

Our Reporting Approach

FY19

Sustainability reporting at Stockland

Stockland's 2019 sustainability reporting is an account of our sustainability performance for the financial year from 1 July 2018 to 30 June 2019 (FY19). It is [independently assured](#) by Ernst & Young (EY).

We have publicly reported our sustainability performance on an annual basis since 2005. It includes detailed discussion of our material sustainability matters, as well as in-depth data sets and select case studies.

Sustainability reporting forms part of our corporate reporting suite which includes the following documents:

- Annual Report – an integrated report outlining how the company creates value for stakeholders focused on our strategy, governance, financial, social and environmental performance in compliance with statutory reporting requirements and the recommendations of the Task Force on Climate-related Financial Disclosures;
- Property Portfolio - details on the assets within our portfolio; and
- Presentations relating to our financial results and operating performance, quarterly updates, Annual General Meeting, investor days and attendance at industry conferences.

Our sustainability reporting for FY19 was published in August 2019 and is publicly available at stockland.com.au/sustainability. It follows our FY18 sustainability reporting which was published online in September 2018.

We focus on embedding sustainability considerations into our business operations. This is consistent with our use of the AA1000 Principles of inclusivity, materiality, responsiveness and impact, which has helped us identify, understand and respond to issues that potentially impact the long-term wellbeing of our communities, our people and our customers.

Key changes to our reporting in FY19

This year, we have integrated our financial and non-financial performance into one document, the Annual Report. This approach aligns with industry best practice, whilst streamlining our reporting processes, driving internal efficiency and improving our communications to investors and our broader stakeholders. Our full suite of sustainability reporting documents are available on our website, including our Deep Dive series and Management Approach documents.

Our reporting approach

As a real estate owner, manager and developer, we recognise that we have a unique opportunity to create shared social, environmental and economic value for our communities, customers and investors now and in the future.

We have three strategic business priorities to support our growth and deliver returns for our investors: growing asset returns and our customer base, maintaining our capital strength, and delivering operational excellence.

Our [sustainability strategy](#) integrates with our business strategy and priorities, providing a better way to deliver shared value through three core sustainability priorities: shape thriving communities, optimise and innovate, and enrich our value chain.

Our sustainability reporting focuses on the matters of greatest relevance to our business during the reporting period.



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In our reporting we highlight two sets of sustainability matters:

- our enduring themes – these matters align with and help us to deliver on our three sustainability priorities of shape thriving communities, optimise and innovate, and enrich our value chain. Our management approach to each of these matters is well developed and embedded in our day to day operations.
- our material matters – these matters have been identified as the emerging issues that impact the landscape in which we operate and represent future risks and opportunities for our business and our stakeholders.

Enduring themes

We have a long history of addressing sustainability matters that respond to our stakeholders, such as our resource efficiency and the diversity of our workforce. Our responses to these matters are embedded in our day-to-day operations, and we continue to enhance our management of these themes given their importance to our stakeholders and to our business.

Our sustainability reporting suite consists of a series of Deep Dive documents specific to sustainability matters as outlined in the table below. Each Deep Dive document has an associated management approach document that is reviewed annually and available on our [website](#).

The reporting is prepared in accordance with the GRI Standards¹ (Comprehensive).

SUSTAINABILITY STRATEGY PRIORITY	ANNUAL DEEP DIVE REPORTS
Shape thriving communities	<ul style="list-style-type: none"> • Community • Customer Engagement and Experience
Optimise and innovate	<ul style="list-style-type: none"> • Asset Rating and Certification • Biodiversity • Carbon and Energy • Climate Resilience • Waste and Materials • Water Management and Quality
Enrich our value chain	<ul style="list-style-type: none"> • Employee Engagement, Development, Diversity and Inclusion • Health and Safety (employee and customer safety) • Human Rights • Governance and Risk • Stakeholder Engagement • Supply Chain

Material matters

In addition to our enduring themes, we have identified emerging issues that impact the landscape in which we operate. They represent future risks and opportunities for our business and our stakeholders over the short, medium and long-term.

Our material matters also align with the core priorities of our sustainability strategy. We anticipate that these matters will evolve over time and we will continue to work with relevant stakeholders to shape these issues going forward.

A summary of our material matters and where further information can be found is provided below.

1. Ability to deliver on our strategic priorities in challenging market conditions

We will continue to deliver sustainable and growing returns by focusing on:

- Accelerating improvement in the quality of our Retail Town Centre portfolio
- Broadening our capital partnering initiatives across the whole portfolio
- Increasing our weighting in Workplace and Logistics
- Enhance our capability to drive growth opportunities

Other stakeholders potentially impacted by this issue include investors.

(See our [FY19 Annual Report](#))

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



2. Increased competition and changing market conditions impact our opportunity for growth

To respond to changing market conditions and competition we will:

- Maintain a diversified business model at scale in each sector
- Reinvest in our assets to meet changing customer needs including agile redevelopment of our properties to capture value add opportunities
- Focus on retaining a strong balance sheet with appropriate gearing
- Use diverse funding sources including capital partnering and asset recycling
- Concentrate on efficiency and cost management
- Maintain a prudent approach to forecasting
- Proactively replenish our land and asset pipelines
- Maintain discipline and agility in our investment decision making
- Include a focus on governance and compliance to provide a stable environment for growth
- Use a rigorous whole-of-business approach informed by detailed research to drive our capital allocation process
- Support innovative culture to improve our customer experience and identify further growth opportunities. This is being facilitated through our new digital platform LAB-52, which is designed to assess and accelerate investment in potential growth areas.

Other stakeholders potentially impacted by this issue include investors, employees and the property industry.

(See our [FY19 Annual Report](#).)

3. Systems enhancements impact business process efficiency

As part of our continued focus on operational efficiency, we continue to drive progress in improving our systems capabilities. We have introduced a new Customer Relationship Management system, Salesforce and the Human Resources system SAP SuccessFactors, which have been effective in enhancing the customer and employee experience. We continue to maintain two-way engagement with employees to enable a smooth transition, as well as find additional ways to provide ongoing systems enhancements and use technology to supplement our risk management processes.

Other stakeholders potentially impacted by this issue include customers and employees.

(See our [Employee Engagement, Development, Diversity and Inclusion Deep Dive](#) and our [FY19 Annual Report](#).)

4. Housing affordability continues to impact the dynamics of the Australian housing market

To help address affordability we will continue to:

- Partner with government and industry to drive solutions including innovative construction processes to lower costs
- Provide a broader mix of value for money housing options including house and land packages, completed housing, medium density and apartments
- Balance the demand from home owners and investors so that our residential communities remain attractive to future buyers.

Other stakeholders potentially impacted by this issue include the property industry, investors and customers.

(See our [FY19 Annual Report](#).)

5. Extreme weather, security risks and energy price shocks impact business continuity and community resilience

To make our business more resilient we will continue to:

- Train our employees and increase their risk awareness including undertaking regular scenario testing
- Invest in asset upgrades and adapt community design
- Assess and implement wholesale energy strategies and renewable energy installations, to provide alternative sources of energy to mitigate the risk of price shocks
- Be vigilant in protecting, managing and governing data threats from cyber attacks
- Actively manage our corporate insurance program to provide adequate protection against insurable risks.

Other stakeholders potentially impacted by this issue include investors, customers, community, industry and employees.

(See our [Health and Safety Deep Dive](#), our [Climate Resilience Deep Dive](#), our [Carbon and Energy Deep Dive](#), our [Governance and Risk Deep Dive](#), and our [FY19 Annual Report](#).)



6. Ability to dispose of non-core Commercial Property assets

Over the past 12 months we have completed independent valuations of 98 per cent (by value) of the Commercial Property portfolio and adopted a disciplined approach to the disposal program for individual assets in consultation with external agents. We have made good progress to date and are on track to achieve our targets.

Other stakeholders potentially impacted by this issue include investors, customers, community, industry and employees.

(See our [FY19 Annual Report](#).)

7. Change within the retail sector impacts rental growth

Over the past ten years, the retail landscape has undergone structural change and seen a convergence of technological advances, in particular e-commerce, changes in underlying consumer behaviour, and the entry of new, international retailers. These changes have challenged some of our retailers. We have been proactive and pre-empted many changes.

We will continue to:

- Focus on experiential retail, health, services and food catering
- Apply our 'placemaking' strategy across our assets to create convenient, curated communities that form the social hub
- Leverage deep customer insights and analytics to inform our tenant re-mixing.

Other stakeholders potentially impacted by this issue include our customers and the property industry.

(See our [Customer Engagement and Experience Deep Dive](#), [Community Deep Dive](#) and our [FY19 Annual Report](#).)

8. Regulatory and policy changes impact our business and customers

We will continue to:

- Implement forward looking practices to remain well positioned for regulatory change. For example, we are amongst the first Australian corporates to disclose our climate-related risks with our financial reporting, and we now provide contract choice to provide more certainty for our Retirement Living residents
- Engage with industry and government on policy areas including taxation and planning reform. As part of our commitment to tax transparency and demonstrating good corporate citizenship, we have adopted the Australian Federal Government's Voluntary Tax Transparency Code (TTC), which provides a set of principles and minimum standards to guide medium and large businesses on public disclosure of tax information
- Focus our development activity in areas where governments support growth.

Other stakeholders potentially impacted by this issue include investors, customers and the property industry.

(See our [Stakeholder Engagement Deep Dive](#), and our [FY19 Annual Report](#).)

9. Increasing expectations on organisations from the community

Standards for interaction with customers have been under intense scrutiny in Australia. It is important that we engage with our customers in an ethical and considered manner.

At Stockland we have prioritised our focus on customer engagement including regular customer surveys, extra training for our customer-facing employees, and the implementation of a customer feedback framework with reporting through to our Board and Committees.

Other stakeholders potentially impacted by this issue include investors and our customers.

(See our [Supply Chain Deep Dive](#), [Customer Engagement and Experience Deep Dive](#), [Climate Resilience Deep Dive](#), [Community Deep Dive](#), and our [FY19 Annual Report](#).)

10. Retirement living residents have high expectations about value and fairness

We will continue to:

- Have an open and respectful relationship with our Retirement Living residents, and continue our commitment to being transparent and up-front about costs associated with living in our retirement villages
- Proactively engage with residents to maintain high satisfaction levels and standards of care
- Focus on health and wellbeing and our approach to care
- Demonstrate industry leadership and work with our peers to lift industry standards
- Review product and contract choice to meet changing customer preference.

Other stakeholders potentially impacted by this issue include our customers and the property industry.



(See our [Customer Engagement and Experience Deep Dive](#), [Community Deep Dive](#) and our [FY19 Annual Report](#)).

11. Anticipating changing customer and community expectations to meet future demand

We will continue to:

- Foster a culture of innovation to identify and take advantage of opportunities to leverage movements in stakeholder preferences
- Evolve our market leading product innovation and deepen our customer insights using our proprietary Liveability Index research, Stockland Exchange (our online research community) and other data sources
- Create sustainable and liveable communities and assets, resilient to changes in climate
- Enhance our design excellence, providing greater functionality and value for money that meet the demands of Australia's changing demographics, including an aging population and more socially conscious millennials

Other stakeholders potentially impacted by this issue include our customers.

(See our [Customer Engagement and Experience Deep Dive](#), [Climate Resilience Deep Dive](#), [Community Deep Dive](#), and our [FY19 Annual Report](#)).

12. Our ability to harness opportunities arising from digital disruption

We will continue to:

- Identify, develop and integrate technological enhancements across our business, including online residential and retirement living engagement opportunities
- Support Stockland Retail Town Centres as thriving communities by delivering quality services and spaces that are e-enabled

Other stakeholders potentially impacted by this issue include our customers and employees.

(See our [Customer Engagement and Experience Deep Dive](#), and our [FY19 Annual Report](#)).

