted cash flows (DCF), considering the highest and best use of the investment property. Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate, market-derived discount rate is applied to establish the present value of the income stream associated with the asset.

In relation to investment properties under construction, when the DCF method is used, fair value is determined based on the market value of the property on the assumption it had already been completed at the valuation date (using the methodology as outlined above) less costs still required to complete the project.

The following table represents the unobservable inputs utilised in the fair value measurement of investment property. The fair value measurements for investment properties have been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Inputs used to measure fair value	Inter-relationship between key unobservable inputs and fair value measurements	30 June 2025	30 June 2024
Discount rate (pre-tax)	The estimated fair value would increase (decrease) if the risk-adjusted discount rates were lower (higher).	7.00 - 7.75%	-
Market rental growth rate	The estimated fair value would increase (decrease) if the expected market rental growth were higher (lower).	3.00 - 4.88%	-

Notes to the financial statements

3.2 Investment properties (continued)

3.2(ii) Recognition and measurement (continued)

Fair value measurement, valuation techniques and inputs (continued)

Key estimates and judgements

Judgement is required in determining the following significant unobservable inputs:

- Discount rate (pre-tax): This is the rate of return used to convert cash flows, payable or receivable in the future, into present value. It reflects the opportunity cost of capital, that is, the rate of return the cash can earn if put to other uses having similar risk. The rate is determined with regard to market evidence and where possible, a direct comparison to third party rates for similar assets in a comparable location.
- Market rental growth rate: This is the projected annual average percentage increase in rental income for a property, based on expected market conditions and terms for a lease negotiated at arm's length between a lessor and lessee.

4 Capital and financial risk management and working capital

4.1 Cash and cash equivalents

	30 June 2025 \$'000	30 June 2024 \$'000
Cash at bank and on hand	126,972	206,601
Restricted cash	6,917	5,172
	133,889	211,773

Landcom holds restricted cash that comprises of cash at bank held on behalf of project partners.

Reconciliation of net cash flows used in operating activities

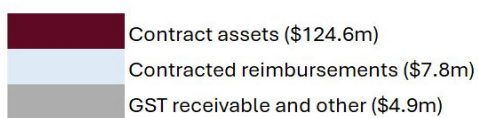
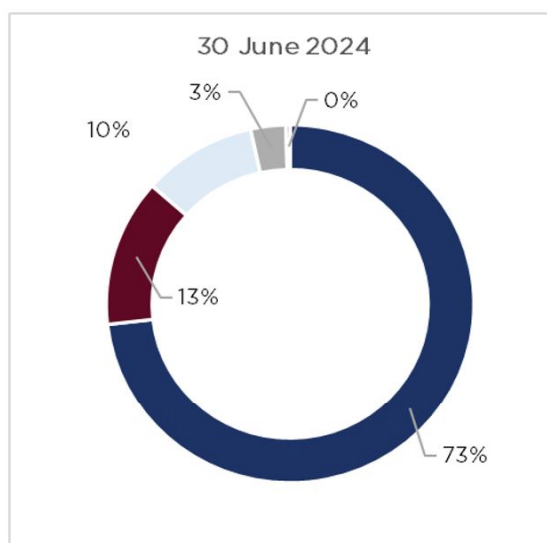
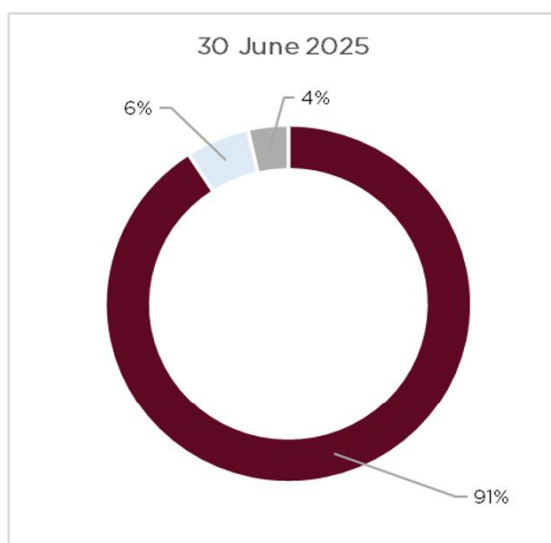
	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Net cash flows used in operating activities		(41,045)	(29,915)
Depreciation and amortisation		(3,040)	(2,974)
Loss on disposal of property, plant and equipment		(60)	(29)
Net fair value loss on investment properties		(8,120)	-
Changes in discounting adjustments		4,649	4,168
Change in assets and liabilities			
Decrease in trade receivables		(65)	(48,836)
Decrease in provision		35,926	14,805
Increase in inventory and prepayments		34,309	147,635
Decrease/(increase) in payables and tax balances		21,679	(27,544)
Net profit for the year		44,233	57,310

Notes to the financial statements

4.2 Trade and other receivables

	30 June 2025 \$'000	30 June 2024 \$'000
Current		
Trade receivables	7,777	95,558
Development bonds	-	354
Contract assets	114,674	15,315
Interest receivable	-	646
GST receivable	4,603	3,389
Other receivables	319	200
	127,373	115,462
Less Allowance for expected credit losses	-	-
	127,373	115,462
Non-current		
Contract assets	9,904	-
	9,904	-

Trade and other receivables classifications



Secured receivables, contract assets and contracted reimbursements comprise those separately guaranteed or contractually due from customers or project partners.

Notes to the financial statements

4.2 Trade and other receivables (continued)

Recognition and measurement

Trade receivables

Trade receivables are amounts of consideration that are due from customers for land sold or development management services performed in the ordinary course of the business. Where the contract defers the settlement of the receivable by greater than twelve months from reporting date, the receivable is recognised as non-current and discounted, if significant, to account for the financing component. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components and are then recognised at present value.

Landcom holds trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See notes 4.7(i) and 4.7(ii) for further information about Landcom's measurement policy for trade receivables, credit risk and impairment policies.

Interest is charged on overdue settlement monies where agreed settlement dates are not met or in exchange for deferring a portion of sales proceeds. Sales are made on varying terms, but primarily on a 30-day exchange and 30 or 42-day settlement basis.

Contract assets

Contract assets relate to Landcom's right to consideration in exchange for works completed but not billed at the reporting date and is still conditional on future performance of Landcom and/or other external factors.

4.3 Trade and other payables

	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Current			
Trade payables		2,640	1,671
Contract liabilities	4.3(i)	862	3,904
Bonds held		1,190	1,073
Accrued expenses		18,381	11,046
Payables to project partners		43,481	23,228
Contracted acquisition payment		-	30,000
Remediation Payable		10,000	10,000
Dividend payable to NSW Treasury		40,000	39,528
Deferred income		1,126	-
Other payables		259	-
		117,939	120,450
Non-current			
Contract liabilities	4.3(i)	6,536	6,536
Deferred income		410	2,499
		6,946	9,035

Notes to the financial statements

4.3 Trade and other payables (continued)

4.3(i) Reconciliation of contract liabilities

	30 June 2025 \$'000	30 June 2024 \$'000
Opening balance at 1 July	10,440	14,045
Additions	3,088	5,643
Utilisation	(6,130)	(9,248)
Closing balance (current and non-current)	7,398	10,440

\$4.9 million (30 June 2024: \$5.7 million) of contract liabilities utilisation arose from the contract liabilities balance at the beginning of the period. Landcom holds non-current contract liabilities of \$6.5 million (30 June 2024: \$6.5 million) which are expected to be utilised from June 2027.

Note 4.7 discloses information regarding liquidity risk as well as a maturity analysis for payables.

4.3(ii) Recognition and measurement

Landcom recognises payables to project partners that arise following both development and sale activities as per the terms of the respective project delivery agreements and recognised initially at fair value based on cost. Where payables to project partners are expected to be settled within twelve months, they are recognised as current.

Landcom's contract liabilities comprise advances received from development project partners and monies paid by prospective buyers of land, as either holding deposits or on exchange of contracts pending settlement. Landcom recognises revenue from contract liabilities when the obligations under the agreements are fulfilled.

A liability for dividends payable is recognised in the reporting period in which the dividend is declared. Dividends are regarded as declared when they are appropriately authorised and no longer at the discretion of Landcom. Landcom recognises dividends in accordance with the *Capital Structure and Financial Distribution Policy for Government Businesses* (TPG21-10) and Section 20S of the *State Owned Corporations Act 1989*.

Deferred income comprises grants relating to assets under development. Grants will be recognised in profit and loss as the related expense (cost of sales) or fair value loss for investment property under construction funded by grants is recognised. At 30 June 2025, the balance of deferred government grants was \$1.5 million (30 June 2024: \$2.5 million).

4.4 Leases

Amounts recognised in the statement of financial position	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Right-of-use assets - Leased Buildings			
Opening balance at 1 July		11,098	9,270
Remeasurement of leased assets		-	3,694
Depreciation expense	2.6	(1,727)	(1,866)
Closing balance		9,371	11,098

Notes to the financial statements

4.4 Leases (continued)

	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Lease liabilities			
Opening balance at 1 July		11,916	9,878
Interest expense	2.3	652	420
Remeasurement of lease liability		-	3,694
Gross lease payments		(2,042)	(2,076)
Closing balance		10,526	11,916
Current lease liabilities		1,478	1,390
Non-current lease liabilities		9,048	10,526
Closing balance		10,526	11,916

The amount recognised in the Statement of Comprehensive Income for short term leases, low value leases and other lease outgoings is \$824,000 (30 June 2024: \$845,000). The maturity profile of the undiscounted lease liability is included in Note 4.7 Financial Instruments and Risk Management.

(i) Recognition and measurement

Landcom as a lessee

Landcom leases include offices, car parks and sales offices with terms ranging from one month to five years. At the commencement date of the lease, Landcom recognises lease liabilities measured at the present value of lease fixed payments, less incentives, to be made over the lease term.

The lease term is the non-cancellable period of the lease, plus option periods to extend if applicable where Landcom is reasonably certain to extend, and periods after an optional termination, where Landcom is reasonably certain not to terminate. The lease payments are discounted generally using incremental borrowing rate provided by the NSW Treasury Corporation (TCorp). The incremental borrowing rate includes the government guarantee fee rate for State Owned Corporations. After initial recognition, the lease liability is increased to reflect the accretion of finance costs and reduced for the lease payments made. The finance cost is charged to the Statement of Comprehensive Income over the lease period. The carrying amount of lease liabilities is remeasured if there is a material modification or a change in the lease parameters.

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are initially measured at the amount of initial measurement of the lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site. The right-of-use assets are subsequently measured at cost. They are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets

Key estimates and judgements

The useful lives of the right-of-use assets are estimated based on the following assumptions:

- Review of general market conditions, including vacancy rates, rental growth, market supply and underlying macroeconomic forecasts.
- Judgement as to the likelihood of a lease extension being exercised.
- Assessment of the appropriate discount rate and lease term

Notes to the financial statements

4.4 Leases (continued)

(ii) Impairment

An assessment is made, at each reporting date, whether there is an indication that the right-of-use asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, an estimate of the asset's recoverable amount is obtained. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

4.5 Borrowings

	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Current			
Borrowings		-	901
Non-current			
Borrowings		749	-
		749	901

4.5(i) Recognition and measurement

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset whilst in development. Other borrowing costs are expensed as incurred. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Total borrowing costs of \$94,000 were capitalised to inventory during the period (30 June 2024: \$38,000). A capitalisation rate of 100% (30 June 2024: 100%) was used to determine the amount of borrowing costs eligible for capitalisation, as the entirety of the borrowings was drawn to finance a specific development project (qualifying asset).

Refer to Note 4.7 for disclosure on applicable liquidity risk and interest rate risk and maturity of borrowings.

4.6 Provisions

	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Current Provisions			
Employee benefits			
Provision for annual leave		2,028	2,041
Provision for long service leave			
- Expected to be settled within twelve months		220	228
- Expected to be settled after twelve months		2,527	2,624
Provision for parental leave		202	525
Provision for on-costs		591	597
Provision for termination		-	1,440
		5,568	7,455
Other provisions			
Cost to complete projects		26,212	62,818
Provision for rebates		2,316	907
	4.6(i)	28,528	63,725
Total current provisions		34,096	71,180

Notes to the financial statements

4.6 Provisions (continued)

Non-Current Provisions	Notes	30 June 2025 \$'000	30 June 2024 \$'000
Employee benefits			
Provision for superannuation liability		2,795	3,498
Provision for long service leave		918	929
Provision for on-costs		77	78
		3,790	4,505
Other provisions			
Cost to complete projects		6,323	4,309
Provision for other expenses		200	181
	4.6(i)	6,523	4,490
Total non-current provisions		10,313	8,995
Total provisions		44,409	80,175

4.6(i) Reconciliation of other provisions

Reconciliations of the carrying amount of other provisions are set out below:

30 June 2025	Rebates \$'000	Cost to complete projects \$'000	Other expenses \$'000	Total \$'000
Carrying amount at beginning of the period	907	67,127	181	68,215
Additions	1,418	11,425	-	12,843
Reversals	-	(2,804)	-	(2,804)
Utilisation	(9)	(43,212)	-	(43,221)
Change in discount rate and/or timing	-	(1)	19	18
Carrying amount at end of the period	2,316	32,535	200	35,051
<hr/>				
30 June 2024	Rebates \$'000	Cost to complete projects \$'000	Other expenses \$'000	Total \$'000
Carrying amount at beginning of the period	560	82,812	322	83,694
Additions	906	12,213	-	13,119
Reversals	(348)	(3,172)	(41)	(3,561)
Utilisation	(211)	(24,803)	(79)	(25,093)
Change in discount rate and/or timing	-	77	(21)	56
Carrying amount at end of the period	907	67,127	181	68,215

4.6(ii) Recognition and measurement

Provisions are recognised when Landcom has a present obligation (legal or constructive) as a result of a past event, it is probable that Landcom will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows using the high quality corporate bond rate.

