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Stockland's logistics rooftops to power its property portfolio in market leading renewables deal

[Link to assets including images, VNR and drone vision](#)

Stockland has announced a new partnership with distributed energy resources company Energy Bay to manage the provision of energy across its property portfolio of more than 50 buildings with over 50 megawatts peak (MWp) of solar energy generated on the rooftops of Stockland's shopping centres and logistics assets.

In a market leading move, Stockland is using inter-asset energy trading to allow the additional renewable energy generated at Stockland's logistics assets to be dedicated for use at its other commercial buildings and land lease communities.

Stockland's Managing Director and Chief Executive Officer, Tarun Gupta, said the innovative partnership with Energy Bay is expected to make a significant contribution to the achievement of Stockland's net zero scope 2 emissions by 2025 by generating as much power as the portfolio consumes each year and retiring the renewable energy certificates created.

"The partnership with Energy Bay is a significant step towards our transition to a low carbon future using innovative, scalable, and economically sustainable solutions.

"With the use of 100% renewable electricity at our properties, this will have an immediate impact on our recently launched ESG strategy and updated decarbonisation targets," Mr Gupta said.

Energy Bay will purchase Stockland's existing ~17 MWp of solar panels, mostly located at town centres, and install and own an additional ~34 MWp of solar infrastructure across Stockland's assets by 2025.

Stockland's Executive General Manager, Workplace, Emlyn Keane, said this market-leading scheme to trade solar energy among Stockland assets unlocks the abundant roof space of our logistics premises so that excess energy generated can be traded to properties across the Stockland Group.

"The partnership allows us to use our own rooftops rather than requiring additional land for solar farms and avoids the premium cost of renewable energy power purchasing agreements.

"The base power demands of logistics assets are low, meaning our town centres and workplaces can draw on the renewable energy generated on these rooftops to offset their consumption, which is typically higher.

“The use of our existing commercial property assets combined with our \$6.4 billion logistics pipeline will see approximately 250,000 square metres of solar panels installed on our roofs, the equivalent of around 35 football fields,” said Mr Keane.

Stockland will receive an upfront payment from Energy Bay for its existing solar panels and create recurring income from licensing retail and logistics roof space to support the solar panel infrastructure on a number of assets across the country.

Under the terms of the agreement, Energy Bay will licence available roof space from Stockland for 30 years allowing it to operate and maintain the embedded networks and manage and sell energy services. Stockland will purchase energy from Energy Bay for 15 years.

Energy Bay Chief Executive Officer, James Doyle, said the initiative will deliver significant environmental benefits while producing a long-term, cost-effective renewable energy solution for Stockland.

“Through this partnership, Energy Bay will develop, install, and operate a major renewable energy platform, right on the rooftop of Stockland’s vast commercial assets, on-selling the energy produced back to Stockland at a competitive price point.

“The initiative is a fantastic step in the decarbonisation of the Australian commercial sector, allowing Stockland to substantially achieve its 2025 net zero scope 2 emissions, and mitigate an estimated 50,000 tonnes in CO₂ emissions annually, once more than 50 MWp of solar PV is installed.”

As the partnership progresses, Stockland will explore how tenants across its property portfolio can have the opportunity to join the scheme and potentially drive down their emissions and assist in reducing Stockland’s scope 3 emissions. There are also plans underway for future battery storage to optimise the amount of renewable energy at these sites.

Stockland’s net zero ambitions are supported by the Clean Energy Finance Corporation (CEFC).

CEFC Head of Property, Michael Di Russo said the CEFC has been working with Stockland since 2019 to accelerate their net zero ambitions, and the development of this new energy sharing scheme is the exciting realisation of a significant milestone for Stockland’s progress towards its net zero goals.

“Australia’s buildings consume around half of the nation’s electricity, and up to 77 per cent of energy network system capacity during peak periods. This latest milestone is an important demonstration of the innovation needed as we work towards Australia’s energy transition.

“The property industry has a key role to play in continuing to innovate and push to further decarbonise for Australia to meet our emissions reduction targets,” said Mr Di Russo.

About Stockland's ESG strategy

- Stockland has received global recognition for many years for our holistic approach to environmental, social and governance (ESG) matters.
- Underpinning Stockland's recently refreshed ESG strategy are four pillars where Stockland feels it will have the greatest impact – decarbonisation, circularity, social impact, and resilience. Initiatives under these pillars support our targets and focus on innovation, scale and economically sustainable solutions.
- Stockland is targeting:
 - Net zero scope 1 & 2 in 2025ⁱ.
 - Most material scope 3 emissions intensity halved by 2030ⁱ.
 - Net zero scope 1, 2 & 3 by 2050ⁱ.
 - Over \$1.0bn of social value creation by 2030ⁱⁱ.
- Throughout FY23, Stockland continued to reduce our emissions intensity of our Town Centre and Workplace portfolio through energy efficiency initiatives and onsite renewable energy generation.
- Stockland has achieved a 13% emissions intensity reduction across our Commercial Property portfolio since FY20, outperforming our FY24 target of 10% and 70% since 2006. This was largely due to our increased onsite renewable energy generation.
- More information on Stockland's ESG strategy can be found [here](#).

About Energy Bay

- Energy Bay is the parent company of Solar Bay, Australia's leading provider of renewable energy infrastructure for Commercial and Industrial (C&I) properties.
- Established in 2016, Energy Bay offers specialised distributed renewable energy solutions to facilitate enterprise customers and property landlords through the energy transition.
- Founded on the values of innovation, value creation and social responsibility, Energy Bay is backed by capital from Australia's largest private financial sponsors, including Skip Capital's Skip Essential Infrastructure Fund.
- The company delivers services through its wholly owned interests in Solar Bay, the nation's leading behind-the-meter asset owner and operator and Diamond Energy, Australia's greenest electricity retailer.

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ⁱ Stockland's emissions reduction targets have been prepared by reference to criteria set out by the Science Based Targets Initiative (SBTi). The targets have been reviewed by Ernst & Young (EY), who has provided limited assurance in relation to their alignment with the published SBTi criteria. Stockland has also submitted its targets to SBTi for validation.

ⁱⁱ Stockland defines social value creation as our intentional effort and investment to deliver social, economic and/or environmental benefits for our communities and broader society.

Stockland (ASX:SGP)

We are a leading creator and curator of connected communities with people at the heart of the places we create. For more than 70 years, we have built a proud legacy, helping more Australians achieve the dream of home ownership, and enabling the future of work and retail. Today, we continue to build on our history as one of Australia's largest diversified property groups to elevate the social value of our places, and create a tangible sense of human connection, belonging and community for our customers. We own, fund, develop and manage one of Australia's largest portfolios of residential and land lease communities, retail town centres, and workplace and logistics assets. Our approach is distinctive, bringing a unique combination of development expertise, scale, deep customer insight, and diverse talent - with care in everything we do. We are committed to contributing to the economic prosperity of Australia and the wellbeing of our communities and our planet.