13. Capital market volatility impacts our ability to transact and access suitable capital

So that we are able to continue to raise sufficient capital to fund growth, we will continue to:

- Focus on retaining a strong balance sheet at appropriate levels of gearing
- Maintain and increase access to diverse funding sources across global capital markets
- maintain our prudent capital management policies including a target gearing range of 20 to 30 per cent
- Retain favourable investment grade ratings across multiple credit agencies to demonstrate our strong credit value proposition
- Regularly update existing and potential debt investors to inform them about the business

Other stakeholders potentially impacted by this issue include investors, customers, community and employees.

(See our [FY19 Annual Report](#).)

14. Ability to adapt our operating model to meet the changing nature of the workforce

The ability to attract, engage and retain our employees is critical. Physical and organisational boundaries are becoming increasingly blurred as new technology enables greater workplace flexibility, including when and where employees work and encouraging creative and adaptive teamwork. We have successfully deployed Office365, Salesforce and SAP SuccessFactors to improve collaboration and flexible working.

We are focused on how we actively set employees up for success and will continue to:

- Maintain a focus on fostering a positive culture to deliver value to all stakeholders
- Encourage flexible work practices supported by our new collaboration platforms
- Train our senior leaders to be more agile and resilient through Stockland leadership programs
- Provide employees with technology devices which increase their mobility and flexibility and facilitate improved productivity in a balanced way

Other stakeholders potentially impacted by this issue include our employees.

(See our [Employee Engagement, Development, Diversity and Inclusion Deep Dive](#), and our [FY19 Annual Report](#).)



Materiality process

We have used the materiality definition from the Integrated Reporting Framework that states 'an integrated report should disclose information about matters that substantively affect the organisation's ability to create value over the short, medium and long term'.

We identified our FY19 material matters using the following process.



IDENTIFY	EVALUATE AND PRIORITISE	ALIGNMENT AND DISCLOSURE
<p>We combined the outcomes of the following two materiality processes to identify draft material matters:</p> <ul style="list-style-type: none"> Materiality test capturing internal and external perspectives in alignment with the principles of AA1000 and GRI Standards, including: <ul style="list-style-type: none"> Investor research and engagement; Customer feedback and insights; Employee surveys; Political and regulatory developments; Industry engagement and advocacy; and Social and mainstream media. An internal operational and strategic risk assessment. <p>The resulting list of matters served as a starting point for our integrated reporting materiality workshop.</p>	<p>An integrated reporting materiality workshop was held with members of the leadership team to review the material matters, identify any additional relevant issues, rank issues of greatest significance and prioritise them based on their ability to affect value.</p> <p>Material matters were mapped in terms of their potential impact on value creation over the short, medium and long term.</p>	<p>Following the materiality workshop, the identified material matters were presented to our internal Integrated Reporting Committee.</p> <p>Once confirmed, the matters helped inform the Board and Executive Committee's strategy discussion.</p>

United Nations Sustainable Development Goals








We are a signatory to the United Nations Global Compact (UNGC) and support the 10 principles of the Global Compact on human rights, labour, environment and anti-corruption. Our FY19 sustainability reporting also serves as our UNGC Communication on Progress.

We contribute to a number of the 17 United Nations Sustainable Development Goals, as highlighted in the table below.

LINKAGES BETWEEN OUR ACTIVITIES AND THE UN SUSTAINABLE DEVELOPMENT GOALS

ICON	GOAL	HOW WE DO IT
	Goal 3 – Good health and wellbeing	Through our focus on employee wellbeing (Employee Engagement, Development, Diversity and Inclusion Deep Dive), community wellbeing (Community Deep Dive), and health and safety (Health and Safety Deep Dive).
	Goal 4 – Quality education	Through our community development activities and partnerships focused on education (Community Deep Dive).



ICON	GOAL	HOW WE DO IT
	Goal 5 – Gender equality	Through our commitment to gender pay equity and targets for women in management (Employee Engagement, Development, Diversity and Inclusion Deep Dive).
	Goal 7 - Affordable and clean energy	Through our focus on energy efficiency and renewable energy (Carbon and Energy Deep Dive).
	Goal 8 – Decent work and economic growth	Through our focus on our employees (Employee Engagement, Development, Diversity and Inclusion Deep Dive) and our focus on local economic outcomes where we operate (Supply Chain Deep Dive).
	Goal 9 - Industry, innovation and infrastructure	Through our appointment of a Chief Innovation, Marketing and Technology Officer, our Employee Innovation Groups (Employee Engagement, Development, Diversity and Inclusion Deep Dive) and our focus on innovation in our supply chain (Supply Chain Deep Dive).
	Goal 11 – Sustainable cities and communities	Through our focus on resource efficiency (Carbon and Energy Deep Dive , Water Management Deep Dive , Waste and Materials Deep Dive), climate risk management (Climate Resilience Deep Dive), and thriving communities (Community Deep Dive).
	Goal 13 – Climate Action	Through our focus on energy efficiency and renewable energy (Carbon and Energy Deep Dive), as well as our focus on climate resilient assets (Climate Resilience Deep Dive).
	Goal 15 – Life on land	Through our commitment to have a net positive impact on biodiversity across our residential developments (Biodiversity Deep Dive).



ICON

GOAL

HOW WE DO IT



Goal 17 – Partnerships for the Goals

Through our strong engagement with our stakeholders ([Stakeholder Engagement Deep Dive](#)), our focus on our customers ([Customer Engagement and Experience Deep Dive](#)), and our expectations on our suppliers ([Supply Chain Deep Dive](#)).

Reporting scope

We operate exclusively in Australia and own, manage and develop a growing portfolio of retail town centres, logistics centres, business parks, workplace assets, residential communities and retirement living communities. Throughout our sustainability reporting, our data and content are broken down and presented by our business units (Commercial Property and Communities) to capture and reflect the unique challenges and achievements specific to each business unit.

In some instances, however, we have reported data and content more holistically as the challenges, achievements and management approaches are inherently similar across all businesses.

With regard to external boundaries, unless otherwise stated we do not include data for entities outside the organisation. For our supply chain, we discuss management of our consultants, contractors and sub-contractors, but only provide data relating to these external entities if and when they fall within our 'operational control' boundary, as defined by the *National Greenhouse and Energy Reporting Act 2007 (NGER Act)*.

External assurance

We have reported in adherence to the AA1000 AccountAbility Principles of inclusivity, materiality, responsiveness and impact and in accordance (Comprehensive) with the Global Reporting Initiative Sustainability Reporting Standards. Please refer to the [GRI Index](#) for more detailed information on where relevant indicators are disclosed in our reporting suite.

The sustainability reporting content has been externally assured in accordance with the Australian Standard for *Assurance Engagements (ASAE3000): Assurance Engagements other than Audits and Reviews of Historical Financial Information* and (ASAE 3410): *Assurance Engagement on Greenhouse Gas Statements* by Ernst & Young (EY).

EY provides **limited assurance** over:

- material non-financial performance information including data on greenhouse gas and energy, community contribution, retail customer engagement, employee engagement, health and safety, gender diversity, water consumption, and waste production
- selected qualitative disclosure relating to performance data, and selected qualitative disclosures pertaining to our material issues as outlined within our reporting
- alignment to Comprehensive level of 'in accordance' reporting requirements of the GRI Standards.

EY provides **reasonable assurance** over our adherence to the AA1000 Principles of materiality, inclusivity, responsiveness and impact.

A copy of EY's assurance statement is available on our [website](#).

Feedback

We welcome your questions and value your feedback about our reporting approach.

Please contact us at sustainability@stockland.com.au



Asset Rating and Certification

FY19

Why this is important to Stockland

Asset ratings and certifications are a key means of assuring and demonstrating the quality of our assets. These ratings serve as independent validation that key sustainability aspects, including social and environmental factors, have been considered in our asset designs, developments and operations.

Rating and certification schemes also enable us to demonstrate compliance with state and national regulations, benchmark our sustainability performance against our peers and regularly track and improve our performance across our various asset classes.

Assets that are highly rated and can demonstrate optimal performance are often more attractive to customers and investors. Not only do they offer a certain level of energy and water efficiency, and therefore cost savings over the long term, they also incorporate various design features that promote social inclusion and enhance health and wellbeing. Buildings with high environmental ratings can demonstrate higher return on investment over time.¹

This document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.²

This Deep Dive is to be read in conjunction with our published approach to asset rating and certification, available as part of our sustainability reporting suite at [Our Management Approach to Asset Rating and Certification](#).



Key achievements

- Achieved a 5 Star Green Star – As Built rating (Retail Centre v1) for our Stockland Green Hills (NSW) development.
- Completed Green Star – Performance portfolio recertification rating on our Retail Town Centre portfolio achieving a rating of 3 stars.
- Completed our first Green Star Performance rating on one of our Logistics assets 32 Toll Drive Altona in Victoria achieving a rating of 2 stars
- Developed a Common Credits approach for use in our Green Star Communities Developments.
- Stockland Newport Retirement Community (Qld) was awarded a 4 Star Green Star Design & As Built v1.1 Design Review certified rating, the first retirement village under the Design and As Built tool to be awarded the Design Review rating.
- Partnered with Sustainability Victoria and a number of home builders on a project that will develop and deliver a 'net zero homes' certification. We anticipate certifying two homes in FY20.

¹ Green Building Council of Australia, Value of Green Star – A decade of environmental benefits, May 2013.

² The GRI Standards are global standards for sustainability reporting published by the Global Reporting Initiative (<https://www.globalreporting.org/standards/>)

In this document you will find:

FY19 priorities and progress

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FY19 performance and case studies

3



FY19 priorities and progress

Commercial Property

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve a 5 stars NABERS Energy portfolio average for our Workplace and Business Parks portfolio by FY20	In progress	Our NABERS Energy average for our Workplace and Business Parks portfolio is 4.48 stars (up from 4.35 stars at end of FY18). The decline since we achieved 4.74 stars in FY17 is attributable to asset disposals, portfolio vacancies, and increased hours of occupancy at one of our business parks resulting in higher energy usage.
Achieve a 4.5 stars NABERS Energy portfolio average for our Retail Town Centre portfolio by FY20	In progress	Our NABERS Energy average for our Retail Town Centre portfolio is 4.34 stars (up from 4.18 stars at end of FY18).
Achieve a 4 stars NABERS Water portfolio average for our Workplace and Business Parks portfolio by FY20	In progress	Our NABERS Water average for our Workplace and Business Parks portfolio is 3.44 stars (down from 3.57 stars at end of FY18). The decline is attributable to increased vacancy in the portfolio and the exclusion of the Optus Campus from the average due to a disputed data issue related to billing information from Sydney Water which meant we could not achieve a certified rating in FY19.
Achieve a 3.5 stars NABERS Water portfolio average for our Retail Town Centre portfolio by FY20	Achieved	Our NABERS Water average for our Retail Town Centre portfolio is 3.5 stars (up from 3.18 stars at end of FY18).
Pilot three NABERS Waste ratings in our Retail portfolio	In progress	We are in the process of working with the NABERS Administrators to develop a tool for use by Retail Centres, as there is currently no NABERS waste rating available for Retail. As this is an ongoing project it was not possible to achieve this priority in FY19.
Renew the Green Star – Performance rating for our Retail Town Centre portfolio	Achieved	We renewed the Green Star Performance rating for the Retail Town Centre portfolio achieving a rating of 3 stars.
Complete a Green Star – Performance rating on one of our Logistics assets	Achieved	We completed a Green Star Performance rating on one of our Logistics assets 32 Toll Drive Altona (Vic) achieving a rating of 2 stars.
Pursue Green Star – Design & As Built ratings using the new tool on our Retail Town Centre developments at Birtinya (Qld), Baringa (Qld), Elara (NSW) and Whiteman Edge (WA)	In progress	Construction was completed on Stockland Birtinya (Qld) and the centre commenced trading in December 2018. The submission documentation for Green Star is currently being collated for certification in FY20. Construction of Stockland Baringa is in progress with completion expected in August 2019. Collation of submission documentation has commenced but will not be complete until after construction is complete. Our projects at Elara and Whiteman Edge have been deferred so there has been no activity in FY19.