Employee benefits

Refer to Note 2.4 for the recognition and measurement of the employee benefit provisions.

Notes to the financial statements

4.6 Provisions (continued)

Employee benefits (continued)

Key estimates and judgements

Judgement is applied in measuring the provision for long service leave. Consideration is given to a number of factors based on actuarial review every three years, including the following:

- Expected future salary escalation levels
- Experience of employee departures
- Years of service
- Rates of retirement and resignation

Costs to complete projects

The provision to complete projects captures all unpaid development costs for sold land. It is raised as an estimate based on known costs at the time when the land is ready for settlement. If the effect of time value of money is material, provisions are discounted using the high quality corporate bond rate.

Key estimates and judgements

Judgement is applied in measuring the cost to complete provision. Consideration is given to a number of factors, including the following:

- Estimations of remaining costs complete program of works, including contingency and timing assumptions
- Assessment of any applicable external or statutory requirements

Other

Provision for other expenses comprise make good and other provisions.

4.7 Financial instruments and risk management

Landcom's principal financial instruments and risks are outlined below together with its processes for managing risk. These financial instruments arise directly from its operations. It does not enter or trade in financial instruments including derivative financial instruments for speculative purposes.

The Board has overall responsibility for the establishment and oversight of risk management. It reviews and agrees on policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by Landcom to set the risk limits and controls and to monitor risks. The Audit & Risk Management Committee has responsibility for overseeing and monitoring of compliance with policies.

Notes to the financial statements

4.7 Financial instruments and risk management (continued)

4.7(i) Financial instrument categories

Financial assets	Notes	Category	Carrying amount June 2025 \$'000	Carrying amount June 2024 \$'000
Class				
Cash and cash equivalents	4.1	Financial assets measured at amortised cost	133,889	211,773
Trade and other receivables	4.2	Financial assets measured at amortised cost	132,674	112,073
Trade and other payables	4.3	Financial liabilities measured at amortised cost	114,761	115,473
Borrowings	4.5	Financial liabilities measured at amortised cost	749	901
Lease liabilities	4.4	Financial liabilities measured at amortised cost	10,526	11,916

This analysis excludes statutory receivables and payables, prepayments, deferred revenue and contract liabilities as these are not within the scope of AASB 7 Financial Instruments: Disclosure. However, contract assets are included within trade and other receivables for the purpose of credit risk disclosures.

As a result of carrying the financial instruments above, Landcom is exposed to credit risk, liquidity risk and to a small extent interest rate risk.

4.7(ii) Credit risk

Credit risk arises when there is the possibility that the counterparty will default on their contractual obligations, resulting in a financial loss to Landcom. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for credit losses or allowance for impairment). Credit risk arises from Landcom's financial assets (mainly trade receivables and contract assets).

The majority of Landcom's debtors are major corporations and government entities with low credit risk. Collectability of trade receivables and contract assets is reviewed on an ongoing basis.

Aging of receivables

The only financial assets that are past due are in the 'receivables' category of the Statement of Financial Position.

As at 30 June 2025	Total \$'000	Past due but not impaired \$'000	Considered impaired \$'000
Not yet due	131,316	-	-
< 3 months overdue	1,328	1,328	-
> 6 months overdue	30	30	-

Notes to the financial statements

4.7 Financial instruments and risk management (continued)

4.7(ii) Credit risk (continued)

Aging of receivables (continued)

As at 30 June 2024	Total \$'000	Past due but not impaired \$'000	Considered impaired \$'000
Not yet due	106,873	-	-
< 3 months overdue	5,049	5,049	-
> 6 months overdue	151	151	-

Expected credit losses

Landcom applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Trade receivables are written down when there is no reasonable expectation of recovery. An indicator that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments within the specified timeframe.

Key estimates and judgements

Judgement is applied in measuring the expected credit losses. To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due. Landcom's customers are predominantly State Government entities and large companies with low default risk.

The expected loss rates are based on historical observed loss rates adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, such as:

- existing market conditions
- any applicable guarantees or security provided against the outstanding receivable
- future looking estimates at the end of each reporting period

The loss allowance for trade receivables as at 30 June 2025 was \$nil (30 June 2024: \$nil).

4.7(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Landcom does not have any financial instruments exposed to foreign currency or commodity contracts.

4.7(iv) Liquidity risk

Liquidity risk is the risk that Landcom will be unable to meet its payment obligations (financial liabilities) when they fall due. Landcom manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

As at 30 June 2025, Landcom maintained an undrawn debt facility of \$525.0 million with NSW Treasury Corporation (30 June 2024: \$525.0 million) and Housing Australia of \$11.8 million (30 June 2024: \$5.6 million). Along with existing financial assets, these facilities provide sufficient liquidity to meet all payment obligations as and when they fall due.

Notes to the financial statements

4.7 Financial instruments and risk management (continued)

4.7(iv) Liquidity risk (continued)

Landcom has also given NSW Treasury Corporation letters of undertaking to various councils and government agencies that certain infrastructure works will be carried out. The maximum risk exposure of these NSW Treasury Corporation letters of undertaking is \$56.3 million (30 June 2024: \$47.1 million). The total limit on this bond facility is \$90.0 million (30 June 2024: \$90.0 million).

As at 30 June 2025, there were no defaults or breaches on any conditions for the undrawn debt facilities and no assets have been pledged as collateral.

The table below summarises the maturity profile of Landcom's financial liabilities based on contractual (gross) undiscounted payments.

Financial Liabilities	Carrying Amount \$'000	Nominal Amount \$'000	<1 Year \$'000	1 - 5 Years \$'000	> 5 Years \$'000
30 June 2025					
Trade and other payables	114,761	114,761	114,761	-	-
Borrowings	749	749	-	749	-
Lease Liabilities	10,526	12,530	2,048	8,086	2,396
Total	126,036	128,040	116,809	8,835	2,396

Financial Liabilities	Carrying Amount \$'000	Nominal Amount \$'000	< 1 Year \$'000	1 - 5 Years \$'000	> 5 Years \$'000
30 June 2024					
Trade and other payables	115,473	115,473	115,473	-	-
Borrowings	901	901	901	-	-
Lease Liabilities	11,916	14,572	2,042	8,146	4,384
Total	128,290	130,946	118,416	8,146	4,384

The nominal amounts disclosed are the contractual undiscounted cash flows of each class of financial liability. Therefore, the amounts disclosed will not reconcile to the Statement of Financial Position. Payables are non-interest bearing whilst borrowings and leases are interest bearing. This analysis also excludes statutory payables and contract liabilities as these are not within the scope of AASB 7 Financial Instruments: Disclosure.

4.7(v) Interest rate risk

Interest rate risk is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates.

At balance date, Landcom had the following cash and variable rate borrowings.

	30 June 2025		30 June 2024	
	Weighted average interest rate %	Balance \$'000	Weighted average interest rate %	Balance \$'000
Cash and cash equivalents	3.60%	133,889	4.26%	211,773
Interest bearing loans	4.96%	749	4.35%	901

The following table shows the impact on net profit if interest rates changed by 30 basis points. The calculation is based on borrowings and cash held at period-end. It assumes that interest is capitalised to qualifying assets as disclosed in Note 4.5. With all other variables held constant, net profit would have been affected as follows:

Notes to the financial statements

4.7 Financial instruments and risk management (continued)

4.7(v) Interest rate risk (continued)

	Profit after Tax Higher/(Lower)	
	30 June 2025 \$'000	30 June 2024 \$'000
+30 basis points	399	635
-30 basis points	(399)	(635)

4.7(vi) Fair value measurements

Landcom's financial instruments are measured and reported in the financial statements at amortised cost unless they contain significant financing components and are then recognised at fair value. The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

4.8 Contributed capital

Contributed capital represents the NSW Government's investment in the Corporation.

5 Other disclosures

5.1 Superannuation

Under Landcom's defined benefit superannuation plans, the amount of superannuation benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. Landcom makes employer contributions into the employee plans and NSW public sector superannuation schemes.

The legal obligation for employee benefits remains with Landcom despite plan assets for funding the defined benefit plan being set aside.

Key estimates and judgements

Management estimates the defined benefit obligation in December and June, with the assistance of independent actuary Mercer. The estimation is based on assumptions about inflation (rate of CPI increase), salary growth rate, mortality, investment returns and discount rate in form of high-quality corporate bonds.

Prepaid contributions are recognised as an asset. The defined benefit liability is the present value of the defined benefit obligation at the reporting date. The assets and liabilities are netted off in the financial statements and recognised in the Statement of Financial Position as the unfunded defined benefit obligation.

The service cost on Landcom's defined benefit plan is included in employee benefits expense. Gains and losses resulting from remeasurements of the net defined benefit liability are included in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

5.1(i) Fund information

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Authorities Non-contributory Superannuation Scheme (SANCS)
- State Superannuation Scheme (SSS)

Notes to the financial statements

5.1 Superannuation (continued)

5.1(i) Fund information (continued)

These schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and years of membership.

Members receive lump sum or pension benefits on retirement, death, disablement, and withdrawal. All the Schemes are closed to new members.

The schemes in the Pooled Fund are established and governed by the following NSW legislation: *Superannuation Act 1916*, *State Authorities Superannuation Act 1987*, *State Authorities Non-Contributory Superannuation Scheme Act 1987*, and their associated regulations. The schemes in the Pooled Fund are exempt public sector superannuation schemes under the *Commonwealth Superannuation Industry (Supervision) Act 1993 (SIS)*. The SIS Legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

5.1(ii) Compliance

Under a Heads of Government agreement, the New South Wales Government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth's retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected.

The New South Wales Government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee Board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2024. The next actuarial investigation will be performed as at 30 June 2027.

5.1(iii) Fund governance

The Fund's Trustee is responsible for the governance of the Fund. The Trustee has a legal obligation to act solely in the best interests of fund beneficiaries. The Trustee role is administration of the fund and payment to the beneficiaries from fund assets when required in accordance with the fund rules, management and investment of the fund assets, and compliance with other applicable regulations.

5.1(iv) Risk exposure

There are multiple risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

- Investment risk - The risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall;
- Longevity risk - The risk that pensioners live longer than assumed, increasing future pensions;
- Pension indexation risk - The risk that pensions will increase at a rate greater than assumed, increasing future pensions;
- Salary growth risk - The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions; and
- Legislative risk - The risk is that legislative changes could be made which increase the cost of providing the defined benefits.

The defined benefit fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk. There were no fund amendments, curtailments or settlements during the period.

Notes to the financial statements

5.1 Superannuation (continued)

5.1(v) Superannuation balance

30 June 2025 (\$'000)	SASS	SANCS	SSS	Total
Defined Benefit Obligation (Accrued Liability – Note 1)	1,998	241	26,550	28,789
Fair Value of Fund Assets (Estimated Reserve)	(5,773)	(357)	(19,864)	(25,994)
Net liability in Statement of Financial Position	(3,775)	(116)	6,686	2,795
30 June 2024 (\$'000)	SASS	SANCS	SSS	Total
Defined Benefit Obligation (Accrued Liability – Note 1)	1,956	241	25,648	27,845
Fair Value of Fund Assets (Estimated Reserve)	(4,718)	(233)	(19,396)	(24,347)
Net liability in Statement of Financial Position	(2,762)	8	6,252	3,498

Note 1: The accrued liability includes a contribution tax provision. This is calculated based on grossing up the deficit/(surplus) less the allowance for past service expenses and insurable death and disability liabilities at a contribution tax rate of 15%.

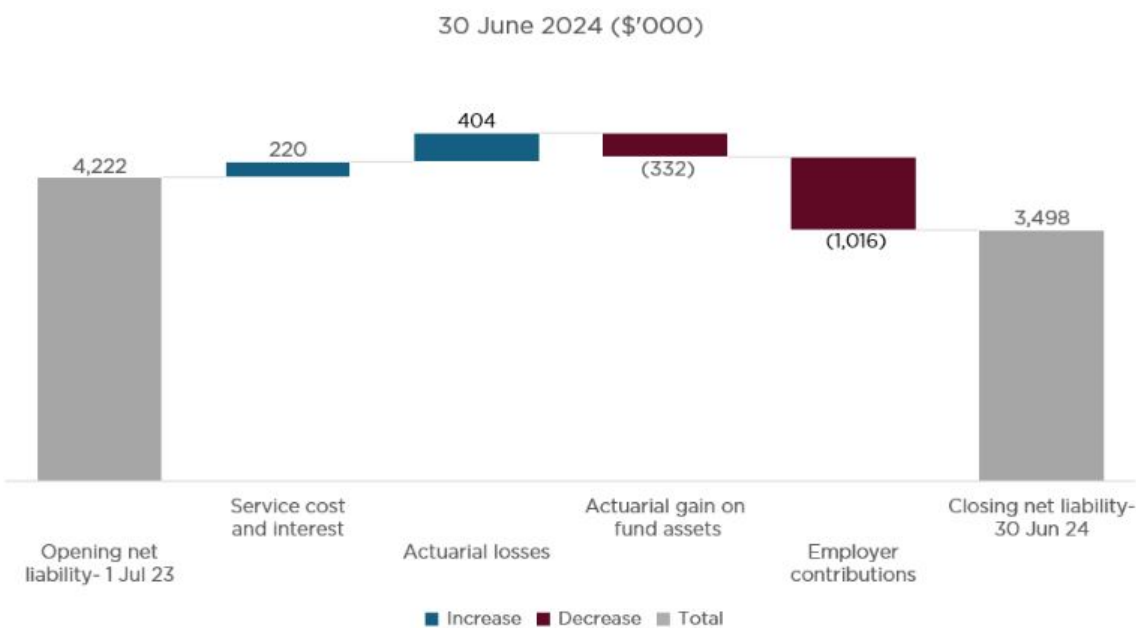
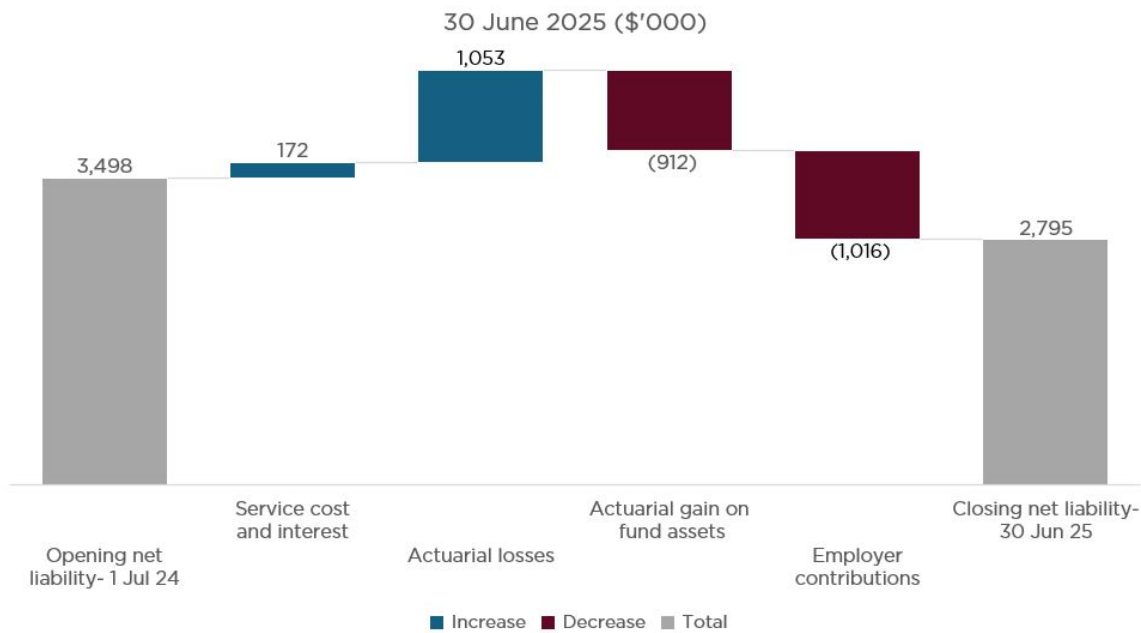
5.1(vi) Reconciliations

