

Stockland has taken a proactive approach to climate change, developing its policies and implementing action plans over a number of years.

Stockland's strategic approach covers five themes:

- Monitor: streamlining reporting and monitoring emissions and energy use
- Reduce: reducing emissions through both direct control and influence
- Adapt: researching and responding to potential climate risks
- Innovate: integrating innovative solutions into operations and development projects
- Communicate: effectively communicating position and performance

Key activities

This approach has seen Stockland achieve a greenhouse gas emissions intensity reduction of 22% across its commercial property portfolio over the last four years (FY06-FY10).

Continuing to cut emissions will however, become progressively harder as easier, low-cost initiatives are completed. Over the coming year Stockland expects to achieve significant cuts through rolling out sub-metering and undertaking mechanical equipment upgrades in shopping centres. The business is also working with the CSIRO to investigate low carbon and renewable energy technologies in retail centres and residential communities.

Stockland also recognises that it has a significant role in the development of sustainable communities of the future, embodying leading design principles and compact urban form, building for climate resilience and limiting the impact on natural resources while continuing to contribute to the economic growth of the nation.

Approach to carbon pricing

The direct impact of a carbon price on Stockland is anticipated to be relatively small compared to other large Australian organisations. The main direct impact to Stockland will be an increase in electricity prices. The wider effects of a carbon price, such as cost impacts on construction and building materials, are greater. The nature of these impacts won't be known until the government clarifies compensation, especially for emissions-intensive trade-exposed industries such as steel manufacturers. Increasing energy prices will also lift operating costs for tenants and residents, although the impact won't be known until details of any compensation program are released. Many of Stockland's stakeholders will also be impacted by rising costs and shifts in competitiveness.

Stockland recognises that placing a price on carbon is important to encourage a shift to lower carbon and renewable energy alternatives, and needs to be achieved in a manner that is timely and globally in step, sustaining overall national economic stability.

Stockland also supports the important role of complementary mechanisms, in particular programs in the property sector that will:

- Accelerate energy efficiency; and
- Encourage the trialling and take up of low carbon and renewable technologies.