Communities

Residential

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Pilot Green Star – Design & As Built certification on one new apartment project	Achieved	We currently have two Retirement Living apartment developments targeting a minimum 4 Star Green Star – Design & As Built rating: Shine (Birtinya) (Qld) and Newport (Qld).
Develop a set of Common Credits in collaboration with the GBCA that can be applied across all new Green Star targeted residential developments.	Achieved	We have worked with the GBCA to develop a set of common credits for our Green Star Communities projects. We anticipate the Common Credits Framework will deliver a more efficient and cost-effective certification process for new projects
Identify a carbon zero tool for use in assessing our built form residential projects	Achieved	In FY19 we were successful with our application to Sustainability Victoria to partner on developing a Zero Net Carbon (ZNC) Tool, constructing and certifying homes to the ZNC standard, and developing marketing approach for ZNC homes.



Retirement Living

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve 4 Star minimum Green Star – Design & As Built rating for all new retirement living developments completed within the reporting period (excluding non-DMF projects).	In progress	We currently have two Retirement Living developments targeting 4 Star minimum Green Star – Design & As Built: Shine (Birtinya) (Qld) and Newport (Qld). Stockland Newport Retirement Community was awarded a 4 Star Green Star Design & As Built v1.1 Design Review certified rating in FY19.
Develop a set of Common Credits in collaboration with the GBCA that can be applied across all new Green Star targeted retirement living developments.	In progress	Our focus for FY19 has been to work with the GBCA to develop a set of common credits for our Green Star Communities projects. We are using this formally agreed approach as the foundation to develop a similar set of common credits for our future Design & As Built projects. This work will also take into consideration the GBCA's Future Focus Strategy and how that will relate to the current version of Green Star tools.

Future priorities

Commercial Property

- By FY20, deliver the following NABERS rating achievements:
 - 5 stars Energy portfolio average for Workplace and Business Parks
 - 4.5 stars Energy portfolio average for Retail Town Centres
 - 4 stars Water portfolio average for Workplace and Business Parks
 - 3.5 stars Water portfolio average for Retail Town Centres.
- Complete Green Star Performance improvement strategies for our Retail Town centre and Workplace, Logistics and Business Parks portfolios.

Communities

Residential

- Achieve recertification of Aura (Qld) through the Green Star Communities Rating tool in FY20.
- Deliver two certified Zero Net Carbon (ZNC) homes (Design and As Built) by 2021 in partnership with Sustainability Victoria and our builder partners Vcon and Creation Homes.
- Investigate opportunities to develop an industry partnership to develop a residential Carbon zero "in operations" certification tool

Retirement Living

- Achieve 4 Star minimum Green Star – Design & As Built rating for all new retirement living developments completed within the reporting period (excluding non-DMF projects)

FY19 performance and case studies

Green Star – Communities

The Green Star Communities rating tool, administered by the Green Building Council of Australia (GBCA) is a voluntary certification for developers of masterplanned communities that recognises the achievement of best practice sustainability outcomes. During FY19 we have worked closely with the GBCA to build a framework for Common Credit certification. Common Credits refer to Green Star credits that will be met through initiatives or processes that are repeatable across a large number of projects. As the name suggests Common Credits allow efficiencies for our projects to gain certification of those credits that are common to all projects rather than individual assessment. Benefits include removal of duplication and improved consistency while redirecting resources to advance other aspects of sustainability specific to each individual project.

In FY20 we will begin to look at developing a recertification framework and process for use across our existing Green Star projects. Our Aura project on the Sunshine Coast will be the first project to be recertified under the Green Star Communities tool.



During the year we have undertaken research to better understand how to communicate our sustainability and in particular targets and certifications to our customers. On our North Lakes (Qld) townhome project, for example, we have delivered homes to a higher thermal comfort design standard than that required by Queensland regulation. Through our direct mail outs to customers, we included education around the NatHERS ratings. By educating our customers in this way, we aim to help them understand how higher NatHERS ratings can provide benefits through maintaining the thermal comfort of their home, and a reduced requirement to spend money on energy to heat and cool.

This year we were successful in being selected to partner with Sustainability Victoria to partner in the development of a Zero Net Carbon (ZNC) homes design and as built certification. One of the key elements of the partnership will include further research into branding sustainability and communicating customer benefits. At this stage our homes have been designed to Sustainability Victoria's Net Zero requirements. We will move into construction and marketing phases early in FY20.

Green Star – Performance

Green Star – Performance, also administered by the GBCA, is a voluntary certification that rates a buildings performance in operation. We use the Green Star – Performance tool to: complement our other Green Star certifications, set performance targets, and deliver improved outcomes.

Retail Town Centres

Our Retail Town Centre portfolio received a Green Star – Performance portfolio recertification rating in March 2019 scoring 35 points and achieving a 3 star rating. This is the same portfolio rating achieved in 2016, however we improved the total points scored from 30 points and there has been an improvement in the ratings for some individual centres from 14 of 22 scoring 3 stars in 2016 to 22 of 25 scoring 3 stars in 2019. Ratings for individual Retail Town Centres are provided in our [Environmental Data Pack](#).

Workplace and Business Parks

We completed a Green Star – Performance rating for our Workplace and Business Parks portfolio in FY18, which achieved a 2 star rating (representing 'Average Practice') with a score of 28 points. In FY19, we have undertaken a Year 1 Maintenance Review in order to maintain the rating for the three year certification period

Ratings for individual workplace and business parks assets are provided in our [Environmental Data Pack](#).

Logistics

In FY19 we undertook a pilot Green Star – Performance rating on one of our Logistics assets, 32 Toll Drive Altona (Vic) and achieved a rating of 2 stars. We undertook this rating to test the difficulty of the process on a building type that does not have a NABERS rating tool available to benchmark energy and water performance and where we do not have access to utility billing data (because we are not deemed to have operational control). In FY20 we will undertake early work ahead of registering for a Green Star Performance portfolio rating for our Logistics portfolio in FY21 to assist in achieving a higher score on first rating.



CASE STUDY

Stockland Green Hills 5 star Green Star Rating

The \$414 million transformational redevelopment of Stockland Green Hills in Maitland in the lower Hunter Valley is an example of a considered design approach and repositioning strategy that has created an authentic retail, dining and entertainment destination centred around community connection and enrichment, accessibility and inclusivity.

Stockland Green Hills combines sustainable and high-quality design that responds to the diverse needs of shoppers and creates a strong sense of place that encourages social interaction, walkability and cultural activity. The carefully curated retail environment provides new experiences and public art that resonate with the community and will contribute to the long-term economic and social vitality of Maitland.

In December 2018 the project was awarded a 5 star Green Star Retail Centre v1 As Built rating scoring 70 points, the highest ever score achieved by Stockland on a Retail Town Centre project. A key component of our corporate strategy is to future-proof our retail town centres, and this Green Star accreditation is a significant contributor to achieving that goal.

Key features of the development that contributed to this high Green Star score included:

- Energy efficient LED lighting with occupancy sensors
- Energy efficient central air conditioning plant;
- 1.8 MW of renewable energy with Australia's largest single rooftop solar PV system.
- Maximised use of natural day light
- Tuning of building services for optimal performance
- Water efficient toilets, tapware, showers and waterless urinals
- Rainwater collection for toilets, irrigation and air conditioning
- Water and energy metering systems to monitor building performance
- Recycled 86 per cent of demolition and construction waste
- Improved air quality through increased fresh air rates
- Low volatile organic compound flooring, paints and adhesives and use of certified sustainable timber products
- Provision of waste storage area for recycling
- Four electric vehicle charging stations.
- A quiet room for children with sensory disorders and intellectual disabilities
- Two inclusive playgrounds designed in collaboration with Touched by Olivia
- A Changing Places certified adult change facility
- Innovation points awarded for life cycle impact assessment, solar PV system and community benefits.

During the project and in collaboration with our builder partner Multiplex, a Connectivity Centre was established as an employment and skills training facility to create job opportunities in construction and retail for the community. Through construction and commencement of trade, 183 job seekers were placed into employment. demonstrating how effective alignment of community needs with business strategy leads to immediate and ongoing benefits for stakeholders. This initiative was also recognised and awarded points for innovation in the Green Star rating.



Stockland Green Hills



Green Star – Design & As Built

We have the largest number of Green Star rated (Design and As Built) retail town centres in Australia, as verified by the GBCA. We continue to target our Green Star certifications across our new Retail Town Centre and Retirement Living development projects.

Below are some key Green Star achievements for our business in FY19. A comprehensive list of Green Star ratings for our Commercial Property assets, Retirement Living communities, and Residential communities as at 30 June 2019 is provided in our [Environmental Data Pack](#).

Commercial Property

In FY19, we achieved a 5 Star Green Star – As Built rating (Retail Centre v1) on our Stockland Green Hills (NSW) Retail Town Centre development.

We also have several smaller retail town centre projects currently registered for Green Star Design and As Built ratings. These include Elara (NSW), Whiteman Edge (WA), Birtinya (Qld) and Baringa (Qld). These will be the first Stockland retail town centres to be certified under the newer Green Star – Design & As Built version of the rating tool. Construction was completed on Stockland Birtinya and the centre commenced trading in December 2018. The submission documentation for Green Star is currently being collated for certification in FY20. Construction of Stockland Baringa is in progress with completion expected in August 2019. Collation of submission documentation has commenced but will not be complete until after construction is complete. Our projects at Elara and Whiteman Edge have been deferred so there has been no activity in FY19.

For our Logistics and Business Parks portfolio, we have committed to integrate sustainability standards into our design brief, so we maintain consistency in the design of logistics buildings to deliver good environmental outcomes. Examples of minimum sustainability standards outlined in the design briefs include:

- energy efficient LED or fluorescent lighting in office, warehouse and external areas, zoned and time controlled with occupancy and daylight sensors
- HVAC (heating, ventilation and air conditioning) systems with minimum energy performance ratings, time controlled and using refrigerants with zero ozone depletion potential and free of chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs)
- water efficient bathroom and kitchen fixtures and fittings with WELS³ ratings and solar hot water heating
- rainwater collection for toilet flushing and landscape irrigation.

Retirement Living

Stockland Newport Retirement Community was awarded a 4 Star Green Star Design & As Built v1.1 Design Review certified rating, the first retirement village under the Design and As Built tool to be awarded the Design Review rating.

NABERS

We completed NABERS Energy and NABERS Water ratings for the calendar year 2018 for the full number of eligible assets in our Retail Town Centre, Workplace and Business Parks portfolios. Stockland Green Hills (NSW) is not eligible for rating as it has been in development and does not yet have a full 12 months of operational utility data to undertake a rating.

NABERS ratings – Retail Town Centre

Following the NABERS Energy ratings undertaken in FY19 on our Retail Town Centre portfolio, the area weighted portfolio average for NABERS Energy has improved to 4.34 stars (4.18 stars in FY18) against our target of 4.5 stars by FY20. Eight assets out of 23 achieved an improved energy rating in FY19, and one asset achieved a lower rating.

From the NABERS Water ratings undertaken in FY19 on our Retail Town Centre portfolio, the area weighted portfolio average has improved at 3.5 stars (3.18 stars in FY18). Seven assets out of 23 received an improved rating while five assets received a lower rating.

Key achievements regarding our NABERS ratings for our retail town centres include:

- energy ratings of 4.0 stars or better for 83 per cent of our retail town centres (19 out of 23 ratings).
- Stockland Hervey Bay, Caloundra, Rockhampton, Bundaberg and Merrylands were the most improved with each achieving a half star increase in their ratings.
- water ratings of 4.0 stars or better for 52 per cent of our retail town centres (12 out of 23 ratings).