Reconciliation of the Net Defined Benefit Liability	30 June 2025 \$'000	30 June 2024 \$'000
Net Defined Benefit Liability at start of the period	3,498	4,222
Current service cost	6	10
Net Interest on the net defined benefit liability	166	210
+ Total expense recognised in Statement of Comprehensive Income	172	220
Actual gains on Fund assets less interest income	(912)	(332)
Actuarial losses arising from changes in demographic assumptions	524	-
Actuarial losses arising from changes in financial assumptions	800	587
Actuarial gains arising from liability experience	(271)	(183)
+ Loss recognised in Other Comprehensive Income	141	72
(-) Employer contributions	(1,016)	(1,016)
Net Defined Benefit Liability at end of the period	2,795	3,498

Notes to the financial statements

5.1 Superannuation (continued)

5.1(vi) Reconciliations (continued)



Notes to the financial statements

5.1 Superannuation (continued)

5.1(vi) Reconciliations (continued)

Reconciliation of the Total Defined Benefit Obligations	30 June 2025 \$'000	30 June 2024 \$'000
Present value of defined benefit obligations at start of the period	27,845	28,603
Current service cost	6	10
Interest cost	1,474	1,544
Contributions by participants	18	30
Actuarial losses arising from changes in demographic assumptions	524	-
Actuarial losses arising from changes in financial assumptions	800	587
Actuarial gains arising from liability experience	(271)	(183)
Benefits paid	(1,581)	(2,778)
Taxes, premium and expenses (paid)/reimbursed	(25)	32
Present value of defined benefit obligations at end of the period	28,790	27,845

Reconciliation of the Fair Value of Fund Assets	30 June 2025 \$'000	30 June 2024 \$'000
Fair value of fund assets at start of the period	24,347	24,381
Interest income	1,309	1,333
Actual gains on fund assets less interest income	912	333
Employer contributions	1,015	1,016
Contributions by participants	18	30
Benefits paid	(1,581)	(2,778)
Taxes, premiums and expenses (paid)/reimbursed	(25)	32
Fair value of fund assets at end of the period	25,995	24,347

5.1(vii) Fair value of Pooled Fund assets

All Pooled Fund assets are invested by SAS Trustee Corporation (STC) at arm's length through independent fund managers. Assets are not separately invested for each entity, and it is not possible or appropriate to disaggregate and attribute fund assets to individual entities. As such, the disclosures below relate to total assets of the Pooled Fund.

Pooled fund asset category as at 30 June 2025	Total (\$'m)	Level 1 (\$'m)	Level 2 (\$'m)	Level 3 (\$'m)
Short Term Securities	2,550	2,550	-	-
Australian Fixed Interest	891	-	891	-
International Fixed Interest	259	5	247	7
Australian Equities	4,416	4,329	87	-
International Equities	14,710	14,703	-	7
Property	2,893	451	-	2,442
Alternatives	12,068	134	4,332	7,602
Total	37,787	22,172	5,557	10,058

Notes to the financial statements

5.1 Superannuation (continued)

5.1(vii) Fair value of Pooled Fund assets (continued)

Pooled fund asset category as at 30 June 2024	Total (\$'m)	Level 1 (\$'m)	Level 2 (\$'m)	Level 3 (\$'m)
Short Term Securities	2,493	2,285	208	-
Australian Fixed Interest	92	-	92	-
International Fixed Interest	1,027	-	1,015	12
Australian Equities	6,036	4,491	1,545	-
International Equities	14,850	14,705	141	4
Property	2,101	-	-	2,101
Alternatives	10,460	3	2,864	7,593
Total	37,059	21,484	5,865	9,710

Level 1 Quoted prices in active markets for identical assets or liabilities. The assets in this level are listed shares; listed unit trusts.

Level 2 Inputs other than quoted prices observable for the asset or liability either directly or indirectly. The assets in this level are cash; notes; government, semi-government and corporate bonds; unlisted trusts where quoted prices are available in active markets for identical assets or liabilities.

Level 3 Inputs for the asset or liability that are not based on observable market data. The assets in this level are unlisted property; unlisted shares; unlisted infrastructure; distressed debt; hedge funds.

Derivatives, including futures and options, can be used by investment managers. However, each manager's investment mandate clearly states that derivatives may only be used to facilitate efficient cash flow management or to hedge the portfolio against market movements and cannot be used for speculative purposes or gearing of the investment portfolio. As such managers make limited use of derivatives.

(i) Fair value of entity's own financial instruments in Pooled Fund

Of the direct properties owned by the Pooled Fund:

- SAS Trustee Corporation occupies part of a property 100% owned by the Pooled Fund with fair value of \$280 million (30 June 2024: \$285 million).

Significant Actuarial Assumptions as at the Reporting Date	30 June 2025	30 June 2024
Discount rate	5.29% per annum	5.53% per annum
Salary increase rate (excluding promotional increases)	3.47% for 25/26; 3.56% for 26/27; 3.58% for 27/28; 3.50% per annum thereafter	4.56% for 24/25, 3.80% for 25/26, 3.78% for 26/27, 3.80% for 27/26, 3.70% per annum thereafter
Rate of CPI Increase	2.50% for 24/25; 3.00% for 25/26; 2.60% for 26/27; 2.50% per annum thereafter	4.25% for 23/24; 3.00% for 24/25; 2.75% for 25/26; 2.50% per annum thereafter
Pensioner mortality	The female mortality assumptions and the assumed mortality improvement factors for all pensioners are those that were used for the 30 June 2021 Triennial Valuation of the NSW Pooled Fund; and all other assumptions are those that were used for the 30 June 2024 Triennial Valuation of the NSW Pooled Fund.	The pensioner mortality assumptions are those used for the 2021 Actuarial Investigation of the Pooled Fund. These assumptions are disclosed in the actuarial investigation report on the trustee's website. The report shows the pension mortality rates for each age.

Notes to the financial statements

5.1 Superannuation (continued)

5.1(viii) Sensitivity Analysis for the Defined benefit obligation

Landcom's total defined benefit obligation as at 30 June 2025 under several scenarios is presented below, inclusive of the contribution tax provision calculated based on the asset level at 30 June 2025. Scenarios A to F relate to sensitivity of the total defined benefit obligation to economic assumptions, and scenarios G and H relate to sensitivity to demographic assumptions.

	Base Case	Scenario A -0.5% discount rate	Scenario B +0.5% discount rate
Discount rate	as above	as above -0.5% pa	as above +0.5% pa
Rate of CPI increase	as above	as above	as above
Salary inflation rate	as above	as above	as above
Defined benefit obligation \$000	28,790	30,330	27,367
	Base Case	Scenario C +0.5% CPI increase	Scenario D -0.5% CPI increase
Discount rate	as above	as above	as above
Rate of CPI increase	as above	Above rates +0.5% pa	Above rates -0.5% pa
Salary inflation rate	as above	as above	as above
Defined benefit obligation \$000	28,790	30,389	27,304
	Base Case	Scenario E +0.5% Salary increase rate	Scenario F -0.5% Salary increase rate
Discount rate	as above	as above	as above
Rate of CPI increase	as above	as above	as above
Salary inflation rate	as above	Above rates +0.5% pa	Above rates -0.5% pa
Defined benefit obligation \$000	28,790	28,803	28,777
	Base Case	Scenario G +Lower mortality*	Scenario H Higher mortality**
Defined benefit obligation \$000	28,790	29,713	27,853

*Assumes mortality rates, including future improvements, are as if the pensioner were 1 year younger than actual.

**Assumes mortality rates, including future improvements, are as if the pensioner were 1 year older than actual.

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

5.1(ix) Asset-Liability matching strategies

The Trustee monitors its asset-liability risk continuously in setting its investment strategy. It also monitors cash flows to manage liquidity requirements. No explicit asset-liability matching strategy is used by the Trustee.

5.1(x) Funding arrangements

Funding arrangements are reviewed at least every three years following the release of the triennial actuarial review. Contribution rates are set after discussions between the employer, STC and NSW Treasury. Funding positions are reviewed annually, and funding arrangements may be adjusted as required after each annual review.

Notes to the financial statements

5.1 Superannuation (continued)

5.1(x) Funding arrangements (continued)

Surplus/deficit

The following is a summary of the 30 June 2025 financial position of the Fund calculated in accordance with AASB 1056 Accounting Standard Superannuation Entities:

30 June 2025 ('\$000)	SASS	SANCS	SSS	Total
Accrued benefits*	2,488	252	21,420	24,160
Net market value of Fund assets	(5,773)	(357)	(19,864)	(25,994)
Net (surplus)/deficit	(3,285)	(105)	1,556	(1,834)

*There is no allowance for a contribution tax provision within the Accrued Benefits figure for AASB 1056. Allowance for contributions tax is made when setting the contribution rates.

The AASB 1056 surplus is higher than the AASB 119 net defined benefit liability recognised in the Statement of Financial Position, because the expected after-tax rate of return on plan assets is typically higher than the corporate bond rate.

The value of vested benefits at 30 June 2025 is \$24,221,000 (30 June 2024: \$24,184,000).

Economic assumptions

The economic assumptions adopted for the AASB 1056 Accounting Standard Superannuation Entities are:

Weighted-average assumptions	30 June 2025	30 June 2024
Expected rate of return on Fund assets backing current pension liabilities	7.0% pa	7.0% pa
Expected rate of return on Fund assets backing other liabilities	6.2% pa	6.2% pa
Expected salary increase rate (SASS, SANCS, SSS)	3.47% for 25/26; 3.56% for 26/27; 3.58% for 27/28; 3.50% pa thereafter	4.56% for 24/25, 3.80% for 25/26, 3.78% for 26/27, 3.80% for 27/28, 3.70% pa thereafter
Expected rate of CPI increase	1.90% for 24/25; 2.50% pa thereafter	3.70% for 23/24; 2.50% pa thereafter

Movements in AASB 1056 Net Surplus

The decrease in the net surplus AASB 1056 position from 30 June 2024 to 30 June 2025 was \$1,608,000 (30 June 2024: increase of \$657,000).

The main factors contributing to the decrease and their approximate financial impact have been:

Notes to the financial statements

5.1 Superannuation (continued)

5.1(x) Funding arrangements (continued)

Movements in AASB 1056 Net Surplus (continued)

	30 June 2025
Interest on 2024 net surplus (7.0%)	\$51,000
Higher increase in the 2023/2024 CPI (3.8%) than assumed (3.7%)	(\$22,000)
Changes in assumed rates of future CPI and Salary increases	\$137,000
Excess of the actual investment return for 2025 (approximately 9.7%) over that assumed (7.0%)	\$509,000
Excess of contributions made over the cost of benefit accrual	\$1,009,000

These are the main items. Other items would include variations in salary, pensioner mortality and other experience compared to assumptions.

For the year to 30 June 2024, the main factors contributing to the increase and their approximate financial impact have been:

	30 June 2024
Interest on 2023 net position (7.0%)	\$5,000
Lower increase in the 2022/2023 CPI (6.6%) than assumed (6.7%)	\$11,000
Changes in assumed rates of future CPI and Salary increases	\$35,000
Excess of the actual investment return for 2023 (approximately 7.3% / assumed 7.0%)	\$19,000
Excess of contributions made over the cost of benefit accrual	\$1,005,000
Change to demographic assumptions	\$(539,000)

These are the main items. Other items would include variations in salary, pensioner mortality and other experience compared to assumptions.

Sensitivity Analysis - AASB 1056

Scenarios A to D relate to the sensitivity of the AASB 1056 liabilities to the major economic assumptions.

