

# Our Management Approach to Employee Diversity and Inclusion

## A. Purpose

This document sets out our approach to employee diversity and inclusion. It should be read in conjunction with our **Employee Engagement, Development, Diversity and Inclusion Deep Dive** (available on our [website](#)), where we report on progress against employee diversity and inclusion on an annual basis. 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**.

Stockland is committed to enhancing the diversity of our workforce and building on our inclusive culture. We aim to maximise the potential of our people and appreciate that individuals with different backgrounds, gender, ethnicity, physical abilities, sexual orientation, family status and thinking styles bring diversity of thought, more informed decision-making and ultimately better business outcomes. We believe that Stockland should reflect the diverse range of customers, residents, stakeholders and communities that we operate in.

An inclusive culture is key to creating an environment that not only harnesses diversity but leads to a true sense of belonging and community. This is at the heart of our purpose: 'We believe there is a better way to live'. Success in delivery on our purpose depends on our ability to create that same sense of belonging and inclusion within our workforce.

Our Diversity and Inclusion strategy and action plans target the following aims:

- building the awareness and capability of our people leaders to embrace diversity and flexibility;
- maximising diversity in leadership positions, in particular the proportion of women in management roles;
- creating a more inclusive workplace; and
- being a diversity thought leader and advocate in the property sector.



For more information on our approach to employee diversity and inclusion see our **Employee Engagement, Development, Diversity and Inclusion 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

### B1. Overview

We have defined four key areas of focus:

Wellbeing, Accessibility and Cultural Inclusion	LGBTI+	Gender Equity	Flexibility
To support employee wellbeing, cultural diversity and employees with accessibility needs (physical, mental and neuro-diverse).	To provide an inclusive workplace for current and future LGBTI employees.	To enable the equitable attraction, retention, development and remuneration of all genders at Stockland.	To facilitate the mainstreaming of flexibility and accommodate work/life needs, whilst delivering against business objectives.

#### Measurement

In FY20 we designed and introduced a Diversity & Inclusion Index, demonstrating our continued focus on refining Diversity and Inclusion measurement and tracking success in this important area.

Key Diversity and Inclusion metrics including gender, wellbeing, LGBTI+, flexibility and cultural inclusion were selected and weighted to produce the overall D&I Index score, which we can use to reflect our progress. Index targets were approved by the Executive Committee and Stockland Board and form part of Stockland's Corporate Balanced Scorecard.

#### Employee Advocacy Groups (EAGs) and Stockland's Diversity and Inclusion Committee

The four D&I focus areas above are supported by four Employee Advocacy Groups (EAGs) to build capability and ownership build capability and ownership diversity and inclusion throughout our business.

Each EAG is sponsored by an Executive Committee member and led by a General Manager or Senior Manager. A diverse group of employees makes up each of the EAG groups and helps focus our efforts on issues important to employees.

The Diversity and Inclusion Committee is chaired by our Managing Director and is composed of the EAG Executive Committee Sponsors, EAG leads, other Executive Committee members and applicable People and Culture managers.

#### Wellbeing, Accessibility and Cultural Inclusion

Our focus on employee wellbeing encompasses mental, physical and personal wellbeing, with key aspects including:

- providing and promoting the Employee Wellbeing Assistance Program, which is our free, confidential counselling service that can be used by all employees and their immediate family members ;

- physical health programs to encourage employee exercise participation and healthy eating in our offices ;
- providing access to facilities that support wellbeing through workplace design e.g. end-of-trip facilities as well as building design features including plants, natural light, ergonomics and quiet spaces;
- offering programs that encourage social connection with local communities through workplace giving, paid volunteering leave and our CARE Foundation partners;
- mental health support and education for our employees through our CARE Foundation Partners R U OK? and ReachOut; and
- training programs to help support personal and organisational wellbeing and resilience.

Our cultural inclusion strategy encourages support for cultural participation, access, and the right to express and interpret culture. **Our Reconciliation Action Plan (RAP)** is closely aligned with our cultural inclusion strategy and sets out our commitment to deepen our understanding of our shared histories, cultures, and achievements, and explore ways we can contribute to reconciliation in Australia becoming a part of our thinking and our actions.

Progress against our RAP actions is tracked and reported throughout the year, including targets for indigenous employment opportunities.

Our disability strategy advocates for improved recruitment of people with a disability and supporting accessibility in the workplace. We partner with the Australian Network on Disability to provide undergraduates with work experience through our Stepping Into Internship program.