³ WELS is Australia's water efficiency labelling scheme requiring certain products to be registered and labelled with their water efficiency (www.waterrating.gov.au).



- Stockland Glendale, Point Cook and Traralgon were the highest rated improvements, each achieving a half star increase in their ratings.
- Gladstone increased its rating to 4.5 stars after not having any rating for the past two years improving from 3 stars in FY16.

A full list of NABERS ratings in our Retail Town Centre portfolio is provided in our [Environmental Data Pack](#).

NABERS ratings – Workplace and Business Parks

In our Workplace and Business Parks portfolio for FY19, the NABERS Energy area weighted portfolio average has improved to 4.64 stars (4.52 stars in FY18) for our Workplace portfolio and 4.37 stars (4.22 stars in FY18) for our Business Parks portfolio. The combined portfolio average for Workplace and Business Parks is 4.48 stars which is a reduction on the FY17 result of 4.74 stars. The decline is attributable to asset disposals, portfolio vacancies, and increased hours of occupancy at one of our business parks resulting in higher energy usage.

From 16 assets rated, three achieved a higher energy rating in FY19 with the remainder of the portfolio maintaining their previous ratings. We expect this portfolio rating to increase toward our FY20 target of 5 stars with increased occupancy, upgrades to building management systems and installation of additional sub-metering.

Following the NABERS Water ratings undertaken in FY19 on our Workplace and Business Parks portfolio, the area weighted portfolio average for our Workplace portfolio has improved to 3.61 stars (3.55 in FY18) and for our Business Parks portfolio reduced to 3.26 stars (3.59 in FY18).

The improvement in the water rating for the Workplace portfolio is due to several buildings with higher ratings this year, most notably 2 Victoria Avenue in Perth which had high vacancy in FY18 impacting the rating and has a higher rate of occupancy this year.

The decrease in the water rating for the Business Parks portfolio is due to the exclusion of the Optus Campus because of a disputed data issue related to billing information from Sydney Water. This meant we were unable to achieve a certified water rating this year. The Optus Campus, due to its large floor area, has a significant impact on the average. Our combined portfolio average is 3.47 stars, which is a reduction on FY18 (3.57 stars) as a result of the decrease in our Business Parks portfolio average.

Key achievements regarding our NABERS ratings for Workplace and Business Parks include:

- From 16 energy ratings we have 11 buildings scoring 4.0 stars or better
- 2 Victoria is our most improved building, due to increased occupancy over the last 12 months. This asset improved from 0 stars to 4.0 stars in FY19.
- The Trinita Business Park buildings were treated as one single rating instead of three separate ratings in FY19 and have achieved our highest energy rating of 5.5 stars.
- From 16 water ratings, we have 5 buildings scoring 4.0 stars or better.

NABERS ratings – Stockland Corporate Office

We are a CitySwitch⁴ signatory for our corporate offices in Sydney, Melbourne and Perth. We complete a NABERS Tenancy rating each calendar year for our corporate offices, as outlined below.

NABERS RATINGS – STOCKLAND CORPORATE OFFICES

	TENANCY RATING				
	2018	2017	2016	2015	2014
Sydney Head Office, L22-29, 133 Castlereagh Street	4.0	4.0	4.0	4.5	4.5
Melbourne Head Office, L7, 452 Flinders Street	4.0	3.5	3.5	3.5	3.5
Perth Head Office, L12, 263 Adelaide Terrace	4.5	3.5	3.5	3.5	3.0
Brisbane Head Office, L4, 99 Melbourne Street	4.5	4.5	NA	NA	NA

⁴ CitySwitch supports commercial office tenants to improve office energy and waste efficiency (www.cityswitch.net.au).



Australia's first corporate Green Bond

The diversity of our debt funding is a key element of our capital strength. By leveraging our position as one of Australia's leading sustainable property companies, we sought to appeal to a new type of investor and raise funds in a new market. In November 2014, we successfully issued Australia's first corporate Green Bond, raising €300 million (A\$433 million),⁵ enabling us to further invest in leading edge sustainable projects with competitive long-term funding.

The Green Bond Principles (2016) defines that "Green Bonds raise funds for new and existing projects with environmentally sustainable benefits. The Green Bond Principles (GBP) are voluntary process guidelines that recommend transparency and disclosure and promote integrity in the development of the Green Bond market." Our Green Bond is compliant with these principles. The table below outlines the allocation of these funds across our eligible projects in FY19. These projects include new and recently developed assets that meet the sustainability criteria of our Green Bond. Our Green Bond is audited and the audit statement from auditors KPMG can be reviewed on our [website](#).

GREEN BOND ALLOCATION

TYPE OF PROJECT	SITE	FINANCIAL ALLOCATION (\$ MILLION AUD)	GREEN STAR RATING
Development (Use of Proceeds Category I)	Aura (Qld)	157.1	6 Star – Communities (achieved)
	Cloverton (Vic)	9.5	6 Star – Communities (achieved)
	Willowdale (NSW)	51.1	6 Star – Communities (achieved)
	Altrove (NSW)	14.8	5 Star – Communities (achieved)
	Newport (Qld)	35.6	5 Star – Communities (achieved)
Redevelopment (Use of Proceeds Category II)	Stockland Green Hills (NSW)	142.9	5 Star – Retail Centre Design (achieved)
Capital Expenditure Projects	Solar projects at 14 Retail Town Centre assets	22.0	
Total		433.0	

Additionally, we have completed post-development performance monitoring on operational assets that we featured in the bond. The key aspect that we have been monitoring is carbon emissions. We confirm that Stockland Retail Policy applies to these assets.

SITE	FY16 (KGCO ₂ -E/M ²)	FY19 (KGCO ₂ -E/M ²)	VARIATION FY16 - FY19	NOTES
Baldivis	83	40	-52%	
Green Hills	52	45	-14%	
Hervey Bay	60	31	-48%	
Shellharbour	38	31	-18%	
Wetherill Park	75	50	-33%	
Total	57.73	39.52		Weighted average reduction of assets



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

⁵ Conversion rates AUD/EUR was 1.443 corresponding to the swap rates used on the date the bond was priced (24 October 2014). This is unchanged for the life of the bond.

Biodiversity

FY19

Why this is important to Stockland

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 aim to minimise and mitigate these impacts to protect the biodiversity of our surrounding environments. We appreciate that preserving biodiversity 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. We also understand the inherent value of biodiversity conservation for protecting the values of Australia's unique flora and fauna. We therefore seek to balance developable land with retention and activation of biodiversity to enhance the long-term success of our masterplanned communities. By proactively minimising and mitigating the impacts on biodiversity, we are also able to have more productive conversations at all levels of government on our development proposals.

The impacts of our business on biodiversity are, for the most part, unique to our greenfield residential developments and in particular our masterplanned communities. These impacts may occur both during construction (e.g. clearing, sediment runoff, changed hydrological regimes) and as a result of urbanisation (e.g. poaching species, introduction of invasive species, isolation of habitat).

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ The material in this Deep Dive is supported by a wider collection of performance metrics contained in our [Environmental Data Pack](#).

This Deep Dive is to be read in conjunction with our published approach to biodiversity, available as part of our sustainability reporting suite at [Our Management Approach to Biodiversity](#).



Our key achievements

- Delivered activities to rehabilitate and restore Australian native biodiversity on approximately 152 hectares of land across our assets.
- Planted over 100,000 trees at our Newport (Qld) site, to restore an environmental corridor to protect the Ramsar listed wetlands adjacent to the site.
- Installed an additional three nesting boxes at Augustine Heights (Qld) to support local fauna nesting opportunities, as part of our greater commitments to conserving a 47 hectare nature park at the site.
- Planted 6,000 indigenous plants at our Willowdale (NSW) community as part of a riparian corridor, with 4,000 more plants still to be planted.

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

In this document you will find:

FY19 priorities and progress

2

FY19 performance and case studies

2



FY19 priorities and progress

FY19 PRIORITIES	STATUS	FY19 PROGRESS
For new masterplanned residential communities being planned from FY18, make an aggregated net positive contribution to the biodiversity value by FY20 as determined by the biodiversity calculator.	In progress	Minta (Vic), the only eligible project assessed during FY19 achieved a positive change in Biodiversity Index with a score of 3.47 (Good score >1; Moderate score 0-1; Poor score <0).

Future priorities

- For new masterplanned residential communities being planned since FY18, make an aggregated net positive contribution to the biodiversity value by FY20 as determined by the biodiversity calculator.
- Develop our next phase of long term biodiversity targets (FY21-23)

FY19 performance and case studies

In FY19, we identified 20 projects that require biodiversity to be protected on site during and post-construction. Many of the areas identified for protection include species that are considered threatened or vulnerable². Upon completion of these projects, we will have placed approximately 2,410 hectares of land into protection for the purposes of biodiversity management. Our biodiversity management is guided by site investigations undertaken by experienced ecologists throughout the process of masterplanning a project. Proposed conservation actions are then reviewed by the local or state regulatory authority for approval.

Our FY20 target is to make a net positive contribution to biodiversity value across our residential developments, as measured by our biodiversity calculator. Minta (Vic) was the only project assessed during FY19 and achieved a positive change in Biodiversity Index with a score of 3.47. The project will set aside all good condition native habitat available on site (around 9 hectares), and will replant approximately 10 hectares to improve the overall biodiversity footprint and ongoing sustainability of local native flora and fauna habitat. A full list of projects scored by our calculator since FY15 is provided in our [Environmental Data Pack](#). More information on the methods behind our biodiversity calculator can be found in [Our Management Approach to Biodiversity](#).

Biodiversity conservation activities

We delivered 152 hectares of rehabilitation works during the year. Rehabilitation activities help support the longevity and resilience of significant biodiversity identified on our sites and is generally undertaken by specialist contractors as part of our biodiversity commitments for the project. At our Pallara (Qld) residential community, for example, we delivered the final tree planting requirements during this year completing the delivery of 6,850 koala habitat and feed species across 7.6 hectares. We will be delivering weed eradication through to 2022 as part of a larger 49 hectare reserve that provides habitat to locally significant species such as sugar gliders. Following completion of the five-year rehabilitation plan, the reserve will ultimately be dedicated to Brisbane City Council as an Environmental Conservation Zone.

We actively engage local community groups in our biodiversity activities to both enhance the extent of our impact and educate local communities on biodiversity values. Community groups help to define the value and biodiversity management activities planned for rehabilitation. As an example, our Bokarina Beach project on the Sunshine Coast lies adjacent to a sea turtle nesting location. In FY19, we worked with our landscape consultants and a local turtle care community group to understand the best way to construct beach access and avoid turtle nesting times and locations. In order to mitigate any impacts from activities that might disturb turtle nesting, we mapped all known nests through the dunes, along the strip of coast, along with expected hatching dates. Once the nesting season was complete, we recommenced activities, with a fauna spotter on site at all times. In FY20, we will seek to develop community education initiatives to support the ongoing understanding and conservation of the turtle nest site.

On projects where key areas of habitat are identified, we often work with local and state Governments to identify opportunities to leverage species protection. For example, we identified that our Highlands (Vic) project site was habitat to the Golden Sun Moth, a protected species in the Melbourne area. As such, we have conserved a 44 hectare reserve of core Golden Sun Moth habitat at the site, which we will hand over to the local council in October 2019. On top of this, we are securing a 250 hectare

² A total of 52 species on our development sites are considered threatened under Australian State and/or Commonwealth legislation. Of these species 16 are included under various threatened species categories on the IUCN Red List.



site in Campbelltown for Golden Sun Moth habitat, just over 100km north west Highlands. We have prepared Conservation Management Plans for both sites to guide ongoing habitat management.