	Base Case	Scenario A -0.5% return	Scenario B -0.5% return
Expected rates of return on Fund assets	7.0%/6.2%	6.5%/5.7%	7.5%/6.7%
Rate of CPI increase	as above	as above	as above
Salary inflation rate	as above	as above	as above
Accrued benefits \$000	24,160	25,159	23,232

Notes to the financial statements

5.1 Superannuation (continued)

5.1(x) Funding arrangements (continued)

Sensitivity Analysis - AASB 1056 (continued)

	Base Case	Scenario C	Scenario D
		+0.5% CPI increase	-0.5% CPI Increase
Expected rates of return on Fund assets	7.0%/6.2%	7.0%/6.2%	7.0%/6.2%
Rate of CPI increase	as above	as above +0.5% pa	as above -0.5% pa
Salary inflation rate	as above	as above	as above
Accrued benefits \$000	24,160	25,228	23,176

Expected Contribution

	SASS 2025	SANCS 2025	SSS 2025	Total 2025
Expected employer contributions to be paid in the next reporting period \$000	731	128	157	1,016

Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation is 10.2 years.

5.2 Related party transactions

Key management personnel are those persons that have authority and responsibility for planning, directing and controlling the activities of the Corporation. Landcom's two Shareholder Ministers and its Portfolio Minister, the Board of Directors and the Executive General Manager team that lead the various divisions of Landcom are deemed to be key management personnel.

All transactions by Landcom with key management personnel are conducted on an arm's length basis in the normal course of business and on commercial terms and conditions.

	30 June 2025 \$'000	30 June 2024 \$'000
Short term employee benefits	3,685	3,652
Long term employee benefits	329	643
Post-employment benefits	250	247
Termination benefits	472	482
Total compensation paid to key management personnel	4,736	5,024

At 30 June 2025, there were no outstanding balances to any key management personnel (30 June 2024: \$nil). There have been no guarantees provided or received for any key management personnel.

During the year, Landcom has had inter-agency transactions for reimbursement of costs, distribution of revenue and management fees and acquisitions of development sites with other NSW State Government Agencies. In addition to the agencies listed in Note 5.3, Landcom also transacted with the Department of Education and Sydney Water Corporation. During the year, Landcom transferred land to the Department of Education and infrastructure assets to Sydney Water Corporation. Both transfers were for \$nil consideration (30 June 2024: parkland transferred to Department of Climate Change, Energy, the Environment and Water for \$nil consideration).

During the year, Landcom has also received a \$27,700,000 equity contribution from NSW Treasury for build to rent projects (30 June 2024: \$nil). This has been recognised in the Statement of Changes in Equity.

Notes to the financial statements

5.2 Related party transactions (continued)

Inter-agency revenue	30 June 2025 \$'000	30 June 2024 \$'000
NSW Land and Housing Corporation	28,785	50,332
Department of Education	57,590	90,000
Sydney Metro	109,221	-
Department of Planning Housing and Infrastructure	1,770	-
Inter-agency purchases and acquisitions	30 June 2025 \$'000	30 June 2024 \$'000
Transport for NSW	69,000	14,500
Department of Education	-	97,349
Planning Ministerial Corporation	12,765	50,149
Department of Planning Housing and Infrastructure	-	6,220
Inter-agency receivables	30 June 2025 \$'000	30 June 2024 \$'000
Transport for NSW	904	233
NSW Land and Housing Corporation	-	2,342
Department of Planning Housing and Infrastructure	850	2,514
Department of Communities and Justice	-	1,487
Health Administration Corporation	206	-
Planning Ministerial Corporation	1,960	-
Transport Asset Manager of New South Wales	30	-
Inter-agency payables	30 June 2025 \$'000	30 June 2024 \$'000
NSW Ageing and Disability Commission	(140)	(140)
NSW Land and Housing Corporation	(31,645)	(21,981)
Department of Education	-	(19,800)
Planning Ministerial Corporation	-	(10,200)
Department of Communities and Justice	(1,000)	-
Ministry of Health	(2,600)	-

5.3 Joint arrangements

Under AASB 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

As part of normal business operations, Landcom has various contractual arrangements with other parties. The arrangements are for land development, which is Landcom's core business. These contractual arrangements require unanimous consent from all parties for all relevant activities. In all the joint arrangements the parties have equal voting rights.

Notes to the financial statements

5.3 Joint arrangements (continued)

These arrangements are classified as joint operations and Landcom recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been recognised in the financial statements under the appropriate headings. Details of these arrangements, all of which are joint operations, are as follows:

Name of joint arrangement	List of parties involved	Project location	Agreement existed	
			2025	2024
Redmond Place	Orange City Council	Orange, NSW	Yes	Yes
Macarthur Heights	University of Western Sydney	Campbelltown, NSW	Yes	Yes
Rouse Hill Town Centre	Department of Planning, Housing and Infrastructure	Rouse Hill, NSW	Yes	Yes
Oran Park Town Centre	Greenfield Development Corporation Ltd	Oran Park, NSW	Yes	Yes
Green Square Town Centre	Mirvac Green Square Pty Ltd	Green Square, NSW	Yes	Yes
Bonnyrigg	NSW Land and Housing Corporation	Bonnyrigg, NSW	Yes	Yes
Airds Bradbury Renewal	NSW Land and Housing Corporation	Airds, NSW	Yes	Yes
Claymore Renewal	NSW Land and Housing Corporation	Claymore, NSW	Yes	Yes
Sydney Metro Northwest Places	Sydney Metro	Northwest Sydney, NSW	Yes	Yes
Renwick	Department of Communities and Justice	Renwick, NSW	Yes	Yes
Wentworth Point	Transport for NSW	Wentworth Point, NSW	Yes	Yes

5.4 Expenditure commitments

At 30 June 2025 Landcom has committed to short-term and low value leases with a total commitment of \$nil (30 June 2024: \$208,000).

5.5 Contingent assets and liabilities

Landcom has identified the following contingent assets and liabilities as at 30 June 2025:

Contingent assets

A land tax exemption has been submitted to the NSW Office of State Revenue. The outcome is considered probable based on prior exemptions received, but the inflow of economic benefits is not yet virtually certain. No asset has therefore been recognised.

Contingent liabilities

1. Site remediation costs

Landcom has acquired a development site in the previous year. Under the contractual terms of acquisition, Landcom is partially responsible for site remediation costs.

2. Defect rectification

Landcom is obligated to rectify defects to council owned assets under a Voluntary Planning Agreement.

No liabilities have been recognised in relation to these items as the timing and quantum of these costs are not wholly determinable at reporting date.

5.6 Events occurring after the reporting period

There have been no material post balance date events which would require disclosure or adjustment to the 30 June 2025 Financial Statements.

End of Financial Statements

Appendix 1 – Compliance index

This compliance index lists the compliance disclosures in our FY25 Annual Report and the page references for these disclosures.

Report chapter/section	Compliance requirement	Source of requirement	Compliance content	Completed (Yes, No, NA)*	Page reference
Front of report	Acknowledgement of Country	TPG25-10a	-	Yes	<u>Inside front cover</u>
	Letter of Submission	TPG25-10a	<ul style="list-style-type: none"> Stating report submitted to Minister for presentation to Parliament. Provisions under which the report has been prepared (i.e. GSF Act Division 7.3 and other applicable legislation (if any). Where reporting deadlines have been missed, length of lateness in submitting report and reasons. Where reporting deadlines have been missed and there was no application for extension, reasons for lateness and lack of application. Signed by accountable authority. 	Yes	Page <u>3</u>
	Combined annual reports	TPG25-10a	<ul style="list-style-type: none"> Where an annual report includes combined annual reporting information, <ol style="list-style-type: none"> the name of those agencies (and/or SDA accounts) the reason for combining. 	N/A	-
	Application for extension of time	TPG25-10a	<ul style="list-style-type: none"> Where an extension of time has been granted, particulars of that extension. 	N/A	-
	Events arising after the end of the annual reporting period	TPG25-10a	<ul style="list-style-type: none"> After the end of the annual reporting period, events having a significant effect on: <ul style="list-style-type: none"> financial operations other operations. Clientele and community served. 	N/A	-
Chair and CEO reviews	Economic or other factors	TPG25-10a	<ul style="list-style-type: none"> Factors affecting achievement of operational objectives. 	Yes	Pages <u>4, 6-7, 37 and 38-50</u>
Our strategy					
Operations and performance					
Overview	Aims and objectives	TPG25-10a	<ul style="list-style-type: none"> Purpose of the agency. Range of services provided. Clientele and community served. 	Yes	Pages <u>8-12</u>
	Charter (Principal objectives and functions)	TPG25-10a	<ul style="list-style-type: none"> Manner in which and purpose for which the agency was established. Principal legislation administered within the agency. 	Yes	Pages <u>13-15</u>
	Management and structure	TPG25-10a	<ul style="list-style-type: none"> Names, offices and qualifications of principal officers. Organisation chart indicating functional responsibilities. 	Yes	Pages <u>21-33</u>

Report chapter/section	Compliance requirement	Source of requirement	Compliance content	Completed (Yes, No, NA)*	Page reference
Our strategy Operations and performance	Strategic objectives and outcomes	TPG25-10a	<ul style="list-style-type: none"> Key agency strategic objectives including outcomes. Current and future strategic plans to accomplish objectives, including outcomes. Systems and processes to measure against the target outcomes. Resource allocation to implement strategic plans. 	Yes	Pages 34-37 and 38-50
Chair and CEO reviews Overview Operations and performance	Summary review of operations	TPG25-10a	<ul style="list-style-type: none"> Narrative summary of significant operations. Financial and other quantitative information for programs or operations. 	Yes	Pages 4, 6-7 and 38-50
Operations and performance	Performance information	TPG25-10a	<ul style="list-style-type: none"> Performance information, including against the agency's strategic outcome objectives, as set out in the relevant corporate plan. (In this context, the corporate plan can be, for example, an agency's Outcomes & Business Plan or its Strategic Business Plan). 	Yes	Pages 38-50
	Infrastructure program	TPG25-10a	<ul style="list-style-type: none"> If a group 1 agency has a major work(s) in progress during the reporting year, it must include the following information in its annual reporting information: <ul style="list-style-type: none"> description of the major works in progress cost to date dates of completion summary of any significant delays or amendments. <p>Major works has the same meaning as in the budget papers. Refer to the budget papers for the reporting year for the relevant cost threshold for major works.</p>	Exemption applies (the Operations and performance chapter includes some information on our projects)	Pages 38-50
Management and accountability	Numbers and remuneration of senior executives	TPG25-10a PSC Circular 2014-09	<ul style="list-style-type: none"> Number of senior executives employed at the end of the reporting year broken down by band and then gender within each band, compared with the numbers at the end of the previous reporting year. Average total remuneration package of senior executives in each band at the end of the reporting year, compared with the average at the end of the previous reporting year. The percentage of total employee-related expenditure in the reporting year that relates to senior executives, compared with the percentage at the end of the previous reporting year. 	Yes	Pages 57-58
	People (our workforce)	TPG25-10a	<ul style="list-style-type: none"> Number of employees and officers in full-time equivalent (FTE), with a breakdown by classification of employment, compared to the previous year. Number of employees and officers in headcount with a breakdown by classification of employment, compared to the previous year. 	Yes	Pages 58-61

Report chapter/section	Compliance requirement	Source of requirement	Compliance content	Completed (Yes, No, NA)*	Page reference
Management and accountability (con't)	Requirements arising from employment arrangements	TC 15-07	<ul style="list-style-type: none"> TC15-07 ('Financial and Annual Reporting requirements arising from personnel service arrangements') sets out additional requirements where agencies provide or receive personnel services from one or more other agencies. 	N/A	-
	Legal change	TPG25-10a	<ul style="list-style-type: none"> Changes in Acts and subordinate legislation. Significant judicial decisions affecting agency or users of its services. 	Yes	Page 62
	Compliance with the <i>Privacy and Personal Information Protection Act 1998</i>	TPG25-10a	<ul style="list-style-type: none"> Statement of the action taken by the agency in complying with the requirements of the PPIP Act. Statistical details of any review conducted by or on behalf of the agency under Part 5 of the PPIP Act. 	Yes	Page 62
	<i>Government Information (Public Access) Act 2009</i> reporting	GIPA Act s125(4), (6) GIPAR c8, Sch 2; c13, Sch 3	<ul style="list-style-type: none"> Details of the agency's review under s7(3) of the Act during the reporting year and details of any information made publicly available by the agency as a result of the review. Total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications). Total number of access applications received by the agency during the reporting year that the agency refused, either wholly or in part, because the application was for disclosure of information for which there is conclusive presumption of overriding public interest against disclosure. Statistical information as described in Sch 2 of the Government Information (Public Access) Regulation 2018 (GIPA Regulation). Each agency referred to in Sch 3 of the GIPA Regulation (subsidiary agency) is declared to be part of and included in the parent agency specified in Sch 3. 	Yes	Pages 62-66
	Risk management and insurance activities	TPG25-10a	<ul style="list-style-type: none"> Report on the risk management & insurance arrangements and activities affecting the agency. 	Yes	Pages 67-68
	Internal audit and risk management policy attestation	TPP20-08	<p>The accountable authority for a group 1 agency must:</p> <ul style="list-style-type: none"> Attest to compliance with TPP20-08's 'core requirements' in an attestation statement based on the relevant template at Annexure C of TPP20-08, and ensure that this statement is published in the annual report, adjacent to the requirement to disclose 'risk management and insurance activities'. 	N/A	-
	Exemptions	TPG25-10a	<ul style="list-style-type: none"> If the agency has an exemption from including certain information, their annual report must include: <ul style="list-style-type: none"> details of exemptions reasons for exemptions. 	Yes	Page 69