#### LGBTI+

Our LGBTI+ strategy seeks to promote LGBTI+ inclusion for employees, customers and communities. We aim to enhance our positioning as an employer of choice for LGBTI+ employees. and enhance our positioning as an employer of choice for LGBTI+ employees. We have utilised our benchmark results from the Australian Workplace

Equality Index to build and execute a targeted strategy. Key focus areas of this strategy include:

- providing guidance and advice on LGBTI+ employee inclusion in regards to communications, policy and employee experience;
- enhancing key policies to be more inclusive for LGBTI+ employees;
- providing guidance on LGBTI+ issues and inclusivity in external marketing and communications;
- supporting and building an ‘Ally’ network of employees who actively promote their support of their LGBTI+ colleagues;
- building awareness and understanding of LGBTI+ inclusion through training and communications with our Executive Committee, People and Culture and all other employees;
- increasing our visual support of LGBTI+ inclusion in our offices as well as our built and digital assets including the use of social media, employee and customer communications, videos, signage and merchandise.

## Gender Equity

We have strong and long-standing support for gender equity and are committed to maintaining an environment where we encourage and support career development and advancement of all genders in our business. Some key aspects of our commitment to gender equality include:

- our Managing Director advocating for gender equity in the broader property industry as a member of the Property Male Champions of Change group;
- being recognised as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency for our active commitment to achieving gender equality in the workplace;
- gender targets relating to women in management and senior women in management being part of our Corporate Balanced Scorecard as well as individual KPIs for Executive Committee, General and Senior Managers;
- a commitment to pay equity through ongoing measurement, external audit and targeted actions;
- balanced recruitment shortlists and offers with gender service level agreements for our recruitment panel providers;
- learning and development programs to help support career acceleration, including a Senior Women’s Sponsorship program with our Executive Committee and an Accelerate Development program to develop a pipeline of female talent for the Development job family that has lower representation of female managers than the wider Stockland population;
- career resiliency programs that are available as female only or mixed cohorts;
- networking events to promote and encourage the leadership of women at all levels;

- support for industry programs such as the Property Council Australia’s 500 Women in Property to help facilitate industry networking.

## Flexibility

Our flexibility strategy focuses on making flexibility business as usual.

Our workplace practices and leave policies seek to foster a flexible working environment. Work-life balance commitments continue to be important to employee wellbeing and workplace flexibility and a key reason why our people choose to stay working with us. Our annual engagement survey shows one of our strengths is that people feel “My work schedule allows sufficient flexibility to meet my personal/family needs”.

Our position is that all roles are considered flexible. Our commitment to flexible working is designed to make it easier for employees to continue to develop a successful career, while balancing other commitments outside of work. This commitment is supported by tools for employees and managers, and an online application and monitoring system. Whilst many employees have informal arrangements in place with their manager and teams, the online application system is used for formal arrangements including working from home, part-time employment and job share. Applications are monitored and supported by the People and Culture team to provide for equitable outcomes.

Informal or ad hoc flexibility is supported by our One Simple Thing initiative, which encourages employees and managers to discuss the ‘one simple thing’ that can support their work/life balance. This is supported by tools and regular communication, which is tracked in our people management system.

Our benefit policies apply to permanent part-time employees as well as permanent full-time employees. Temporary employees are not covered by the same benefit policies but have remuneration and entitlements specified in their individual contracts.

## Parental Transitions

Through a parental transitions program our employees are supported prior to and whilst on parental leave to enable them to be both informed and connected throughout this important stage of their careers. Managers and employees maintain continued focus on career development both during and on return from leave, and employees are partnered with a mentor that has previously been on parental leave to provide guidance and support before, during and after leave. Keeping in Touch Days provide employees the opportunity to visit their local head office to stay connected with important business updates and transitioning advice, and Stockland provides onsite or

in-home nanny support so employees can participate in a way with which they feel most comfortable with.

We also offer to all employees Work|Life Links, an online resource and advisory service that helps employees find suitable solutions and providers to support them in balancing their work and carer commitments. Work|Life Links assists individuals with information and support regarding any type of dependent care, health and lifestyle service.

### Stockland Paid Parental Leave

We provide 16 weeks Paid Parental Leave to primary care givers with an additional Parental Flex Option where employees can choose either an additional two weeks of paid leave, having super paid during the unpaid portion of parental leave or a lump sum on return. We also provide flexibility for non-primary carers so that they can take leave at a time that most benefits their family. If a non-primary care giver subsequently assumes the responsibility of primary care giver within 12 months of birth, adoption or fostering, the employee can take up to an additional 14 weeks primary carer's leave. This encourages all genders to take advantage of both primary and secondary carers leave so they can devote time to and care for their child with their partner, which Stockland widely advocates given the numerous benefits this creates.