Other project-specific examples of our conservation activities in FY19 include:

- Installed an additional three nesting boxes at Augustine Heights (Qld) to support local fauna nesting opportunities, as part of our greater commitments to conserving a 47 hectare nature park at the site.
- Ongoing management and monitoring of the translocation of Grand Spider-orchids from within the development boundary at Calleya (WA) to an area with a large population of the orchids, where they will be conserved in perpetuity.
- Continue to work with our Aura (Qld) community reference panel, managed by our Healthy Land and Water. This panel consists of 18 local stakeholder groups who review issues and progress relating to natural areas and biodiversity conservation.
- The preservation of high value conservation land at our Cloverton (Vic) project, through application of zoning reflective of the high ecological values. The land will be managed for conservation in perpetuity by transferring ownership to Melbourne Water and Hume City Council.
- At our Foreshore (Qld) project, we identified 91 hectares of riparian land adjacent to the Coomera River prone to river disturbance and erosion, that we will rehabilitate over the life of the project. Once rehabilitation works are complete, we will hand over to Council and the State Government for ongoing management.
- Restored an environmental corridor at Newport (Qld) to protect the Ramsar listed wetlands adjacent to the site, including planting over 100,000 trees.

CASE STUDY

Investing in biodiversity through green corridors

At our Willowdale project in South West Sydney, we are undertaking a 16ha conservation project, to restore a creek corridor that includes endangered ecological communities associated with the Cumberland Plain of Western Sydney.

With the goal of conserving biodiversity in Western Sydney, the 16 hectare creek corridor was set aside for rehabilitation and conservation as part the project's 39 hectares of open space and parkland. The plan to restore the biodiversity corridor will see 10,000 plants indigenous to the location planted, including Forest Redgum and Sickle Wattle. Over 6,000 plants have already been installed, with the remainder will be planted in future stages of the restoration work.

As part of the restoration activities, boardwalks, trails, and shared picnic areas will be formed to enable locals and visitors to experience the natural landscapes along the creek line. Another unique opportunity to experience nature comes from the installation of a Bird Hide. The Bird Hide will provide an opportunity for the community to observe an array of aquatic birds that frequent the area at close range, including the White Faced Heron and the Royal Spoonbill.

The other key feature of the creek nature corridor will be the planting of an assortment of "bush tucker" plants along the trails. The trail will feature educational signage describing species of plants that provide food opportunities such as edible berries and finger limes. This will allow residents and visitors to learn more about native species and biodiversity, whilst getting amongst nature and staying active.

Richard Rhyddarch, Stockland's General Manager for NSW Communities said "Sustainability is at the core of our masterplanned community and our exciting new 16 hectare parkland will allow residents to get back to nature in the heart of Sydney's southwest. Willowdale exemplifies Stockland's philosophy of creating affordable, highly liveable communities as well as fostering healthy and active lifestyles."

Once complete, the Willowdale creek corridor will not only provide a refuge for flora and fauna species and recreational opportunities for residents and visitors, but also contribute to shade and heat relief in Western Sydney, helping to build greater resilience to impacts of climate change.

Willowdale is a 6 star Green Star Community, as certified by the Green Building Council of Australia.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Carbon and Energy

FY19

Why this is important to Stockland

We have a longstanding commitment to manage climate change risk and reduce our carbon emissions. We recognise our role to influence the energy efficiency of our assets and have taken a proactive approach to developing energy efficiency programs and implementing action plans over a number of years.

The increasing cost of energy, particularly electricity, poses a challenge for the property industry and for all Australians. As electricity is an increasing proportion of our assets' operating expenditure, improvements in energy efficiency enable us to reduce cost and improve our operational efficiency. Integrating energy efficiency considerations into the design and construction of our assets can also help to reduce the energy requirements (and electricity costs) of our tenants and residents.

The increasing cost of power also means that renewable energy options such as solar have become cost-effective choices for our energy supply. The declining cost of solar infrastructure works in tandem with the increasing cost of conventional energy to make solar a sound business investment. We look to design and technology innovation and access to alternative energy supplies to help us and our customers realise a cost efficient, low carbon future. Improving the energy efficiency of our assets and communities not only improves environmental outcomes, but also provides cost of living benefits and economic advantages for our business.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ The material in this Deep Dive is supported by a wider collection of performance metrics contained in our [Environmental Data Pack](#).

This Deep Dive is to be read in conjunction with our published management approach to carbon and energy, available as part of our sustainability reporting suite at [Our Management Approach to Carbon and Energy](#).



Our key achievements

- 10.9% reduction in emissions intensity across Commercial Property
- Completed a further 12.1MW of solar capacity in FY19 bringing our total portfolio solar capacity to 16.4MW and expected generation capacity of approximately 21,900,000 kWh in renewable energy annually.
- Exceeded our residential energy performance target by 17 per cent.
- Committed to additional solar photovoltaic (PV) that brings our total investment in solar to around \$32 million with an expected 17.9 MW of solar PV capacity across our Commercial Property portfolio by the end of FY20.
- Continued the installation of electric vehicle charging stations across our retail town centres, bringing our total to 82 electric vehicle charging ports in 24 locations.
- Completed LED lighting upgrades across a number of our retail town centres that will result in approximately 1,160,000 kWh of annual electricity savings.
- Publicly committed to achieving net zero carbon by 2030 for our Retirement Living and Industrial portfolio and Corporate Head Offices based on the World Green Building Council "Net Zero Carbon Buildings Commitment".

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

In this document you will find:

FY19 priorities and progress

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- Commenced a Net Zero Energy Pilot at Stockland Willowdale Retirement Village, including the facilitation of a workshop for builders to support the education of Net Zero Energy and available products on the market.
- Commenced a partnership with the Victorian Government (Sustainability Victoria) to participate in a pilot program designed to work with volume home builders to design, build and market the first “Zero Net Carbon” (ZNC) Homes in Australia.
- Provided owners of 72 homes along Sustainable Drive at Highlands with an offer of a 5 kW solar system and 9.3 kWh battery at zero cost. 3.5 kW solar systems were installed at 14 townhomes at Waterlea (Vic). Each home is been designed to be battery ready for future installation.
- Mandated a minimum 2.5 kW of rooftop solar PV per home at Minta (Vic), our first project to do so.

FY19 priorities and progress

Commercial Property

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve net zero carbon by 2030 for our Industrial portfolio and Corporate Head Offices based on the World Green Building Council “Net Zero Carbon Buildings Commitment”.	In progress	Solar PV systems have been installed in several locations in our Logistics portfolio including 200kW at Ingleburn (NSW) and 90kW at Somerton (NSW). In the second quarter of FY20, 770kW is expected to be installed at Yennora (NSW).
Achieve a 60 per cent carbon reduction intensity target for Retail Town Centre, Workplace, and Business Parks assets (FY06 – FY25)	In progress	At 30 June 2019, we have achieved a carbon intensity reduction of 57.5 per cent against FY06 for the Retail Town Centre, Workplace, and Business Parks portfolio.
Reduce carbon intensity in our Retail Town Centre portfolio by 10 per cent by FY20, against the FY17 benchmark	Achieved	At 30 June 2019, we have achieved a carbon intensity reduction of 20.2 per cent against FY17 for our Retail Town Centre portfolio.
Reduce carbon intensity in Workplace by five per cent by FY20, against the FY17 benchmark	In progress	At 30 June 2019, our carbon intensity decreased by 1 per cent against FY17 for our Workplace portfolio.
Achieve a 4.5 stars NABERS Energy average for our Retail Town Centre portfolio by FY20	In progress	Our NABERS Energy average for our Retail Town Centre portfolio is 4.34 stars (up from 4.18 stars at end of FY18).
Achieve a 5 stars NABERS Energy portfolio average in our Workplace and Business Parks portfolio by FY20	In progress	Our NABERS Energy average for our Workplace and Business Parks portfolio is 4.48 stars (up from 4.35 stars at end of FY18). The decline since we achieved 4.74 stars in FY17 is attributable to asset disposals, portfolio vacancies and increased hours of occupancy at one of our business parks resulting in higher energy usage.
Continue to install electric vehicle charging stations across our Retail Town Centre portfolio	In progress	We have installed new ChargePoint chargers at Stockland Bundaberg (Qld), Stockland Cleveland (Qld), Stockland Traralgon (Vic), Stockland Wendouree (Vic) and Stockland Nowra (NSW) in addition to the rollout of 43 Tesla destination chargers at 23 centres across the Retail Town Centre portfolio.
Install a further 12 MW of solar photovoltaic capacity across eleven retail town centres by the end of FY19.	In progress	All committed projects installed with the exception of Gladstone (Qld) due to structural roof works being necessary. Our total portfolio solar capacity now stands at 16.4 MW with the capacity to generate approximately 21,900,000 kWh in renewable energy annually.



Communities

Residential

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Exceed relevant minimum energy related compliance standards by 10 per cent within our residential communities	Achieved	We achieved a 27 per cent improvement on energy relative to local compliance standards, for homes completed during the year, this is a 17 per cent improvement over our 10 per cent improvement target.
Develop an alternative energy infrastructure strategy to help drive appropriate delivery of renewable infrastructure in our residential developments.	In progress	A cross business energy strategy was prepared during the year to provide a guide to energy focus areas over the next three years. Key areas of focus for FY19 have included the review of solar and embedded network opportunities for residential communities.
Deliver solar and battery packages to 72 homes within our Highlands (Vic) project in partnership with a large industry supplier, and monitor the performance of these homes to understand how solar and battery can be more efficiently delivered and used by home owners.	In progress	Residents have been offered solar and battery packages with first installations due early FY20. We are looking to use the data to provide insights around comfort, affordability and liveability.

Retirement Living

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve net zero carbon by 2030 for our Retirement Living portfolio based on the World Green Building Council "Net Zero Carbon Buildings Commitment".	In progress	In September 2018 Stockland publicly committed to achieving net zero carbon by 2030 for our Retirement Living and Industrial portfolio and Corporate Head Offices. This is a long term target and planning for next steps will occur in FY20.
Exceed relevant minimum energy related compliance standards by 10 per cent in all new developments	Not applicable	No new developments commenced in FY19. Current developments that commenced before FY19 include Newport (Qld) and Shine (Birtinya - Qld) and are targeting a 4 Star certified Green Star Design & As Built rating and in doing so will meet the minimum energy requirements within the Energy criteria of the rating tool.
Continue to roll-out solar installations to meet or exceed our target of five installations across clubhouses and community centres in our retirement living communities by FY20.	In progress	An additional 13.4 kW solar system has been installed in FY19 to Fig Tree Village common area, taking total solar generation capacity to 26.8 kW. In FY18 installations had been completed at Fig Tree (Qld) and Wamberal Gardens (NSW).
Achieve a five per cent energy reduction target by FY20 (for villages with sub-metering)	In progress	Our pilot sub-metering and monitoring program has led to a 1.6% decrease in energy consumption at Tarneit Skies (Vic) and 7.2% increase in energy consumption at The Willows (NSW).
Formalise solar guidelines and supporting documentation that apply to village residents	Not achieved	The solar guidelines have been drafted and this priority is expected to be achieved in FY20.
Implement an operational efficiency review at three of our most energy intensive operational villages.	Achieved	Energy Audits have been completed at six villages these are; Unity (SA), Willowdale (NSW), Maybrook (NSW), Shine (Birtinya, Qld), Cardinal Freeman (NSW) and North Lakes (Qld). Findings have been shared nationally to the operational village teams and will be fed into CAPEX budgets for FY20 where appropriate.
Implement key recommendations from our pilot sub-metering and monitoring program and share lessons learned.	In progress	Monitoring on-going to increase data for establishment of benchmarks and help develop future portfolio-wide metering and monitoring strategy.



Future priorities

Group

- Develop our next phase of long term carbon and energy targets (FY21-23)
- Achieve net zero carbon by 2030 for our Industrial portfolio and Corporate Head Offices based on the World Green Building Council "Net Zero Carbon Buildings Commitment".
- Review our approach to carbon accounting giving consideration to our large scale solar projects.