Report chapter/section	Compliance requirement	Source of requirement	Compliance content	Completed (Yes, No, NA)*	Page reference
Management and accountability (con't)	Consultants	TPG25-10a	<p>In respect of the engagement during the annual reporting period of a consultant by or on behalf of the agency (other than the NSW Trustee or the Senate, Board of Governors or Council of a university), the following details:</p> <ul style="list-style-type: none"> For each engagement costing equal to or greater than \$50,000: <ul style="list-style-type: none"> name of consultant title of project (shown in a way that identifies the nature of the work) actual costs. For engagements costing less than \$50,000: <ul style="list-style-type: none"> total number of engagements total cost. Or a statement that no consultants used. 	Yes	Page 69
	International travel	TPG25-10a	<ul style="list-style-type: none"> Details on international travel by officers and employees, sorted by trip/visit. The reporting on each trip/visit must include: <ul style="list-style-type: none"> total number of employees/officers on the trip/visit name of conference/program of purpose of trip/visit (only if there is no named conference/program) either the role title(s) or name of operational area(s)/team(s) participating in the trip/visit country name(s) of destination(s). <p>If no international travel occurred during the reporting year, include a statement that there was no international travel during the reporting year.</p>	Yes	Page 69
Sustainability Appendix 2	Climate-related financial disclosures	TPG24-33	<ul style="list-style-type: none"> A group 1 agency that is subject to 'TPG24-33 Reporting framework for climate-related financial disclosures' must include the relevant climate-related financial disclosure in its annual reporting information, where the agency is required to do so by TPG24-33. 	Yes	Pages 72 and 130-149
Sustainability	<i>Modern Slavery Act 2018</i> (NSW) reporting	<i>Modern Slavery Act 2018</i> s31	<ul style="list-style-type: none"> Statement of the action taken by the agency in relation to any issue raised by the Anti-Slavery Commissioner during the financial year then ended concerning the operations of the agency and identified by the Commissioner as being a significant issue. Statement of steps taken to ensure that goods and services procured by and for the agency during the financial year then ended were not the product of modern slavery within the meaning of the <i>Modern Slavery Act 2018</i>. 	Yes	Page 72

Report chapter/section	Compliance requirement	Source of requirement	Compliance content	Completed (Yes, No, NA)*	Page reference
Sustainability (con't)	Work Health and Safety	TPG25-10a	<ul style="list-style-type: none"> Overview of the agency's WHS policies, procedures and supports. Total number of prosecutions under the <i>Work Health and Safety Act 2011</i> (WHS Act), compared to previous year. Total number of notifiable incidents to SafeWork NSW under the WHS Act, compared to previous year. Number of reportable workers compensation claims by category/mechanism of injury, compared to the previous year. 	Yes	Pages 73 and 75
	Disability inclusion action plans	<i>Disability Inclusion Act 2014</i> TPG25-10a	<ul style="list-style-type: none"> If a group 1 agency is required to have a disability inclusion action plan under the <i>Disability Inclusion Act 2014</i>, it must include in its annual reporting information, a statement setting out progress during the reporting year in implementing that plan. An agency may choose to include this information as part of 'workforce diversity' (clause 2.16). 	N/A	Some information on page 77
	Workforce diversity	PSC Circular 2014-09	<ul style="list-style-type: none"> Agencies must report statistics for both the representation and distribution of employees in diversity groups, in the same format as the report provided to each agency by the Public Service Commission. Agencies must report on the workforce diversity achievements during the reporting year and the key workforce diversity strategies proposed for the following year. 	Yes	Page 76
	Costs and benefits associated with machinery of government changes	TPG25-10a	<p>A group 1 agency that has been subject to a machinery of government change must include the following information in its annual reporting information:</p> <ul style="list-style-type: none"> overview of the relevant machinery of government changes. It is recommended that the agency applies the principles in Chapter 11 of the NSW Machinery of Government Changes Guide to include an assessment of the costs and benefits associated with the machinery of government change in its annual reporting information. In reporting identified benefits, it is recommended that the agency: <ul style="list-style-type: none"> focus on the actual benefits that have been realised through the reporting period (tangible and intangible) treat the disclosure of benefits similarly to other non-financial statement disclosures that form part of the annual reporting process validate and confirm with the Premier's Department when identifying and reporting the benefits. 	N/A	-

Report chapter/section	Compliance requirement	Source of requirement	Compliance content	Completed (Yes, No, NA)*	Page reference
Financial performance	Financial statements	<i>Government Sector Finance Act 2018 (NSW)</i>	<ul style="list-style-type: none"> Inclusion of Financial Statements. Controlled Entities' Financial statements. Audit Opinion on Financial Statements. Response to significant issues raised by Auditor-General. 	Yes	Pages 78 - 123
	Identification of audited financial statements	TPG25-10a	<ul style="list-style-type: none"> The Annual Report must make clear where the audited information starts and finishes. This is to ensure the reader can identify what information has been audited and what information has not been audited. 	Yes	Pages 78 - 123
	Unaudited financial information	TPG25-10a	<ul style="list-style-type: none"> Unaudited financial information (Information is to be distinguished by note). 	N/A	-
	Investment and Liability Management Performance	TC17-02	<ul style="list-style-type: none"> TC17-02 ('Guidelines on Reporting of Investment Liability Management Performance') sets out guidelines relating to measuring investment and liability performance including benchmarking. 	N/A	-

*Yes: it is a compliance requirement for the agency, and the agency has complied with the requirement

No: it is a compliance requirement for the agency, and the agency has not complied with the requirement

N/A: this is not a compliance requirement for the agency.

Appendix 2 – Climate-related financial disclosures

This report provides Landcom’s climate-related financial disclosures in alignment with TPG24-33, reporting framework for climate-related financial disclosures, issued by NSW Treasury, absorbing relevant Task Force on climate-related financial disclosures.

Information is provided on:

- Governance
- Strategy
- Risk Management
- Metrics and Targets.

TPG24-33

Governance

Robust governance is essential to Landcom delivering its Climate Transition Plan and other climate-related commitments.

Landcom has an established enterprise-wide governance structure as disclosed in our FY25 Annual Report on [Our Governance Structure](#), and our [Corporate Governance Statement](#).

Oversight of climate-related risks and opportunities is integrated into this governance structure, and the responsibility of the Board and its Committees (namely the Audit & Risk Management Committee and Investment Committee) as outlined below.

G1a Landcom’s Board and Committee oversight of climate-related risks and opportunities

Per the [Board Charter](#), the Landcom Board is responsible for overseeing climate and nature related risks, opportunities, targets and initiatives, including approving and monitoring progress against these targets, while ensuring robust practices and risk management processes are in place.

To assist the Board to discharge its duties and responsibilities, it has established the Audit & Risk Management Committee, which along with the Executive Committee manages, considers and reviews climate-related matters and escalates as appropriate to the Board. Landcom’s Executive Committee is updated monthly on sustainability matters by the Director Strategy & Sustainability, including climate-related risks and opportunities. Landcom’s Investment Committee also considers climate-related risks as part of due diligence when assessing potential land acquisitions. As one of two formal Board committees, the Audit & Risk Management Committee Charter can be found [here](#). The Investment Committee meets the second Monday of the month from February to November (inclusive) when required.

Table 1: FY25 climate-related activities

G1c/d/e Landcom's Board and Committee climate-related activities in FY25

Governance body & responsibilities	FY25 climate-related activities
Landcom Board	
<ul style="list-style-type: none"> Overseeing climate and nature related risks, opportunities, targets and initiatives. Approving and monitoring progress against targets annually. A monthly reporting dashboard is under development to increase the frequency of reporting to the executive and Board. Ensuring robust governance and risk management processes are in place. The Board meets monthly to address a broad range of duties and responsibilities including risk management and climate-related issues. Climate-related risks and opportunities (CRROs) are considered with each new potential site acquisition and twice annually via the Audit & Risk Management Committee standing reports to the Board. 	<ul style="list-style-type: none"> The Board (along with the Executive Committee) reviews and approves all annual corporate reports and annual sustainability reports, which include relevant climate-related performances. The last Board approved reports were for FY24, with FY25 annual reports due for Board consideration and approval in September 2025. The Board noted Landcom's approach to developing a Net Zero Plan in March 2025, with anticipated Board approval of the Net Zero Plan in FY26. The Board was updated periodically in the year on sustainability matters, including via a dedicated divisional report and monthly CEO update with standing sustainability updates. The Board was required to review and approve climate change mitigation measures for climate risks as part of pre-acquisition/project due diligence and approvals throughout the year, involving considering the trade-offs associated with the risks and opportunities presented. The Board approved review of the Risk Appetite Statement which sets Landcom's tolerance toward climate-related risks and opportunities in the acquisition of new projects. At the conclusion of projects, climate-related risk management requirements are incorporated into divestment contracts.
Landcom Audit & Risk Management Committee (ARMC)	
<ul style="list-style-type: none"> Overseeing and reviewing the appropriateness and effectiveness of Landcom's risk management framework and determining and reviewing the appropriateness of its risk appetite. Satisfying itself that an effective overall control framework exists to manage climate-related risks and opportunities and that the risk management framework is maintained. Receiving updates from the Executive General Manager Operations & Culture at least twice annually on climate-related risks and opportunities. Reviewing and recommending to the Board climate-related targets and monitoring the progress against those targets. Review of the annual reporting suite. The Committee convenes regularly for scheduled meetings at least four times a year. 	<ul style="list-style-type: none"> Prior to the Board, the ARMC will review and endorse the FY25 sustainability and Annual Reports, including relevant climate-related performance and disclosures. Oversight of the target setting process, approval and recommendation to the Board for Landcom's approach to developing the Net Zero Plan in March 2025. Reviews updates on climate-related risks throughout the year. Reviewed and updated Landcom's Risk Register including material climate-related risks and opportunities four times per year. Reviewed reports on risk management including status of strategic and operational risks (high-level or above), satisfying itself that appropriate climate-related practices are in place and support Landcom's strategy, major transactions and risk management processes. Endorsed the Enterprise Risk Management Framework for Board approval, satisfying itself that an effective overall control framework within Landcom to manage climate risks has been established and is being maintained.

G1b Landcom's Board skills

The composition of the Board and the members of the Audit & Risk Management Committee are identified in our [Corporate Governance Statement](#).

The selection of Board members is conducted by NSW Treasury in line with TPG 23-06 Board appointments for State Owned Corporations and other Commercial Government Businesses. Landcom's Corporate Governance Statement includes a Board skills matrix, which identifies the number of Directors with skills and experience in areas considered most relevant for Landcom. This includes 'Environment and sustainability oversight'. To effectively govern climate-related matters, in addition to other key topics, Landcom formally reviews the skills and experience of the Board annually. This review was last conducted in August 2025 by an external and independent service provider with input from each Director through a self-assessment and peer-review process.

Three new directors were appointed to the Landcom Board in April 2025 - Siobhan Toohill, Kieran Pryke and Ilona Millar. Siobhan and Ilona offer decades of expertise spanning climate law, environmental governance, net zero transition, and ESG strategy at the highest levels of government and ASX50 companies.

To supplement existing skills and experience, the Board Induction Program and Professional Development Policy exist to upskill Directors. This includes attendance at suitable seminars, briefings and workshops on topics to maintain and enhance Director effectiveness. Landcom's CEO, Executive General Manager Customer & Corporate Affairs and Company Secretary attended the Climate Governance Forum 2024 in August 2024 and completed the Australian Institute of Company Directors' (AICD's) Climate Governance for Australian Directors between July - October 2024.

G2a/b Management's role in assessing and managing climate-related risks and opportunities

On a day-to-day basis Landcom's Board and Committees delegate responsibility for assessing and managing climate-related risks and opportunities to the Executive Committee and primarily the Sustainability and Risk Management functions. In particular:

- As part of FY25 business planning the CEO, Board and Executive Committee have eight key focus areas. This includes Strategic Initiative 8 in the FY26 Update to the FY24- FY29 Strategic Plan - 'Drive climate impact across the business and develop Net Zero Plan.' The CEO and Executive are required to identify actions that they and their respective teams can do to achieve these core business objectives. Climate is a material risk for Landcom that is separately identified in the Risk Appetite Statement. Therefore, monitoring of climate-related risks and action on opportunities is undertaken through Landcom's Strategic and Operational Risk registers, and delegated to the Executive Committee, and Executive General Managers of Development and Operations & Culture. Senior management is responsible for the development and execution of policies, procedures and internal controls to manage climate-related risks, as well as monitoring compliance and reporting risks to the Board/Audit & Risk Management Committee.
- The Executive Committee participates in quarterly risk workshops to review Landcom's Strategic and Operational Risk registers. The Executive Committee comprises the CEO and Executive General Managers for Development, Finance & Investment, Built Form, Operations & Culture and Customer & Corporate Affairs.
- The Director Strategy & Sustainability provides the relevant updates to the Executive Committee and Audit & Risk Management Committee at least twice per year.
- The Director Strategy & Sustainability is a standing member of the Investment Committee, providing the business advice on climate-related risk and opportunities for potential acquisitions.
- Oversight of the Director Strategy & Sustainability is exercised by the Executive General Manager (EGM) Operations & Culture as part of their role description, and they provide quarterly Board updates and monthly Executive Committee updates on climate-related issues and progress.
- Landcom's sustainability team is also in place to support project teams with technical advice in considering the trade-offs associated with climate risks and opportunities.

S4 Landcom's strategy response on climate-related risks and opportunities

For climate-related risks and opportunities, Landcom considers its strategy and response over the lifetime of our products by committing to a targeted reduction in embodied carbon for all new Landcom-controlled dwellings (see 'Metrics and targets' section). We measure performance against this target by undertaking Life Cycle Assessments of in-scope projects delivered, from construction to the end-of-life disposal. Timeframes for the assessment of transition-related life cycle impacts and opportunities to decarbonise are over the average structural service life of new dwellings (60 years) or infrastructure (40 years). These timeframes align with the time horizons for general development planning and feasibility.

