

# Our Management Approach to Biodiversity

## A. Purpose

This document sets out our approach to managing and conserving biodiversity where we operate. It should be read in conjunction with our annual **Biodiversity Deep Dive** (available on our [website](#)). Together, our management approach documents, deep dive reports and our data packs comprise our sustainability reporting suite, which is prepared in adherence to the International Integrated Reporting Framework principles of materiality, stakeholder responsiveness, reliability and completeness; in accordance with the GRI Standards<sup>1</sup>(Comprehensive); and is **third party assured**.

We recognise the important role biodiversity plays in sustaining healthy ecosystems and supporting human health and wellbeing. We also understand the intrinsic value of biodiversity and global significance of Australia’s unique flora and fauna. We also know that our customers value access to nature, and so integrating developable land with conservation and enjoyment of biodiversity is critical to the overall success of our masterplanned communities.

We develop new land for housing, including infrastructure and social amenities, to create sustainable, thriving communities. Development brings challenges and opportunities that we manage as we deliver our projects. In particular, developments on greenfield sites can impact local bushland habitat, ecological communities and protected or significant species. As part of our strategy to deliver shared value, we seek to make an aggregated net positive contribution to biodiversity value by minimising our impact on ecological communities and protected or significant species, and designing communities to promote nature reserves and parklands.

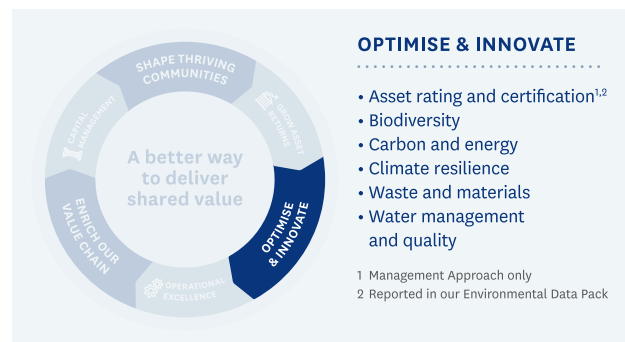
Preserving and restoring biodiversity on or around our sites enhances the liveability and vitality of our communities over the long term. Our Liveability Index survey results tell us that our residential customers value green space and a connection to nature. Therefore, making a positive contribution to biodiversity improves customer satisfaction with our business and assists us to create sustainable, thriving communities.

In Australia, sites of international and national importance are generally conserved within our reserve systems. Where this is not the case, biodiversity is heavily regulated by Australia’s three tiers of government, further underscoring the importance placed on biodiversity by the general public. Actions focused on minimising biodiversity thus mitigate compliance risks and facilitate productive conversations with government authorities about how our developments can maintain or enhance biodiversity value.



For more information on our approach to managing biodiversity see our **Biodiversity Deep Dive**.

## Stockland's Sustainability Strategy



<sup>1</sup> The GRI Standards are global standards for sustainability reporting published by the Global Reporting Initiative (<https://www.globalreporting.org/standards/>)

## B. Management approach

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### B.1 Overview

Overarching objectives for our management approach to biodiversity are to:

- minimise our impact on ecological communities and protected or significant species
- design communities to promote nature reserves and parkland

### B.2 Understanding biodiversity value and impact

Our developments can maintain or enhance biodiversity value through conservation, investment, secure ownership, and ongoing management, especially when compared with the existing state of many pre-development sites. These sites are often degraded habitat, facing continued impacts from threatening processes. They are also usually in private ownership with no certainty over conservation outcomes. When we develop the site, in some cases we will retain the majority of biodiversity, and where land is cleared, conservation in perpetuity of remaining biodiversity or biodiversity off-site provides certainty for ecological communities and species.

We use a biodiversity calculator to assess the change in biodiversity value of our projects based on an initial pre-development value at a site. We developed the biodiversity calculator in FY15 to quantify the impacts of our projects and measure whether we are delivering a positive contribution to biodiversity. The biodiversity calculator assesses pre-and post-development conditions to understand how development activities, rehabilitation achievements, and conservation plans positively or negatively impact on biodiversity values. The calculator uses information on land areas, vegetation types, and other attributes available in development planning documents.

The calculator's assessment of biodiversity value considers state and Commonwealth-listed threatened species, size and condition of the assets, likely impact, and agreed offsets. In developing the calculator, we built on established methods used by the Green Building Council of Australia to measure changes in ecological value.

### B.3 Biodiversity management approaches

We will generally apply the mitigation hierarchy through our assessment and consideration of design and management options. The mitigation hierarchy includes 1) avoid impacts, 2) minimise impacts, 3) restore cleared or degraded areas, and finally 4) offset impacts to our projects where significant biodiversity is identified. We will implement a range of programs to mitigate negative impacts and deliver a positive overall contribution to biodiversity. These may include rehabilitation programs, on- and off-site conservation, the provision of research funding, and the reversal of impacts associated with historical uses such as grazing. The company has a commitment not to operate in World Heritage areas and IUCN Category I-IV protected areas.