Commercial Property

- Achieve a 60 per cent carbon intensity reduction for Retail Town Centre, Workplace and Business Parks assets (FY06 – FY25).
- Reduce carbon intensity in our Retail Town Centre portfolio by 10 per cent, and in our Workplace portfolio by five per cent, by FY20 (FY17 baseline).
- Achieve an average NABERS Energy rating of 4.5 stars for our Retail Town Centre portfolio, and 5 stars for our Workplace portfolio (by FY20)
- Install a further 1.9 MW of solar photovoltaic capacity across two retail town centres (Gladstone and Baringa) and one logistic (Yennora) asset by the end of FY20.
- Continue to install electric vehicle chargers across our Retail Town Centre portfolio.

Communities

Residential

- Exceed relevant minimum energy related compliance standards by 10 per cent within our residential Built Form communities.
- Design, construct and deliver two completed Zero Net Carbon (ZNC) homes within our Victorian residential communities by FY21, in partnership with Sustainability Victoria (SV)
- Deliver solar and battery packages to 72 homes within our Highlands (Vic) project in partnership with a large industry supplier, and monitor the performance of these homes to understand how solar and battery can be more efficiently delivered and used by home owners.

Retirement Living

- Exceed relevant minimum energy related compliance standards by 10 per cent in all new developments.
- Continue to roll-out an additional two solar installations across clubhouses and community centres in our retirement living communities.
- Continue Stage 2 (Design) of the Net Zero Energy Home Pilot at Willowdale Retirement Village (NSW).

FY19 performance and case studies

Total greenhouse gas (GHG) emissions

We reduced our Scope 1 emissions in FY19, primarily due to decreases in emissions associated with refrigerants (leaks/ top-up) within our commercial property business. There was also a decrease in gas consumed across our Retirement Living communities portfolio. Our Scope 2 emissions decreased largely due to reduced gross energy consumption at Commercial Property assets and an ongoing improvement in Communities energy data acquisition.

The table below outlines our Scope 1, 2 and 3 emissions over the last five years. For a detailed breakdown of our Scope 1, 2 and 3 emissions please refer to our [Environmental Data Pack](#).

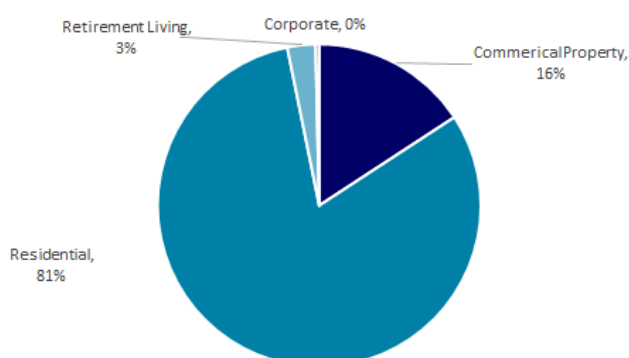
SCOPE 1, 2 AND 3 EMISSIONS (tCO₂-e)

	FY19	FY18	FY17	FY16	FY15
Scope 1 ²	24,230	25,453	26,884	35,036	26,368
Scope 2 ³	70,545	82,591	87,860	89,881	97,763
Total Scope 1+2 emissions	94,774	108,044	114,743	124,917	124,131
Scope 3 ⁴	27,572	33,866	31,115	39,628 ⁵	21,002

Total Scope 1 emissions by business unit

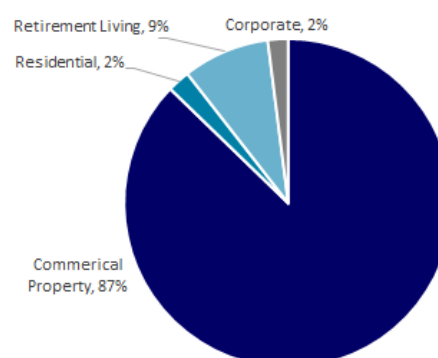
The chart below outlines the percentage allocation of our Scope 1 emissions by business units. Communities constitutes the largest proportion of our Scope 1 emissions due to contractor construction activity during development.

Residential communities with large construction activities in FY19 included: Aura and Newport (Qld), Sienna Wood and Calleya (WA), Elara (NSW), Cloverton and Highlands (Vic).



Total Scope 2 emissions by business unit

Commercial Property constitutes our largest proportion of Scope 2 emissions and remains the focus of our strategic energy efficiency initiatives. Scope 2 emissions have decreased significantly due to the increased implementation of solar power system across retail.



Commercial Property

NABERS Energy Ratings

Following the NABERS ratings undertaken in FY19 on our Retail Town Centre portfolio, the area weighted portfolio average for NABERS Energy has improved to 4.34 stars (4.18 stars in FY18) against our target of 4.5 stars by FY20. Eight assets out of 23 achieved an improved energy rating in FY19, and one asset achieved a lower rating.

In our Workplace and Business Parks portfolio for FY19, NABERS Energy the area weighted portfolio average has improved to 4.64 stars (4.52 stars in FY18) for our Workplace portfolio and 4.37 stars (4.22 stars in FY18) for our Business Parks portfolio. The combined portfolio average for Workplace and Business Parks is 4.48 stars which is an improvement on the FY18 result of 4.35 stars.

From 16 Workplace and Business Park assets rated, three achieved a higher energy rating in FY19 with none achieving a lower rating. We expect this portfolio rating to increase toward our FY20 target of 5 stars with increased occupancy, upgrades to building management systems and installation of additional sub-metering.

² Scope 1 emissions are direct emissions, i.e. emissions from fuels that are combusted on site (including natural gas, diesel and petrol from fleet) as well as refrigerant leakage. This includes direct emissions reported by contractors where we have operational control (typically residential community projects).

³ Scope 2 emissions are indirect emissions from the consumption of electricity only. This includes indirect emissions reported by contractors where we have operational control (typically residential community projects) and emissions from base building electricity across the Workplace and Business Parks, Retail Town Centre, Logistics, Residential and Retirement Living assets for which we have operational control.

⁴ Scope 3 emissions are other indirect emissions, including hire cars, rental vehicles and airline travel, transmission and production losses from purchased electricity, gas and fleet fuel and operational waste from our Commercial Property portfolio.

⁵ From FY16 we expanded our boundary to include Scope 3 emissions from waste generated at our Commercial Property assets.



More information on our NABERS ratings across our portfolio is provided in the [Asset Rating and Certification Deep Dive](#) and [Environmental Data Pack](#).

CASE STUDY

Introducing the first 'carbon neutral' logistics asset in Australia

The Stockland-owned logistics facility 32-54 Toll Drive, Altona North, Victoria has been certified 'carbon neutral' under the National Carbon Offset Standard. The warehouse has also received a Green Star Performance rating, the first Green Star rating for our Logistics portfolio, with points awarded across energy, water, waste and innovation.

Tony D'Addona, General Manager – Workplace and Logistics said current tenant Toll was excited to achieve the carbon neutral goal. "Stockland, Toll and our sustainability consultants NettZero have all worked hard to complete a range of sustainability initiatives over the last few years, with the ultimate goal of reducing the warehouse greenhouse gas (GHG) emissions," Tony said.

The warehouse upgrades included changing all lighting to LEDs and a carton re-use program. It also meant committing to capturing, storing and analysing energy and water usage data on a monthly basis. "The Carbon Neutral certification process has certainly helped us improve our management approach to sustainability and has been a worthwhile education process for our facility managers for our future Green Star ratings," said Tony.

By calculating actual greenhouse gas emissions from the warehouse, the tenants Toll and Nike, were able to purchase Carbon Offset Certificates. The GHG emission savings associated with the offset certificates equalled the GHG emission attributed to the Centre. "This first official Green Star rating for a Stockland logistics property is a good starting point and we will look to continue to build on this and apply our learnings to future developments, and in operations," Tony said.

Stockland have also just signed a heads of agreement for a renewal with Toll at the property. As part of the renewal Stockland will be funding a 99kw solar PV installation later this year. This will further enhance the green credentials of the site, assisting in the reduction of electricity consumption from the grid and reducing carbon emissions.



Carbon neutral in action at Toll Drive.

Energy efficiency

We have actively invested in energy efficiency improvements across our Commercial Property developments and operations since we set our first energy and emissions targets in FY09. Energy is an important operational expenditure item for our



business and as a result we have adopted an active management approach to deliver strong financial returns whilst reducing our carbon footprint.

Our energy efficiency investments made in FY19 are projected to generate energy savings of approximately 1,500,000 kWh annually. These investments include the installation of a heating, ventilation and air conditioning (HVAC) chiller optimisation unit at Stockland Merrylands (NSW) to reduce electricity consumption by better managing chiller demand and load. This upgrade is projected to save approximately 200,000 kWh per annum which equates to approximately five per cent of the total base building annual consumption. We also completed a large HVAC refurbishment at Stockland Mulgrave which will improve the overall control strategy and efficiency of the air conditioning system without compromising on thermal comfort. The annual expected energy savings is 218,900kWh equivalent to half a star NABERS improvement.

We continued our LED lighting upgrades across our retail town centres, with upgrades at Stockland The Pines (Vic), Stockland Cairns (Qld), Stockland Traralgon (Vic), Stockland Rockhampton (Qld) and Stockland Wetherill Park (NSW). The upgrades are expected to achieve approximately 1,160,000 kWh electricity savings annually.

Renewable energy

As of 30 June 2019 we had installed a further 12.1MW of solar PV capacity across 10 of our shopping centres and two logistics assets, including one our largest installation of 1.8 MW at Stockland Cairns (Qld). This takes our total operational solar PV capacity to 16.4MW.

We are in the middle of our next wave of solar installations at two retail town centres and one logistics asset which will bring an additional 1.9MW of solar PV capacity. The installations will bring the total investment in renewable energy to over \$32 million providing a total of 17.9 MW of generating capacity and producing an estimated 23,000,000kWh of renewable energy annually.

The table below illustrates our solar generation over the past five years.

RENEWABLE ENERGY GENERATED USING SOLAR POWER

	FY19	FY18	FY17	FY16	FY15
Energy generated using solar PV (kWh)	12,958,224	3,274,463	2,387,168	1,940,689	292,124
Per cent of Retail Town Centre portfolio electricity usage	19.9	5.1	3.6	2.8	0.4
Total solar PV capacity at end of reporting period (kW)	16,400	4,360	2,260	1,360	1,360

CASE STUDY

Thirteen years of carbon and energy leadership

At Stockland, we have a longstanding commitment to managing climate change risk and reducing our carbon emissions. Since 2006 we have reduced our emissions intensity by over 57 per cent and saved over \$106 million through energy efficiency initiatives to deliver shared value for us and our stakeholders. We are as committed to transparency as we are to action. In 2018 we became an early adopter of the Task Force on Climate-related Financial Disclosures recommendations, demonstrating active management of climate risks and our ability to capitalise on climate opportunities.

Our leadership in carbon and energy was reinforced in September 2018, when we signed the World Green Building Council's (WorldGBC) Net Zero Carbon Buildings Commitment – the first Australian listed property group to commit, and amongst the first 15 organisations globally. A net zero carbon building, as defined by the WorldGBC, is highly energy efficient and fully powered on-site or by off-site renewable energy sources. Our new net zero target commits us to achieving net zero carbon emissions by 2030 across our logistics centres, retirement living communities, and corporate head offices by installing 11MW of solar panels.

We are also focused on helping our residential customers enjoy the benefits of low carbon living, currently partnering with the Victorian Government on a two-year program to build Zero Net Carbon Homes. These commitments and projects present opportunities to not only reduce carbon emissions, but improve our operational efficiency in a cost-effective manner at our assets, whilst reinforcing the climate resilience of our portfolio.