Timeframes used for the assessment of climate-related physical risks and opportunities are aligned with three 20-year climate periods modelled in the [CSIRO Climate Projections for Australia](#). This approach enables Landcom to leverage the best available climate data and align with Government Net Zero targets and scenarios for 2030, 2050 and beyond.

Landcom's timeframes for assessment of climate-related risks and opportunities are shown below.

S1/S4 **Table 2: Strategic timeframes for the effects of climate-related risks and opportunities**

2028 Short-term (3 years)	2030 Medium-term (5 years)	2050 Long-term (25 years)	2090 Very long-term (65 years)
<ul style="list-style-type: none"> Opportunities to achieve targets from Sustainable Places Strategy in development site 	<ul style="list-style-type: none"> Short-term climate-related physical risks NSW Government 2030 net zero commitments +1.5 degrees warming in high emissions scenario 	<ul style="list-style-type: none"> Mid-term climate-related physical risks NSW Government 2050 net zero commitments +1.5 degrees warming in low emissions scenario 	<ul style="list-style-type: none"> Climate-related physical and transition risks for expected end-of-life of our housing product

R1/R2 These timeframes have been aligned with the best available climate data and key net zero timeframes. These timeframes are then overlaid and managed against Landcom's broader strategic planning time horizons. These timeframes are applicable to delivering on our climate-related strategic goals and involve taking a long-term view of assets with several lifecycle trigger points for decisions.

Landcom has piloted new internal procurement processes over the past three-years to identify, assess and prioritise climate-related opportunities in construction contracts, including providing preferential weighting to tenderers based on their response and commitment to the project-specific sustainability opportunities and minimum requirements.

**S1/S2/
S3/R1** Climate-related physical and transition risks that are most material to Landcom have been summarised in the table below. The table lists the range of physical and transition risk, the type of risk, a description of the current and anticipated effects, and the relevant time horizons. Risk categories include acute and chronic physical risks, transition-related risks including policy and regulatory changes, market fluctuations, technology advances etc.

Table 3: Climate-related risks

Physical risk	Risk type	Description	Timeframe
Bushfire	Acute	<ul style="list-style-type: none"> Rising average temperatures with prolonged periods of drought. Damage or destruction of buildings and infrastructure due to fire exposure. Health and safety impacts due to exposure smoke and direct fire threat. 	Short-term
Drought	Chronic	<ul style="list-style-type: none"> Prolonged periods of dry weather becoming increasingly common. Insufficient water utility infrastructure due to population growth. Water stringency requirements leading to reduced amenity and landscaping damage. Soil moisture reduction leading to structural damage. 	Short/ Medium-term
Extreme heat	Acute and Chronic	<ul style="list-style-type: none"> Rising average temperatures with increasing heatwaves. Elevated overnight and peak temperatures. Health and safety impacts due to thermal stress. Infrastructure failure due to capacity constraints. Nature and biodiversity loss. Increased energy and water demand. 	Medium-term
Extreme rainfall and flooding	Acute	<ul style="list-style-type: none"> Increase rainfall events with insufficient drainage system capacity. Increased rainfall resulting in increased natural water system levels resulting in flash flooding. Health and safety impacts due to access, egress and trip and slip hazards. Infrastructure damage due to overland flow and drainage system overtopping. Ecosystem and health and safety impact due to diminished water quality. 	Short-term
Extreme storms	Acute	<ul style="list-style-type: none"> Increasing number and severity of storms with cyclonic winds. Increasing hail events. Health and safety impacts due to windblown debris. Structural, services, and envelope damage due to increased wind loads. Infrastructure failure including communication, and energy supply systems. 	Medium-term
Sea level rise and coastal flooding	Chronic	<ul style="list-style-type: none"> Sea level rise leading to increased coastal seawater inundation. Infrastructure and asset damage due to flooding. Increased maintenance for infrastructure due to saltwater intrusion. 	Medium-term

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Strategy

S1/S2/
S3/R1

Transition risk	Risk type	Description	Timeframe
Carbon price in supply chain	Policy and regulation	<ul style="list-style-type: none"> Government policy enacting carbon pricing mechanisms to reduce greenhouse gas emissions. Increased cost within the supply chain from international carbon pricing. 	Medium-term
Increased green infrastructure and carbon neutrality requirements	Policy and regulation	<ul style="list-style-type: none"> Changes to industry standards and regulation for buildings and construction. More stringent green building and carbon neutrality requirements. 	Short-term
Increased price of carbon offsets	Policy and regulation	<ul style="list-style-type: none"> Changes to industry standards and regulation for buildings and construction. Increased demand for offsets in carbon neutral economy inflating the price. 	Short/medium-term
Increased high temperature days	Acute and Chronic, Policy & Regulation	<ul style="list-style-type: none"> Commercial liability regarding disclosure of climate-related risks. Reduction in number of safe temperature working days on construction sites. 	Medium/long-term
Board Directors' liability for climate action	Policy and regulation	<ul style="list-style-type: none"> Commercial liability regarding disclosure of climate-related risks. Increased liability for directors of climate action. 	Short-term
Green lending requirements on buyers	Policy and regulation	<ul style="list-style-type: none"> Commercial liability regarding disclosure of climate-related risks. Increase lending requirements considering climate impacts or mitigation strategies. 	Medium-term
Increase in insurance premiums to buyers	Market and technology	<ul style="list-style-type: none"> Financial institutions, reading market signals, require low emissions and/or disclosure of climate-related risks as part of financing conditions. Physical impacts of climate change increase risk profile of locations. 	Medium-term
Decarbonisation requirements of construction industry	Market and technology	<ul style="list-style-type: none"> Financial institutions, reading market signals, require low emissions and/or disclosure of climate-related risks as part of financing conditions. Greater identification of carbon intensive industries inviting greater scrutiny. 	Short/medium-term
Greater risk profile at Landcom developments	Market and technology	<ul style="list-style-type: none"> Insurance. Climate impacts create a greater risk profile at locations. 	Medium/long-term
Insurance premium impact to Landcom	Market and technology	<ul style="list-style-type: none"> Increasing insurance costs or inability to ensure some future activities. Landcom climate vulnerabilities increase risk profile from climate-related physical risks. 	Medium/long-term
Electricity storage infrastructure requirements	Market and technology	<ul style="list-style-type: none"> Transformation of energy sector. Shift in storage infrastructure requirements. Increasing costs and constrained supply chains. 	Medium/long-term
Electric vehicle infrastructure requirements	Market and technology	<ul style="list-style-type: none"> Transformation of energy sector. Shift in electric vehicle infrastructure requirements. Increasing costs of electricity supply. 	Short-term

S1/S2/S3/S4/S7/R1 Climate-related opportunities that are expected to impact Landcom have been outlined in the table below.

Table 4: Climate-related opportunities

Opportunity	Description	Timeframe
Improving client resilience in the due diligence process	Through analysis in the acquisition due diligence process, we're able to identify key climate-related risks and manage risks to our business and our clients early and throughout project delivery.	Short-term
Embed carbon reduction targets and strategies in our operations and products	By embedding low carbon targets and design strategies we reduce our exposure to escalating costs associated with embodied carbon, support the built environment industry transition to Net Zero, and transition away from high emission products and supply chains that will see increasing volatility.	Short and Medium-term
Maturing our approach to carbon offsets	By maturing our approach to carbon offsets we are seeking to develop the long-term supply and veracity of offsets that will be critical in achieving Net Zero, including limiting the use of offsets.	Medium/Long-term
Organisational capability building in sustainability	Through the training and skills uplift in our teams, we seek to increase the skills and develop common understanding of objectives and the value this can provide to our customers.	Short-term and on-going
Working with nature and supporting biodiversity	Through the maturing of our approach to nature and biodiversity integrated into our developments, we build resilience to climate change, improve amenity, and uplift asset values.	Medium-term
Incentivise and mature action in the supply chain	Through engagement with our supply chain, we have the opportunity to build a common understanding of targets and outcomes, and incentivise the development of low carbon products and services.	Medium/Long-term
Climate resilient design in our product delivery	Design and implement resilient housing and infrastructure that retains long-term value, is more cost effective to operate, and improves access to financial products for our clients providing greater financial resilience of our products.	Short-term

S6 Landcom's climate-related risks are concentrated around geographical areas with high or extreme exposure to climate-related physical risks, including regional and urban fringe developments, coastal developments and urban areas with significant pre-existing urban heat impacts.

Landcom's climate-related opportunities are concentrated around construction and design-related supply chains where Landcom's business model allows for greater transparency and operational control; namely Landcom-delivered civil infrastructure, as well as build-to-rent products.

s5 Effects on business model and value chain

Landcom develops land and property, increasing the supply of housing for the people of NSW. Our projects and their geographic locations are noted in our FY25 Annual Report. Operating commercially and our firm commitment to sustainability underpins Landcom's strategic goals.

Our direct operations have exposure to climate-related physical risks as noted above. There are risks and opportunities within our value chain through the products we specify, the construction partners we work with, and the use of the land and property we deliver to the people of NSW. Landcom's exposure and concentration of risk may evolve as the nature and breadth of Landcom's activities evolves, for example in relation to changes in Ministerial Statement of Expectations.

In response to these risks and opportunities, our **Sustainable Places Strategy** was finalised in FY18 and enhanced targets were implemented in our **FY23 Sustainability Report**. This strategy encompasses our response to climate-related risks and will be reviewed and updated in FY26.

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Strategy

s7 Effects on strategy and decision-making

Strategic response

The Sustainable Places Strategy has 4 key pillars. Our climate-related risk identification, mitigation and adaptation actions are addressed in all four strategic pillars.

1. Climate Resilient Places
2. Healthy and Inclusive Places
3. Productive Places
4. Accountable and Collaborative Places

Select targets and their alignment with our key climate-related risks are identified in adaptation and mitigation below.

Adaption and mitigation

The following subset of our Sustainable Places Strategy, Climate Resilient Places pillar, integrates our mitigation and adaptation measures for key climate-related risks and opportunities with our strategies. Definitions, measurement approaches and other details of Landcom's Sustainable Places targets can be found under 'Management approach' in the FY25 Sustainability Report.

MT6/S7

Climate Resilient Places target	Climate risks	Opportunities
All projects implement actions to address identified physical and transition climate risks	<ul style="list-style-type: none"> Physical risk Transition risk 	<ul style="list-style-type: none"> Orderly transition Reputation uplift Targeted and strategic responses to key risks Improved asset values through lower cost of financial products
Net positive biodiversity portfolio performance	<p>Physical risk:</p> <ul style="list-style-type: none"> Extreme heat Extreme rainfall and flooding <p>Transition risk:</p> <ul style="list-style-type: none"> Lack of climate-adapted species supply 	<ul style="list-style-type: none"> Stormwater management Reduced heat stress Improved biodiversity Community wellbeing Reputational uplift Improved access to capital
All projects achieve a net urban heat reduction	<p>Physical Risk:</p> <ul style="list-style-type: none"> Extreme heat <p>Transition risk:</p> <ul style="list-style-type: none"> Increased number of consecutive high temperature days 	<ul style="list-style-type: none"> Public amenity and uplift in asset values Reduced need for cooling and energy demand Reduced community health risks
All new built forms adopt industry best practice Solar Reflective Index (SRI) minimums	<p>Physical Risk:</p> <ul style="list-style-type: none"> Extreme heat <p>Transition risk:</p> <ul style="list-style-type: none"> Increased number of consecutive high temperature days 	<ul style="list-style-type: none"> Reduced need for cooling and energy demand Reduced community health risks
70% GHG emissions weighted portfolio reduction	<p>Transition risk:</p> <ul style="list-style-type: none"> Increased green infrastructure and carbon neutrality requirements 	<ul style="list-style-type: none"> Energy efficiency and thermal comfort measures leading to lower operating costs

Table 5: Sustainable Places Strategy

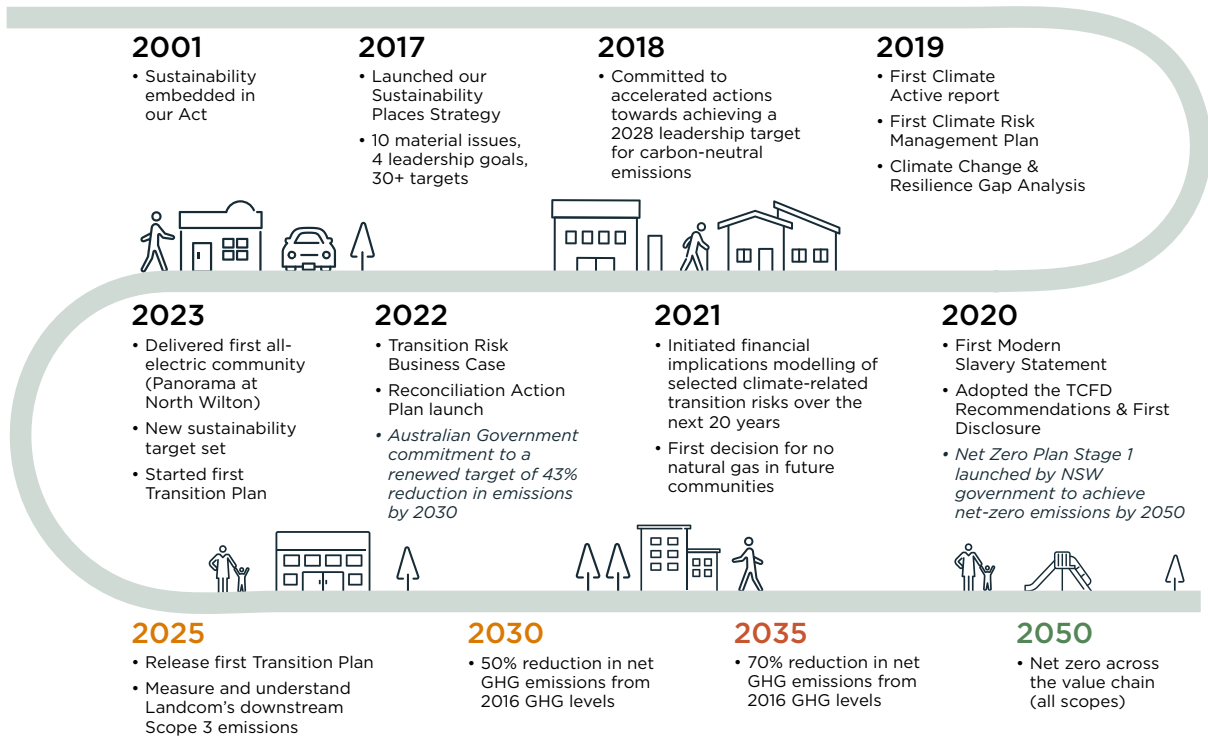
Climate Resilient Places target	Climate risks	Opportunities
10% upfront and embodied carbon weighted portfolio reduction	Transition risk: <ul style="list-style-type: none"> Carbon price in the supply chain Carbon neutrality requirements 	<ul style="list-style-type: none"> Alignment with emerging standards and policy requirements Reduced future transition costs associated with green material premiums Market development and supplier uplift.
20% forecast precinct energy demand is supplied by renewable energy, or a smart energy solution	Transition risk: <ul style="list-style-type: none"> Increased green infrastructure and carbon neutrality requirements 	<ul style="list-style-type: none"> Reduced operating expense
All residential dwellings to achieve BASIX 60 water rating	Physical risk: <ul style="list-style-type: none"> Drought Transitional risk: <ul style="list-style-type: none"> Changes in consistent rainfall 	<ul style="list-style-type: none"> Improved amenity to customers Reduced demand capacity on utilities infrastructure