Our parental leave policy includes surrogacy, adoption and fostering. Stillbirth has also been included; in this circumstance Stockland fully recognises childbirth and employees are supported to take full parental leave. We also updated our policy to highlight our support for parents who experience sudden infant death syndrome (SIDS).

## B2. Recruitment and selection

We are focused on preventing discrimination throughout all phases of the employment life cycle, beginning with recruitment and selection. Our recruitment is focused on selecting the best person for the job, taking into account only factors relevant to the person's ability to successfully perform the role. As a default, we seek to advertise all roles internally to facilitate access by all employees and we use gender-neutral language in advertisements.

We seek to provide a diverse range of candidates for presentation on shortlists and to have male and female interviewers as part of any recruitment process. All senior hires (Senior Manager and above) are reviewed by our Executive Committee to facilitate transparency around gender outcomes.

Our managers are supported by an in-house recruitment team focused on encouraging decisions based on merit and removing unconscious bias.

## B3. Key working groups and industry participation

We aim for inclusive representation on internal committees and working groups that are formed to work on important business initiatives by including employees of different genders, cultures and work patterns. This aims to improve the diversity of views as well as providing career development opportunities across our diverse mix of employees.

We support the Male Champions of Change's Panel Pledge which means employees will only participate in panel and speaking engagements that can reasonably provide a balanced involvement of all genders.

## B4. Preventing discrimination and harassment

We are committed to preventing discrimination and harassment. Upon commencing with Stockland, all employees are required to complete an online course on Equal Employment Opportunity. Subsequently all employees are required to complete refresher modules every 18 – 24 months. We also run targeted people manager sessions as required to improve awareness of unconscious bias and the consequences of stereotypical beliefs.

## B5. Learning and talent development opportunities

We provide opportunities for personal development for all our employees through a wide range of programs and experiences to support development of technical and professional skills, people management and leadership capabilities. In addition, as part of our talent and succession management program, targeted development plans are formulated to address identified knowledge, skills and experience gaps of our high potential employees. Providing these opportunities is critical to building our talent pipeline and enabling the development and promotion of people from diverse backgrounds. We look to provide development opportunities, including training participation, that are consistent with our diversity efforts.

In 2020 we launched a new online leadership resource for all employees, with practical tools and guides to help our people in leading themselves, others and teams across Stockland. Anyone in Stockland can access the tools when and where it works for them, helping them to learn and grow professionally. The tools cover a range of topics including leading change, supporting health and wellbeing in your team, and leading inclusively.

## B6. Talent identification and succession planning

Talent, succession and promotions are reviewed with a number of parameters in mind, including gender. Our annual talent and succession review aims to enable representation by women and men in key and emerging talent pools, and that women and men are considered in succession planning for each key role.

We review identified talent and successors against broader gender participation to highlight and assess any variances. In addition we look to identify talent and successors in job families with lower female participation, such as development, to support our broader diversity and inclusion goals.

As is the case with talent and succession, promotions are based on merit, looking at the expected leadership attributes required. Outcomes for these processes are reviewed for any gender bias and reported to Executive Committee and the Board for increased transparency. We have also commenced using a high calibre global leadership expert organisation specifically for the succession and development planning for Executive Committee roles, to further enhance the robustness of our approach as well as providing external input into our review process.

## B7. Workforce analytics

Our annual Employee Engagement survey, Our Voice, provides detailed analytics of our diversity and inclusion metrics that can be examined by key demographic groups including gender, cultural background and LGBTI+, which provides insights on strengths and opportunities for ongoing focus areas within our workforce.

In addition to our annual talent and succession planning process, outcomes by gender are also core parts of analysis for all key People and Culture processes, including our annual performance reviews (ratings), promotions, and annual remuneration review (including short-term

incentives), and are reported to the People and Culture Committee of the Board.

We also report by gender, data from terminating employees (resignations or otherwise), including exit interviews, to highlight any perceived or potential diversity related issues.

Flexibility targets are part of individuals' KPIs, which helps highlight areas of our workforce that need focus.

## B8. Performance and reward

### Performance and career advancement

Our performance management framework facilitates fair evaluation of employee performance and equitable remuneration decisions. Performance is measured against balanced scorecard objectives that employees set in conjunction with their managers each year.