Performance against emissions reduction targets

We track our greenhouse gas emissions on a per square metre intensity basis as a means to understand our energy impacts while taking divestments and investments into account. Our greenhouse gas emissions intensity has been steadily decreasing across commercial property and we will continue to monitor and invest in technology to assist us in achieving our FY20 target (10 per cent intensity reduction in Retail Town Centres, five per cent reduction in Workplace and Business Parks, from FY17 baseline).

The table below outlines our greenhouse gas emissions intensity data since FY15.

COMMERCIAL PROPERTY GREENHOUSE GAS EMISSIONS INTENSITY (kg CO₂-e/m²)

	FY19	FY18	FY17	FY16	FY15
Workplaces	61.18	60.41	61.70	64.98	67.32
Retail Town Centres	42.25	49.54	52.92	56.58	58.32
Commercial Property	46.32	52.00	54.93	58.55	60.66

In FY19 we reduced our Retail Town Centre portfolio emissions intensity by 14.7 per cent compared with FY18. These decreases are attributable to continued energy monitoring and capital investments in efficiency initiatives such as LED lighting, heating, ventilation, and air conditioning optimisations and solar PV. Our Workplace emissions intensity increased by one per cent compared with FY18, which is driven by the increase in occupancy and operating hours.

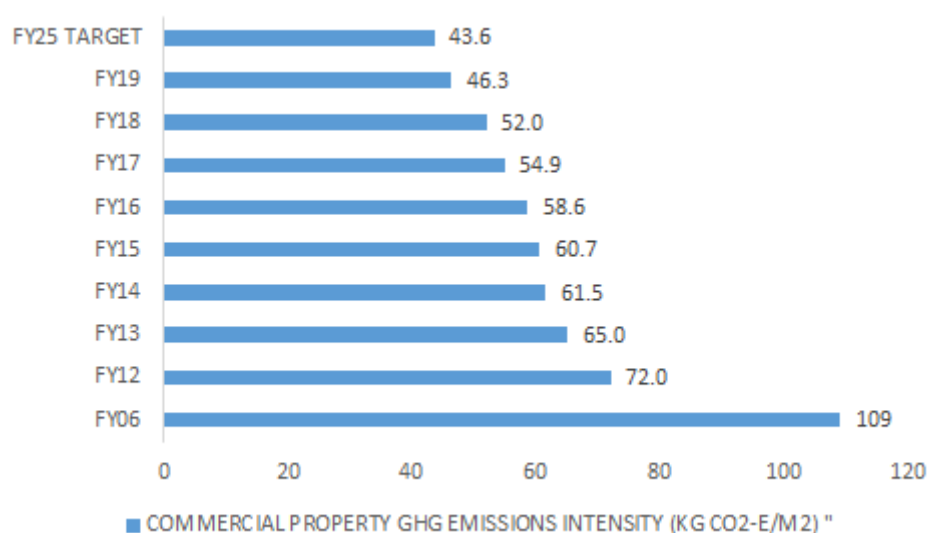
The table below outlines our Commercial Property year-on-year emissions intensity reductions over the last five years.

COMMERCIAL PROPERTY ANNUAL CHANGES IN EMISSIONS INTENSITY

	FY19	FY18	FY17	FY16	FY15
Workplaces	1%	-2%	-5%	-4%	0%
Retail Town Centres	-14.7%	-6%	-6%	-3%	-2%
Commercial Property	-10.9%	-5%	-6%	-4%	-1%

We have set emissions reduction targets every three years in support of our overarching target to reduce emissions intensity by 60 per cent across our Commercial Property portfolio by FY25 (using FY06 baseline). The chart below indicates progress toward our FY25 target.

PROGRESS TOWARD OUR FY25 EMISSIONS INTENSITY TARGET (kg CO₂-e/m²)





Communities

Residential

As part of our commitment toward energy efficiency, we have successfully partnered with the Victorian Government (Sustainability Victoria) to deliver a number of Zero Net Carbon (ZNC) homes at our residential communities in Victoria. The Zero Net Carbon Home Pilot Program will see us design, construct and market two ZNC homes at our Highlands and Braybrook Orion communities. The project provides an opportunity for us to collaborate with two of our volume home builder partners VCON Homes (Highlands) and Creation Homes (Orion).

The first phase of the program, delivered during FY19, focused on the development of the ZNC design and construction methodology required to meet the net zero target. As part of the program, we have undertaken a number of activities with both Sustainability Victoria and our builder partners that included;

- On-site home air tightness and insulation integrity testing to establish a performance benchmark
- Detailed energy (NatHERS) and ZNC modelling simulations to inform the design of the nominated home product
- Design workshops to develop the ZNC design specification for each nominated home product
- Best practice construction workshops designed to educate our builders (and industry) on the best practice construction methodologies required to achieve air tightness specifications and ultimately a ZNC home.

The energy targets set for our Residential portfolio (set in FY17) focus on energy and emissions efficiency of residential product that we build (as opposed to also encompassing product built by third party builders on land that we sell). These targets aim to deliver a 10 per cent improvement by FY20 on existing energy and carbon compliance benchmarks established by regulation within the states where we operate and apply to our built form product.

We measured the performance of our homes constructed during the year across all of our projects; 318 dwellings were completed across six projects. The projects included Willowdale and Altrove in NSW, Eastside Highlands and Waterlea in Victoria, Calleya in WA and Vida at North Lakes in Queensland. Overall we achieved a 27 per cent improvement over compliance benchmarks. Our Waterlea project in Victoria was our best performer with a score of 96 per cent improvement. Initiatives delivered at Waterlea include an average of 7.4 star NatHERS, 5 star air conditioning systems, LED lighting throughout, gas boosted solar hot water and 3.5kw of solar PV per dwelling. Our NSW projects scored the lowest as a result of the high benchmark established by the BASIX compliance platform, which requires high performance baseline energy requirements for home approvals.

Some examples of broader energy and carbon reduction initiatives delivered within our Residential portfolio during FY19 are:

- 2.5 kW of solar mandated on each home at Minta Farm (Vic). A Tesla Powerwall II was also installed at the sales office to showcase the technology to customers.
- 72 homes on Sustainable Drive in Highlands (Vic) were offered 5 kW solar and 9.3 kW battery packages as part of the team's initiative to help customers make homes more comfortable, affordable and energy efficient.
- The sales office at Kalina (Qld) is now powered by a solar and battery installation, enabling the office to operate off grid at most times. This was a cost effective method to enable early establishment of the Sales and Information Centre. Sales staff have learned how to operate the solar and battery systems to ensure the battery retains sufficient charge to power the office early in the mornings before solar panels begin operating.
- LED street lighting has been installed at Birtinya Island and Bokarina Beach (Qld), Calleya (WA) and Willowdale (NSW).

Retirement Living

In FY19 we completed six energy audits across a spread of operational villages ranging from different ages, both horizontal and vertical living units. The villages were Cardinal Freeman (NSW), Maybrook (NSW), Willowdale (NSW), Unity (SA), North Lakes (Qld) and Shine (Qld). Potential upgrades such as energy efficient lighting and solar power were identified as offering estimated payback periods of between 5-10 years. Appropriate temperature setpoint adjustment was also noted to reduce unnecessary electricity consumption from common area air conditioning systems. Similarly, for villages with swimming pools, review of temperatures and filter pump operational hours to match bather usage will help to reduce overall energy consumption.



We completed an extensive refurbishment of the existing clubhouse at The Willows (NSW). The scope included an air conditioning system based on a mixed mode operation designed to save energy by reducing mechanical air conditioning during times when ambient conditions are favourable to draw in outside air. Estimates based on comparing energy consumption data (pre and post air-conditioning) of the village indicates a 30 per cent reduction in energy consumption over the Summer and Autumn months, when compared to a conventional air-cooled split system design.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Climate Resilience

FY19

Why this is important to Stockland

Climate change presents risks and opportunities for our business, and we are committed to identifying, assessing, and managing these to support the resilience of our business, assets, and communities. Climate-related risks and opportunities can be divided into two categories: the transition to a low-carbon economy (transition risks) and physical impacts from changes to climatic conditions, including extreme events (physical risks).

With regard to transition risk, we acknowledge that Australia and nearly 200 other nations have agreed to the objective of limiting global warming to below 2°C (the Paris Agreement¹). Pursuing this objective implies a general movement away from fossil fuel energy and increased deployment of low/zero carbon energy sources and energy-efficient technology. While changes associated with the transition to a low-carbon economy present risks across most industries, they also create substantial opportunities for organisations focused on climate change mitigation and adaptation solutions. Our [Carbon and Energy Deep Dive](#) reports on how we leverage these opportunities through our focus on energy efficiency and renewable energy.

With regard to physical risk, we are already experiencing physical impacts of climate change in the form of gradual changes to climate variables and an increased frequency and severity of extreme weather events. These events have the potential to damage our assets, disrupt operations and impact the health and wellbeing of our customers and communities. For the benefit of our stakeholders, and society more broadly, we are committed to creating climate resilient assets that operate with minimal disruption, as well as building strong communities that are equipped to adapt to climate change risks and opportunities.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.² The material in this Deep Dive is supported by a wider collection of performance metrics contained in our [Environmental Data Pack](#).

This Deep Dive is to be read in conjunction with our published approach to climate resilience, available as part of our sustainability reporting suite at [Our Management Approach to Climate Resilience](#).



Our key achievements

- Completed eight climate and community resilience assessments in our Retirement Living (three) and Residential (five) portfolios.
- Completed six climate resilience assessments and four community resilience assessments across our Commercial Property Retail Town Centres and Logistics Distribution Centres portfolio.
- Integrated our climate risk assessment approach to bring together all of our climate resilience work to date into one centralised tool. This tool provides a framework for undertaking climate risk assessments across our assets, and ensures a systematic, objective, and standardised process for ongoing management of climate resilience.

¹ The Paris Agreement's central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius (<http://bigpicture.unfccc.int/#content-the-paris-agreement>).

² The GRI Standards are global standards for sustainability reporting published by the Global Reporting Initiative (<https://www.globalreporting.org/standards/>).

In this document you will find:

FY19 priorities and progress
2
FY19 performance and case studies
3



- Named GRESB Global Sector Leader for listed companies for Diversified – Retail/Office, listed on the World Dow Jones Sustainability Index for the twelfth consecutive year, and the only Australian property company to be included on CDP's Climate A-List.

FY19 priorities and progress

Commercial Property

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Complete climate resilience assessments in operational assets in priority locations across our portfolio, including our retail town centres at Stockland Cleveland (Qld), Burleigh Heads (Qld), and Caloundra (Qld), and Shellharbour (NSW) and our Logistics assets at Yennora (NSW), Hendra (Qld), and Port Adelaide (SA).	Achieved	Assessments completed in our Retail Town Centres and Logistics Distribution Centres with a focus on completing assets with exposure in Queensland.
Continue to undertake climate resilience assessments in future development projects including Whiteman Edge (WA).	Achieved	Climate Resilience assessments have been completed on two Retail Town Centre developments – Stockland Baringa and Stockland Birtinya (Qld) as part of the Green Star commitments. Whiteman's Edge will be assessed when it moves to the next stage of our D-Life process

Communities

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Undertake a formal review of resilience assessment framework approach against industry best practice.	Achieved	A formal review was undertaken as part of the scope for the development of the Group Resilience Assessment Tool. This ensured that the tool is aligned against industry best practice.

Residential

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Complete climate resilience assessments on new communities in priority locations that commence master-planning during FY19.	Achieved	We undertook five assessments in the following locations: Hope Island (Qld), Paradise Waters (Qld), Promenade (Qld), Glendalough (WA), and Wellard (WA) using our newly-developed Group Resilience Assessment Tool.