Factors that influence biodiversity impacts and management options vary across our development sites, and include:

- **nature of the biodiversity affected** – including the type of habitat, community or species, the size and quality of the habitat and the viability of bushland, waterway and open space corridors adjacent to our site.
- **planning and design** – urban design considerations such as access routes, the location of town centres, public open space public transport options (both proposed and existing), and the required lot size and quantity to enhance viability and liveability of the development. These decisions can impact the location of infrastructure and housing and therefore biodiversity conservation on a project site.
- **ongoing management** – ownership opportunities and responsibilities beyond the development phase of the project. It is important that if decisions are made to protect long-term biodiversity in urban areas, appropriate ownership models are agreed, such as public ownership by a local council or state governments, private ownership options such as Biobanking, planning instrument protection such as environmental protection zones, and best practice management considerations such as weed removal, appropriate fire regimes and feral animal control.

Minimum performance standards are included in our Residential Sustainability Policy, which helps our communities and assets move beyond minimum standards that may vary according to local regulations.

We use a range of mechanisms to protect land containing biodiversity including:

- the creation of parks and dedicated conservation reserves;
- the preparation of Biodiversity Management Plans;
- covenants on titles where areas of significant ecological value are located on allotments;
- conservation zoning and transfer of land to Councils and/or public authorities; and
- private ownership and management agreements including conservation covenants or **Biobanking** (in New South Wales).

Threatened species with habitat affected by our activities are considered as part of the environmental approval process on each development. In many cases, we are able to conserve local biodiversity and place most or all of the significant species found on our sites into protected areas. These are then integrated into the protected area estates managed by local or state-level agencies, which are then available to the community and managed for conservation in perpetuity.

We engage construction contractors on the basis that they deliver on biodiversity objectives, including any actions stipulated in project approval conditions. Contractors are managed through regular site meetings and reporting to facilitate compliance with biodiversity conditions.

## B.4 Biodiversity management plans

Biodiversity management actions, including any actions stipulated as part of a development approval from any level of government, are integrated into development plans for each site.

Projects with significant biodiversity are required to prepare a biodiversity management plan (BMP), which identifies areas of biodiversity to be conserved or offsets to be provided. It also provides details relating to the rehabilitation or revegetation and protection of biodiversity and the provision of funding to enable appropriate management of protected areas over the long term. The timing of the BMP development relates to the conservation objectives specific to that site, noting that this can occur at any stage throughout the development life cycle.

We partner with environmental or community groups to deliver activities committed to in the BMPs, such as tree planting, weeding and education programs.

## C. Review and evaluation of the management approach

Our goal is to better understand biodiversity in the locations where we operate, and to implement protection, management and enhancement initiatives as appropriate. We set targets to guide our actions at three-year intervals.

We review and evaluate our performance against our biodiversity targets as part of our annual **Biodiversity Deep Dive**. In this reporting, we include:

- a status update and progress against our short, medium and long-term targets;
- detailed commentary on priority actions that contributed to the achievement of key targets;
- the identification of future priorities;
- highlights of initiatives implemented over the reporting period; and
- case studies that explore key achievements, usually at particular locations.

We collect data and other reporting content associated with biodiversity from project teams through an annual data collection process. The information collected generally relates to progress against biodiversity management objectives, with the exact themes varying depending on the project's stage in the development life cycle. For example, at the masterplan completion stage projects report on expected impacts and management planning. During construction, reporting moves to focus on delivery of management actions.

## D. Responsibilities

Roles and responsibilities associated with our management approach to biodiversity are described in the table below.

Role	Responsibilities
<b>Board Sustainability Committee</b>	Oversight of biodiversity approach, targets and performance tracking
<b>Chief Financial Officer</b>	Responsibility for biodiversity approach and initiatives Reports directly to Managing Director and CEO
<b>Group Executive and CEO Commercial Property Group Executive and CEO Communities</b>	Delivery of biodiversity strategy outcomes within their respective business units
<b>Executive Committee</b>	Supports delivery of our biodiversity objectives
<b>National Manager – Group Sustainability</b>	Effective implementation and evaluation of our biodiversity approach
<b>National Sustainability Managers</b>	Guide asset teams in effective delivery of biodiversity initiatives
<b>Development Managers and Project Managers</b>	Effective management of biodiversity at a project level

## E. Version control

Revision	Published	Owner	Changes
1	September 2018	General Manager – Sustainability and Corporate Procurement	–
2	August 2019	National Manager – Group Sustainability	–
3	April 2020	National Manager – Group Sustainability	