Calibration sessions are conducted with managers to facilitate consistent and fair performance assessments, thereby reducing any potential bias or subjectivity. Outcomes for these processes are reviewed for any gender bias and reported to Executive Committee and the Board for increased transparency.

### Remuneration

A comprehensive analysis of pay by gender is undertaken ahead of the annual remuneration review to identify any material issues in regards to gender pay equity. This analysis looks at like-for-like roles with a target for our gender pay equity ratio (which measures market positioning of males compared to females applicable like-for-like roles) to be at 100 per cent (+/- three per cent)

In response to this analysis, additional budget may be allocated to address pay gaps that cannot be justified by market and internal relativities.

Our approach to performance and reward is intended to:

- achieve gender pay equity
- remove gender bias during the remuneration review process
- provide transparency of our remuneration approach
- hold managers accountable for pay equity outcomes
- maintain a transparent and rigorous performance assessment process.

## B9. Domestic and family violence

Stockland is committed to providing a safe working environment and this extends to supporting employees if they are exposed to domestic or family violence.

Our support may include one or more of the following:

- People and Culture supporting managers and/or employees with assistance where domestic or family violence is impacting an employee, including development of a safety plan;
- the ability to request flexible working arrangements including alternative start and finishing times and alternative locations;
- access to our Employee Assistance Program;
- uncapped leave for employees who are experiencing domestic or family violence. This leave is critically important to those impacted so they can seek medical or legal assistance, attend court appearances or counselling, relocate or make other safety arrangements. The leave also extends to employees supporting affected family members.

We have provided awareness training with our Executive and General Managers to provide an understanding of the prevalence and organisational impact of domestic or family violence, and have trained First Responders nationally to

support managers and/or to be equipped to respond to employees impacted by domestic or family violence.

## B10. Sponsorships and memberships

We are a corporate member of the Australian Network on Disability, Diversity Council of Australia, Pride in Diversity and National Association of Women in Construction. These organisations are committed to recognising and maximising the important role of diversity in business and we look to them for benchmarking, resources and education. We also seek sponsorship and partnership opportunities that contribute to thought leadership and advocacy in the property industry.

Our Managing Director and CEO is a founding member of the Male Property Champions of Change and we continue to share and apply learnings from this group.

## C. Review and evaluation of the management approach

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A comprehensive set of targets and priorities guides our approach to diversity and inclusion.

We report on progress against our employee diversity and inclusion priorities and targets as part of our annual **Employee Engagement, Development, Diversity and Inclusion Deep Dive**. In this reporting, we include:

- a status update and progress against our short, medium and long-term our targets;
- detailed commentary on the priority actions that contribute 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.

## D. Responsibilities

Roles and responsibilities associated with delivery of our approach to employee engagement, development, diversity and inclusion are described in the table below.

Role	Responsibilities
<b>Managing Director and CEO</b>	Responsibility for diversity and inclusion at a Group level
<b>Executive Committee members (including the Group Executive, People and Culture).</b>	Participate on the Diversity and Inclusion Steering Committee, accountability for driving initiatives and actions that deliver improved diversity and inclusion outcomes, and lead Group strategy and engagement on Employee Advocacy Group themes (for Executive Committee sponsors of Employee Advocacy Groups)
<b>Employee Advocacy Group members</b>	Meet key performance indicators related to respective Employee Advocacy Group themes, deliver initiatives in partnership with the Diversity, Inclusion and Communications Manager
<b>All managers, senior managers, general managers and executive employees</b>	Accountability to support initiatives and achieve diversity and inclusion performance measures such as inclusive leadership practices
<b>Diversity, Inclusion and Communications Manager</b>	Partnering with the Diversity and Inclusion Committee, Business Unit Leadership Teams, Employee Advocacy Groups and People and Culture Business Partners to set strategy and drive initiatives to enhance diversity and inclusion at Stockland
<b>All employees</b>	Help inform diversity and inclusion initiatives through engagement and feedback processes, participate in and support local initiatives and adopt inclusive behaviours organisationally

## E. Version control

Revision	Date	Owner	Changes
1	September 2018	General Manager – Human Resources	
2	August 2019	General Manager – Human Resources	Updated document template, synthesised information on our Parental Leave Policy.
3	July 2020	General Manager, Organisation Development and Corporate, People and Culture	Updated leadership section, DFV policy, HR to People and Culture, and summarised some information.