MGi/S7 Transition planning

Landcom has been making concerted efforts to reduce our emissions since 2018. Recent focus has also been on planning for Net Zero. In March 2020, the NSW Government launched its Net Zero Plan Stage 1: 2020-2030, which provided the foundation and start of NSW's action on climate change to reach a goal of Net Zero by 2050. The Climate Change (Net Zero Future) Bill 2023, legislated at the end of 2023, furthered this commitment and outlined clear targets for the NSW Government to achieve Net Zero.

Our Ministerial Statement of Expectations encourages us to help deliver on the Government's Climate Transition plan. The diagram below outlines our climate transition planning to-date, how far we still need to go and the actions we need to take to do our share towards the Paris Agreement's long-term goal of keeping the increase in global average temperature well below 2°C.

Landcom is currently finalising its Net Zero Transition Plan, including mitigation and adaptation activities for short, medium and long-term decarbonisation across all Landcom activities.



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Strategy

Changes to our business model

Landcom’s Climate Resilient Places pillar responds to our climate-related exposures by developing our Net Zero strategy seeking to align with the NSW Climate Change (Net Zero) Act. Achievement of Net Zero will require change to our standard approaches including policy, design, and procurement.

Key challenges include the provision of low carbon product and services, aligned with our upfront and embodied carbon reduction target. We are increasingly focused on collaboration with our value chain to embed decarbonisation in our supply chains, as well as documenting and quantifying early stage and detailed design processes that limit carbon emissions through thoughtful design considerations.

Landcom is finalising its Net Zero Transition Plan (NZTP). The NZTP will go to the Board for endorsement in November 2025 and will outline the short, medium and long-term actions required for Landcom to transition to net zero. The NZTP builds on decarbonisation activities already undertaken by Landcom and provides a detailed assessment of current and predicted emissions and how the business will address these over time. The NZTP will be reviewed annually to ensure it addresses known and predicted risks and opportunities.

S7-S12 Current and anticipated financial effects

In FY22 Landcom undertook financial modelling to consider the current and anticipated financial impacts of climate-related transition risks to Landcom's business operations, including economic modelling for the transition risks identified in Table 3. While Landcom has limited systems to delineate and capture climate-related financial risks at the project-level, the anticipated financial effects of the identified transition risks informed an internal Business Case to enhance the way Landcom manages climate-related risks and opportunities across the portfolio, including additional resourcing requirements.

Resourcing headcount is allocated annually to Landcom's in-house Sustainability Team to support implementation of Landcom's targets and strategies. Project-specific initiatives that address climate-related risks and opportunities are forecast (including resource and budget requirements) during the annual Statement of Corporate Intent (SCI) and Business Plan process. Select Landcom projects also consider the NSW Treasury cost of carbon (aligned with **TPG24-34 Carbon emissions in the Investment Framework, 2024**) when considering the trade-offs of climate-related opportunities including infrastructure decarbonisation initiatives. For example, Landcom is currently using the FY25 AUD carbon value (per tonne) of \$130 (in 2024 dollars) when considering the use of low emissions fuels for civil infrastructure works.

Landcom anticipates that its financial position, performance and cash flows will be impacted by climate-related transition risk exposures in the short, medium and long-term as we continue to implement strategies and initiatives that address material transition risks.

Ongoing Net Zero transition planning will also support Landcom's financial resilience by proactively anticipating future policy and regulatory changes and continuing to target transition-related initiatives beyond minimum compliance requirements.

Landcom will seek to update our portfolio-wide financial modelling in the coming years to consider the risks and opportunities associated with delivering on Landcom's future Climate Transition Plan, to better understand the impacts on our financial position, performance and cash flows over time, and help align future financial and other decision-making with Landcom's decarbonisation pathway.

The results of the transition risk scenario analysis indicate that Landcom's existing systems and processes help protect the corporation from some of the most material risks relevant to the broader property sector, such as stranded assets, climate-related litigation, inability to obtain insurance in high-risk locations, higher financing costs, and accountability for more sustainable building practices. This is primarily driven by two key aspects;

First, Landcom's overarching Sustainable Places Strategy supports response to key risks through:

- Undertaking project-specific resilience and climate change risk assessments;
- Requiring 'Australian Best Practice' performance measured by industry rating tools;
- Established performance targets responding directly to carbon.

Second, Landcom's position as a State Owned Corporation supports response to key risks, as current delivery arrangements allow the handover of risk mitigation requirements to our delivery partners, as well as access to NSW Government-backed financing and insurance for investment in climate-related opportunities (for example, exploring energy saving opportunities for built-to-rent tenants through our decarbonisation initiatives).

Climate-related measures that address risks or opportunities form part of our annual project Business Plans and financial statements and are embedded within our financial statements and sales planning.

Landcom's climate-related targets drive delivery of a range of climate-related opportunities related to physical and transition risks, including potential improved customer appeal, lower operating costs, and improved customer access to financial products, such as providing guidance to residents of new Landcom communities on the potential mortgage and insurance discounts available to homes that are efficient and resilient. See below for more information on Landcom's approach to incorporating climate-related impacts into financial and other project-specific decision-making.

R1/R2/ R3/S8 **Process for assessing climate risks and community resilience for Landcom projects**

Our climate-related risk analysis is undertaken on a project-by-project basis.

Through our acquisition process, climate data is combined with site specific data, to provide asset specific hazard ratings in-line with our Enterprise Risk Management framework. This is further defined in the 'Internal audit and risk management' section of this report.

Our Climate Due Diligence Process is applied to every Landcom project, and common climate risks are assessed/considered during the early phases of a project's design and when briefing design and engineering consortiums to ensure climate risk mitigation and resilience is embedded from project inception. Project-specific Climate and Community Resilience Plans are produced in collaboration with project and design teams across a range of climate-related risk responses including; extreme heat, extreme rain/flooding, storms, sea level rise, and bushfire, along with community vulnerabilities including; water, power, telecommunications, emergency planning, and access. Adaptation and resilience measures are assessed with measures then adopted through a collaborative process with residual hazard vulnerability ratings then determined.

Capacity to adapt

As a masterplan developer we use a variety of structures to deliver projects. The key types of project structures that we use are:

- Owner/Master Developer
- Project Delivery Agreement (PDA)
- Reverse Project Delivery Agreement (RPDA).

We use these different approaches so that Landcom has varying levels of influence over project outcomes. For example, with our Climate Resilient Places targets there is variability between what we can influence when acting as the Owner/Master Developer, compared to a Reverse Project Delivery Agreement where we are not the landowner and we may need to negotiate with other project partners before adopting environmental commitments for the project.

Resource planning

Landcom will seek to update our portfolio-wide financial modelling in the coming years, including workforce planning within our Statement of Corporate Intent. This will enable us to consider the risks and opportunities associated with delivering on Landcom's future Climate Transition Plan and to help align future financial and other decision-making with Landcom's decarbonisation pathway.

Landcom has six full time subject matter experts supporting the business to address a range of sustainability and social outcomes. The Strategy & Sustainability team is made up of a Director Strategy & Sustainability, Manager Sustainability & Research, Social Sustainability & Partnerships Manager, and three sustainability project officers. This team provides advice and support on climate related matters to project and delivery teams at Landcom, as well as, reviewing other specialist ESG consultants directly appointed by the project teams.

Risk management

Ongoing monitoring and development

Landcom has developed a climate management plan to address climate-related risks with key actions summarised in the table below on our actions and accountability.

Actions	
Business development	Climate risk assessments are embedded into every land acquisition through the pre-purchase due diligence process. Risk assessment findings and mitigation recommendations are provided to the Investment Committee as part of our approvals process.
Manage risk	Climate risks and opportunities are embedded into Landcom's strategic, operational and project risk registers and form part of our ongoing management of projects.
Capability building	Our learning and development framework is used to identify skill gaps. Ongoing sustainability masterclasses are delivered for staff including deep dive sessions on climate resilience.
Capability building	We incentivise and mature action in our supply chain. Our Net Zero demonstration home at North Wilton is driving supply chain maturity for embodied carbon housing delivery at market cost and has driven conversations with our supply chain on their own Net Zero approach.
Accountability	
Disclosure	Landcom has adopted Taskforce for Climate-Related Financial Disclosure alignment since 2022. Reports were reviewed and refined annually and are now aligned to Treasury's Reporting Framework for Climate-related Financial Disclosures (TPG24-33).
Key Performance Indicators for Executive	All Executive General Managers have sustainability Key Performance Indicators relating to the delivery of climate-related risks and opportunities associated with delivering on commitments to Net Zero. These are identified in the relevant Divisional Plan, to be further incorporated into their Performance and Development Plans. These include the Executive General Manager for Built Form; Customer and Corporate Affairs; Development; Finance and Investment; and Operations and Culture.

R3 Climate-related risks and opportunities and the Landcom Enterprise Risk Management Framework

Landcom has a robust Enterprise Risk Management (ERM) Framework. Landcom considers climate-related risks alongside all other risks at the strategic, operational and project levels.

Details on the Enterprise Risk Management framework can be found on page 67. At a summary level, Landcom's Board delegates risk management activities to management and adopts 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 is underpinned by:

- Regular risk reviews by the Audit & Risk Management Committee (See [Audit & Risk Management Committee Charter](#) for more information)
- Regular risk workshops with the CEO and the Executive Committee to monitor and update risks;
- A risk-based internal audit program that assesses our treatment of risks; and
- Comprehensive risk reporting at all levels of the business.

The ERM Framework is consistent with Australian Standard AS/NZS ISO 31000:2018 Risk management – Guidelines.

R1/R2 Processes for identifying, assessing and managing climate-related risks and opportunities

Climate risk is one of the risks identified in Landcom's Risk Appetite Statement, which expresses the risk that Landcom is willing to take for a range of activities undertaken by the Executive Committee and other personnel.

Landcom is willing to pursue new acquisitions and undertake activities where the reasonably foreseen and identified climate risks are considered, and robust mitigation measures are acknowledged. Potential mitigation measures are disclosed to the Board and Executive prior to proceeding with a project, along with the commitment to deliver on mitigation measures throughout the project lifecycle.

Climate risk is monitored continually by the Board and processes have been put in place to identify, assess and manage risk across the Corporation.

For physical and transition-related climate risk across projects, Landcom has adopted a Climate Due Diligence process that is tailored to each development phase to consider common climate risks during the early phases of a project's design, complete site-specific climate risk assessments, and compile adaptation plans for Management review and Board approval.

- Pre-acquisition climate-related risks must be identified and scenario analysis is performed and identified in a Climate Risk Summary Report prepared for each site to form part of decision-making and approval process for the Investment Committee.
- During the Master Plan/Concept Plan stage, a detailed risk assessment will be completed, which includes:
 - A detailed assessment of the short and long-term likelihood and consequences of potential impacts for each relevant climate risk to the project;
 - Adaptation action tracking and residual risks;
 - Details of a Climate Change Risk Workshop with multiple stakeholders to validate the Climate Change Risk Assessment, identify potential Adaptation Actions, evaluate Residual Risks during the workshop and update them accordingly afterward;
 - A Community Resilience Plan that identifies the likely shocks and stresses impacting the community, key challenges and vulnerabilities specific to the locality, interdependent assets and services and an assessment of the resilience of the future community; and
 - A Community Welcome Pack provided to new residents in new Landcom communities, including addressing opportunities to reduce exposure to climate-related transition risks (e.g. rising insurance premiums) through sustainable and resilient design, and an emergency response checklist to support the dissemination of emergency planning and preparedness information to community stakeholders.

For physical and transition-related climate opportunities, potential Adaptation Actions are identified that present an opportunity to reduce the exposure to and impact from potential physical and transition-related climate risks. For example, opportunities to improve energy efficiency and thermal comfort are often identified as an opportunity in our multi-stakeholder project-specific Climate Change Risk Workshops to future proof our communities from potential climate-related transition risks, while simultaneously addressing physical climate-related risks such as extreme heat.

In FY23 Landcom updated the Climate Due Diligence process to an online digital portfolio climate risk tool that pulls all of our Climate Due Diligence into the one platform and enables portfolio-wide assessment of physical climate risks.

The digital tool supports identification and assessment of individual risks, leading to the appropriate assessment of risks and corresponding identification of opportunities.

Risks are evaluated using the assessment criteria in the Landcom Risk Framework to determine the consequence, likelihood and overall rating for each climate-related risk.

As noted above, Landcom's Executive Committee and the Audit & Risk Management Committee are updated twice a year on ongoing management of climate-risks, and the Executive Committee participates in quarterly risk workshops to review Landcom's Strategic Risk Register and Operational Risk Register, which include climate risks.

Metrics and targets

In FY25 Landcom implemented a new emissions management platform and has used this platform to calculate its emissions for the year.

This platform uses emission categories that are consistent with our **Climate Active Public Disclosure Statement** and aligned with the **NSW Greenhouse gas emissions accounting and reporting guidelines**. An operational control approach has been applied to Landcom’s organisational boundary. Carbon emission factors are taken from Australian National Greenhouse Accounts Factors.

Our organisation-wide GHG emissions extend beyond our Scope 1 and 2 emissions and include the emissions associated with the construction and operations of the communities we help deliver. We have identified a range of emissions sources across Scopes 1, 2 and 3 - the most material sources are identified below.

MT2
MT7
MT9

Scope 1			Scope 2			Scope 3					
Upstream						Upstream			Downstream		
Corporate Operations Emissions associated with Landcom’s corporate activities including offices, sales centres and BTR						Construction Emissions associated with Landcom’s development activities for land and infrastructure			Communities Operations Emissions associated with the operations of buildings and infrastructure in Landcom communities		
<ul style="list-style-type: none"> Fleet vehicles 		<ul style="list-style-type: none"> Electricity use for our offices, sales centres, owned assets and temporary electrical infrastructure developed as part of public domain works 		<ul style="list-style-type: none"> Business travel (e.g. flights, rental cars, transport) Employee travel (e.g. commuting) Working from home ICT services Waste generated Purchased goods and services Mains water Paper Accommodation Capital goods 		<ul style="list-style-type: none"> Land use changes (e.g. vegetation removal) Construction materials transport Construction & demolition materials use and waste Construction fuel (e.g. generators, vehicles) and electricity (e.g. site sheds) Construction water Transmission losses 			Household: <ul style="list-style-type: none"> Construction materials use and waste Electricity Natural Gas Mains water Transport behaviour 		

Boundary setting of in scope projects for Landcom’s Sustainable Places Strategy targets

Development projects are included in our Annual Sustainability Reporting if they align with material sustainability matters and performance targets. Alignment with performance targets involves determining:

1. If the target applies to the project, based on project status (Concept Design, Planning or Delivery phases) and timing (Landcom’s updated climate resilience pillar targets were introduced for projects acquired FY24 onwards). We have also applied these targets to Landcom’s Panorama at North Wilton project, as they have committed to demonstrating global best-practice outcomes.
2. If activities relevant to the target have been completed during the reporting period.

TPG24-33

Metrics and targets

MT6 Emissions Performance

MT7

Scope 1 and 2:

Landcom's Scope 1 and 2 GHG emissions related targets are derived from the NSW Government Net Zero Operations Policy (2024). Landcom's material Scope 1 and 2 emissions have been summarised below.

Table 6: Description of material Scope 1 and 2 Corporate Operations GHG emissions

	Stationary combustion	Fugitive emissions	Mobile combustion
Scope 1	Landcom did not operate any buildings or other assets that consume stationary energy fuels for the FY25 period. Previously Landcom has reported stationary energy consumption for sales offices, however this is no longer in use.	Fugitive emissions from refrigerants have been excluded due to lack of data.	Landcom's fleet vehicle activity is captured using primary data in the form of a fuel card transaction report covering petrol, E10 and diesel purchases.
Scope 2	Purchased Electricity – Operations Landcom operates a set of buildings, including sales and corporate offices which consume purchased electricity. This purchased electricity activity is captured via utility bills which report metered consumption. Purchased electricity emissions are calculated using both a location and market-based approach, which incorporates Landcom's commitment to purchasing of GreenPower and/or renewable large-scale generation certificates (LGCs).		

MT2 Scope 3 and climate-related physical and transition risks:

MT7

MT6

b) d)

e) f) i)

Landcom's Sustainable Places Strategy sets targets associated with Landcom's Scope 3 Upstream and Downstream GHG emissions, as well as climate-related physical and transition risks. Unless otherwise stated, all targets have a baseline year of 2018 and apply to the whole of organisation. Quantitative GHG emissions targets are absolute targets aligned with our 2028 Strategy time frame. The following targets in Table 7 below apply and are described in further detail, including methodology and assumptions used for annual reporting, in Landcom's Annual Sustainability Report.

Table 7: Sustainable Places Strategy targets for Scope 3 and climate-related physical and transition risks

Sustainable Places Strategy target	FY25 performance
All projects implement actions to address identified physical and transition climate risks.	100% in scope projects have achieved
70% GHG emissions weighted portfolio reduction.	65% Projected weighted portfolio GHG reduction
10% upfront and embodied carbon weighted portfolio reduction.	Upfront carbon: 13.2% projected weighted portfolio reduction Embodied carbon: No projects in-scope for FY25
20% forecast precinct energy demand is supplied by renewable energy, or a smart energy solution.	100% of in-scope projects achieved
All residential dwellings to achieve BASIX 60 water rating.	73% of dwellings achieved

Each of these targets are tracked and reported on at least annually, and third-party verified each reporting year. In future years Landcom also intends to incorporate trend analysis and report on any significant changes in performance of these targets.

MT1 Scope 1 and 2 emissions

a) b) Landcom's Scope 1 direct GHG emissions are derived from our operated assets measured in tCO₂e. Scope 2 refers to indirect GHG emissions from the generation of purchased electricity, steam, heat or cooling that is consumed by our operated assets and is calculated using the market-based method measured in tCO₂e. Under a location-based method Scope 2 emissions would be 109.72 tCO₂-e, as the location-based method does not factor in the emissions reductions from Landcom's Green Power agreement.

Table 8: Greenhouse gas emissions

Greenhouse gas emissions (tCO ₂ e)	FY25	CY24	CY23
Scope 1 emissions	1.93	1.89	1.25
Scope 2 emissions (market-based)	11.11	0.00	0.00
Carbon offsets ¹	14	1,129	802
Net Scope 1 & 2 emissions	0.00	0.00	0.00

¹ Landcom was Carbon Neutral Certified under the Climate Active scheme for the fifth consecutive year, including the net-impact from the purchase and retirement of nature-based Australian Carbon Credit Units (ACCUs). This covers our material operational emissions. Carbon offsets have been retired annually to offset our remaining emissions in line with our Climate Active Submission. The offsets are retired against our Scope 1 and select Scope 3 emissions where our Climate Active certification is aligned with a Calendar Year period. Remaining Scope 1 and 2 emissions for FY25 have been offset in arrears.

MT6 FY25 performance against relevant NSW Government Net Zero Operations**MT7 Policy targets**

MT8 Landcom's FY25 performance against relevant targets in the NSW Government's Net Zero Operations Policy (2024), primarily related to Landcom's Scope 1 and 2 emissions, has been summarised in the table below. Note that Landcom has historically reported Scope 1 and 2 emissions per Calendar Year under the Australian Government's Climate Active Certification process. Due to FY25 being Landcom's first financial year disclosure, relative reductions on 2018/2019 levels and previous years have been reported with a low/moderate level of confidence. We will work towards a like-for-like reduction estimate for our FY26 disclosure to allow for direct comparison. All quantitative targets are absolute targets.

Agencies should aim to achieve a reduction in scope 1 and 2 emissions to contribute to a whole-of-government target to reduce emissions by 50% by 2030 and 70% by 2035 (on 2018-19 levels), and net zero by 2050.			
FY25 Performance	CY 2019 Gross Scope 1 and 2 emissions ¹	CY 2024 Gross Scope 1 and 2 emissions ¹	FY25 Gross Scope 1 and 2 Emissions
Gross emissions	2,414 tCO ₂ -e	1.89 tCO ₂ -e	12.82 tCO ₂ e
% reduction on CY19		-99.9%	-99.5%

¹ CY 2019 and CY 2024 Gross Scope 1 and 2 Emissions derived from respective Climate Active Public Disclosure Statements (PDS) available on the Climate Active website. Landcom's published PDS¹ identify some of Landcom's emissions reduction actions to date, including (but not limited to):

- GreenPower certified electricity
- Flexible working arrangements
- Procurement of electric fleet vehicles.

TPG24-33

Metrics and targets

Agencies must have long-term net zero transition plans for their operations in place by 1 January 2026.

FY25 Performance Landcom to launch Net Zero Plan before 1 January 2026.

From 1 January 2035, all office buildings owned or leased by the NSW Government at that time must be all-electric.

FY25 Performance Landcom leased offices premises are all-electric.
No new leases within FY25 reporting period.

All new and existing government-owned and leased office buildings are required to achieve and maintain the minimum (specified) NABERS ratings.

FY25 Performance Head Office Premises NABERS Rating:

- NABERS Energy - 5.5 stars
- Base Building NABERS Energy - 4.5 star
- Base Building NABERS Water - 3.5 star
- Base Building NABERS Waste - 2 star

Green lease targets must be included in all new and renewed lease transactions where the NSW Government will occupy a total of at least 4000 m² of office space in a single building for a minimum three-year lease term.

FY25 Performance No new leases within FY25 reporting period.

All new government passenger vehicles procured will be EVs by 30 June 2030, with an interim target of 50% EVs by 30 June 2026.

FY25 Performance Landcom procured two new passenger vehicles during FY25, operational during FY26-FY27, providing an **interim public transport solution** between our Panorama North Wilton community and Campbelltown City Centre. These passenger vehicles are internal combustion vehicles and are provided in partnership with a not-for-profit community transport provider, South West Community Transport. In FY26 we will collaborate with delivery partners on decarbonising Landcom's new passenger vehicle services.

Appendix 3 – Independent assurance statement



Independent Limited Assurance Report

ERM CVS Australia Pty Ltd ("ERM CVS") was engaged by Landcom to provide limited assurance under ASAE3000 in relation to the Selected Information set out below and presented in Landcom's FY25 Reporting (comprising of the Other information in Landcom's FY25 Annual Report and FY25 Corporate Governance Statement (further the "Report")).

ENGAGEMENT SUMMARY

Scope of our assurance engagement

Disclosures

Whether the selected information is fairly presented in the Report, in all material respects, in accordance with the reporting criteria for the reporting period.

In addition to the Financial Report, that is subject to a separate independent audit, Landcom engaged ERM CVS to perform independent assurance over the 'Other Information' in the Landcom's FY25 Annual Report and FY25 Corporate Governance Statement. Other Information generally comprises the information included in the Annual Report (other than the financial statements and notes and its associated audit report).

Performance Indicators

Whether the following selected information below for the FY25 ending 30 June 2025, are fairly presented in the Report, in all material respects, in accordance with the reporting criteria

Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.

Selected Information

Disclosures

- Other Information in the Annual Report:
 - Chair's review
 - Chief Executive Officer's review
 - Overview
 - Strategy
 - Operations and Performance
 - Management and accountability
 - Sustainability
 - Appendix 1 – Compliance checklist
 - Appendix 2 – Climate-related financial disclosures
- Corporate Governance Statement

Performance Indicators:

- Scope 1 GHG Emissions (tCO₂e)
- Scope 2 GHG Emissions – market-based approach (tCO₂e)
- Scope 2 GHG Emissions – location-based approach (tCO₂e)

Reporting period 01 July 2024 – 30 June 2025

Reporting criteria

- Landcom's internal basis of preparation and relevant policies and procedures to prepare the selected subject matter and associated data, against which to evaluate the content of the Report. This included reference to Landcom's principal objectives and function under the Landcom Corporation Act 2001 and Report on Operations disclosure requirements under section 24A of the State Owned Corporations Act 1989 and the Annual Reports (Statutory Bodies) Act 1984
- New South Wales Government Sector Finance Act 2018 (GST Act) - Report on Operations – Disclosure Requirements
 - TPG24-33 Reporting framework for climate-related financial disclosures

ENGAGEMENT SUMMARY (CONTINUED)

Assurance standard and level of assurance	<p>We have performed a 'limited' level of assurance procedures under ASAE 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information with respect to the qualitative report content.</p> <p>The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.</p>
Respective responsibilities	<p>Landcom is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Report.</p> <p>ERM CVS' responsibility is to provide a conclusion to Landcom on the agreed assurance scope based on our engagement terms with Landcom, the assurance activities performed and exercising our professional judgement.</p>

OUR CONCLUSION

Based on our activities, as described below, nothing has come to our attention to indicate that the Other Information in Landcom's FY25 Annual Report is not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

OUR ASSURANCE ACTIVITIES

Considering the level of assurance and our assessment of the risk of material misstatement of the Report a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Interviewed data owners of selected data sets to understand how they collected, calculated, and aggregated data from projects as well as what assumptions or estimations were made.
- Sought and reviewed supporting information or explanations for selected data, statements and claims within the Report regarding Landcom's operational performance.
- Checked whether operational data in the Report had been calculated and aggregated accurately, was consistent with Landcom's internal records, and according to managements explanations and disclosures.
- Reviewed and assessed how Landcom has responded to sustainability-specific reporting regimes which was subject to a parallel sustainability assurance process described in our Independent Limited Assurance Report contained in Landcom's FY25 Sustainability Report.
- Reviewed the presentation of information relevant to the selected performance data and statements in the Report to ensure consistency with the assurance findings and observations.



Sydney, Australia

17 October 2025

ERM CVS Australia Pty Ltd

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THE LIMITATIONS OF OUR ENGAGEMENT

The reliability of the Selected Information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context. Further to this, we did not visit project sites or interview project teams.

OUR INDEPENDENCE, INTEGRITY AND QUALITY CONTROL

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ASQM-1 and ASQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Landcom in any respect.



The Joinery, Annandale - internal plaza view

Download our current and previous annual reports at:

www.landcom.com.au/publications

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