Retirement Living

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Complete two assessments in medium priority locations as determined through the national mapping review.	Achieved	We undertook three assessments using our newly-developed Group Resilience Assessment Tool in the following operational villages: Lourdes (NSW), Belcarra (Qld), Affinity (WA) using our newly developed Group Resilience Assessment Tool.
Implement the resilience best practice guidelines across five low-medium priority villages which have not had a formal climate and community resilience assessment completed.	In progress	This priority will move into FY20 as the Retirement Living Best-Practice Guidelines were used as the foundation for the development of the Stockland Group Resilience Assessment Tool, and as such, the five assessments were put on hold until completion. Two operational villages have since been piloted under the new Group Resilience Assessment Tool; Hillsview (SA) and Wamberal Gardens (NSW).



Future priorities

Commercial Property and Communities

- Migrate previous resilience assessments into new Group Resilience Assessment tool for all business units and update results in accordance with new scoring methodology.
- Undertake new assessments as required, including new developments and high priority assets as per our national mapping.
- Establish climate resilience targets and priorities for 2021 and beyond.

FY19 performance and case studies

Over the past year, we've continued to align our approach to climate risk disclosure with the recommendations of the Task Force on Climate-related Financial Disclosures (Task Force). We first lodged "Stockland's Climate-related Financial Disclosures" on the Australian Securities Exchange (ASX) in February 2018 as part of our half-year reporting suite. We integrated our climate-related financial disclosures into our [FY19 Annual Report](#), acknowledging the importance of climate-related risk management for our long-term performance as a business.

Physical risk

Commercial Property

Climate resilience in operations

We reviewed our Commercial Property assets to identify exposure to physical risk using updated RCP 8.5 projections from the IPCC (refer to [Our Management Approach to Climate Resilience](#) for more information on our use of IPCC RCP scenarios). Our review was used to inform climate resilience assessments undertaken on four of our Retail Town Centres at Caloundra (Qld), Burleigh Heads (Qld), Cleveland (Qld) and Shellharbour (NSW) as well as three of our Logistics Distribution centres in Port Adelaide (SA), Hendra (Qld) and Yennora (NSW). This now completes assessments of all of our Retail Town Centre assets in Queensland. We developed action plans for each location using the new climate scenarios to assist in understanding the future impacts of climate change and the most appropriate responses to implement to improve resilience over time.

Climate resilience in developments

We completed climate resilience assessments at our active Retail Town Centre developments; Birtinya (Qld) and Baringa (Qld). These assessments are undertaken as part of our Green Star Design and As Built rating for each project. The assessment findings inform design in new constructions so that our new projects are not being delivered with inherent vulnerabilities to future climate impacts.

Community resilience in Commercial Property

We completed community resilience assessments at four of our Retail Town Centres and the surrounding community, including Caloundra, Burleigh Heads and Cleveland in Queensland and Shellharbour in New South Wales. The purpose of the assessments was to understand underlying issues in the local communities around social cohesion, economic viability and connectivity, and to identify opportunities to contribute further to enhancing community resilience through our community development planning process. Examples of themes identified in our FY19 assessments include low education levels, unemployment, disability and obesity. The insights and learnings from the assessments undertaken are communicated to the business and centre teams are encouraged to focus community development initiatives on community needs in alignment with our key focus areas of education, health and wellbeing and community connection (see [Our Management Approach to Community Investment and Development](#) and our [Community Deep Dive](#)).

Industry engagement

We are regularly invited to present at industry forums, conferences and master classes and to participate in task groups and workshops to share our climate resilience expertise and to help shape an industry approach to resilience. In FY19 we presented our work on resilience at several industry forums including Green Building Council of Australia Transform 2019, AIRAH Resilience Forum, Green Star Resilience Master Class, Western Sydney Turn Down the Heat Strategy Launch.



CASE STUDY

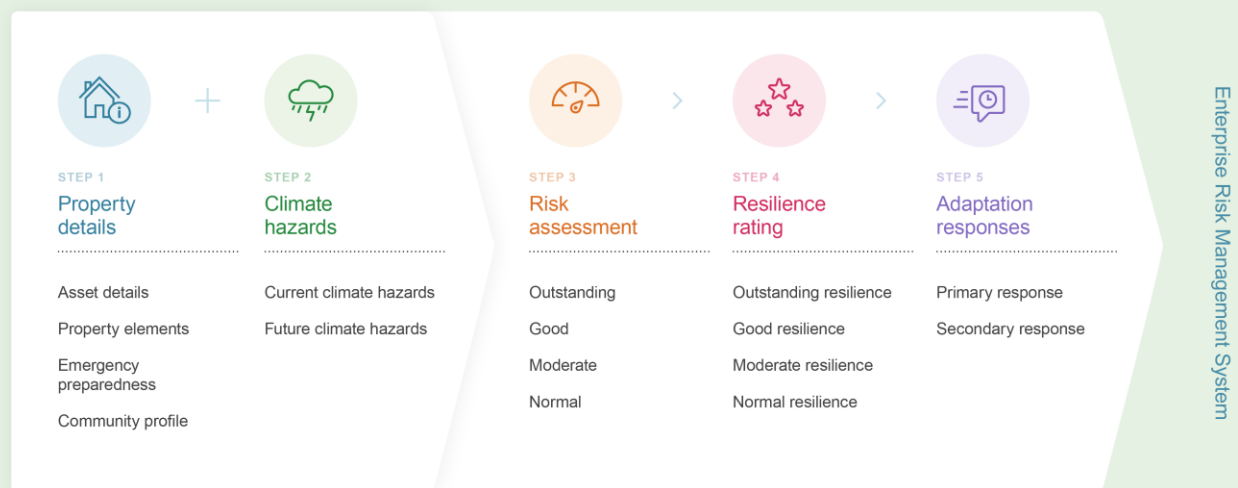
Climate risks and opportunities assessment tool

In 2019, following a review of global best practice, we updated our climate risk assessment approach to bring together all of our climate resilience work to date into one centralised tool. We also wanted to ensure our approach was embedded within our enterprise risk management system and aligned with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD).

This tool provides a framework for undertaking climate risk assessments for Stockland's assets, and encourages a systematic, objective, and standardised process for ongoing management. It allows users to understand the climate exposure of an individual asset, as well as its adaptive capacity and sensitivities to climate-related risks and opportunities. It covers both the built aspects of an asset, including operation and maintenance of buildings and infrastructure, and considers the community resilience of tenants, residents and/or customers that depend upon the asset.

Once an asset has been assessed using this tool, adaptation responses are assigned and will be tracked through Stockland's enterprise risk system. This provides a more sophisticated platform to monitor and evaluate adaptation actions over time, ensuring proactive design is prioritised from the earliest stages of development and ongoing asset management.

The tool also provides the assessment results in a dashboard so they are comparable and can be benchmarked in a centralised reporting system. This provides a readily accessible view of our climate risk at an asset, portfolio, regional and organisational level that can be used across the business.



The process and output of our climate resilience tool.



Communities

Residential

In FY19, we assessed the climate resilience of five residential communities; Hope Island (Qld), Paradise Waters (Qld), Promenade (Qld), Glendalough (WA) and Wellard (WA). These communities were prioritised for assessment because they were either mapped in priority locations or are new projects. Typical climate related impacts on residential communities arise from potential for bushfire, reduced access resulting from flooding, changes in extreme heat conditions, and intense rainfall events.

We prepared resident emergency checklists for our residential communities at: Cloverton (Vic) (available online), Kalina (Qld), Paradise Waters (Qld), Mount Atkinson (Vic), Altona North (Vic), Minta Farm (Vic), Edgebrook (Vic), and Braybrook (Vic). The checklists respond to the outcomes of resilience assessments undertaken at each community and provide residents with a guide in the event of extreme weather or fire events. The checklist uses the four phases of emergency management – prevention, preparedness, response, and recovery – to structure actions that enable community self-reliance in the event of an emergency.

We applied our first cool roof covenant to homes in our Bells Reach (Qld) project in 2012. We have since continued to apply these covenants at Aura (Qld) on the Sunshine Coast and North Shore (Qld) in Townsville. We have found that the benefits of cool roofs, including improved thermal performance, reduced heating and cooling costs, and reduced urban heat island effect, come at no additional cost to build. Further, since applying the initiative we have worked with suppliers to increase the variety of cool roof options available to the market. We have now standardised cool roofs with a maximum of 50 per cent solar absorbency as a covenant requirement across our new Sunshine Coast projects.

We are also working to embed climate and community resilience assessments into our project lifecycle process for Communities developments (D-Life) and will continue to formalise the process in FY20.

Retirement Living

We regularly update our national mapping schedule to identify those individual villages and developments that have the greatest exposure to climate extremes including heat waves, drought, flooding, storms, cyclones, coastal inundation and bushfires. This approach allows us to prioritise those villages over a staged program to conduct detailed climate and community resilience assessments. One of the key challenges facing all of our villages is the frequency and intensity of extreme heat events, which increase energy demand for cooling and the need for areas of respite for residents.

In FY19, we prioritised three operational retirement living villages for climate resilience assessments based on their climate risk exposure, including Lourdes (NSW), Belcarra (QLD) and Affinity (WA). As part of the ongoing development of our approach to community resilience, these three considered the sensitivity and adaptive capacity of village residents in determining community resilience actions to be included in the action plans for each village.

Transition risk

The global transition to a low carbon economy as envisioned by the Paris Agreement and the Task Force presents risks and opportunities for our business. Carbon emission regulation, for example, may impact the pricing of energy required to develop and operate our assets. Our [Carbon and Energy Deep Dive](#) presents progress in our energy efficiency and renewable energy activities, in which we continue to invest to seize transition opportunities and minimise transition risks.

In FY18, we enhanced our approach to climate-related transition risk management by incorporating 2°C scenarios³ into our corporate climate scenario analysis framework. Our 2°C scenario analysis confirmed that our existing commitments to energy efficiency and renewable energy are appropriate for leveraging low carbon opportunities. It also raised the profile of risks associated with land development regulation and climate risk disclosure. See our Management Approach on Climate Resilience for more information.

We continue to collaborate with our peers to understand how the property industry can manage the risks and leverage the opportunities presented by a transition to a low carbon economy. Following on from the 2016 publication of Low Carbon, High Performance⁴ by the Australian Sustainable Built Environment Council (ASBEC), last year we worked with ASBEC on Built to Perform: An industry led pathway to a zero carbon ready building code. Built to Perform shows how stronger energy standards for new buildings in the National Construction Code could reduce energy bills and deliver emissions savings.

We have also worked with the Green Building Council of Australia as a strategic supporter of its Carbon Positive Roadmap for the built environment. The roadmap establishes the steps required for commercial, institutional and government buildings and fitouts to decarbonise and contribute to global climate targets.

³ A 2°C scenario lays out a pathway and an emissions trajectory consistent with limiting the average global temperature increase to a temperature range around 2°C.

⁴ The full report title is *Low Carbon, High Performance: How buildings can make a major contribution to Australia's emissions and productivity goals* by ASBEC (www.asbec.asn.au).



CASE STUDY

Aura paving the way for community resilience

At Stockland, resilience extends beyond preparedness of business and assets to climate change shocks and stressors, to social and community resilience. Assessing and strengthening community resilience involves a holistic approach including social cohesion, economic viability and connectivity. Understanding and addressing these factors is a key priority in developing our masterplanned communities, such as Aura (Qld), and ensuring we are creating thriving communities now and into the future.

One of the key initiatives to increase community resilience at Aura is the extensive 200km pedestrian cycleways planned for the community, creating a 'bike city'. The objective of such an extensive cycleway network is to create a safe and integrated active transport network that promotes cycling for all ages and abilities, creating a community that embraces and values cycling as a more sustainable form of transport now and into the future. With no known projects of similar size or scope, the Aura team collaborated with local and state government to develop project-specific policies and standards to deliver the extensive cycling infrastructure, otherwise known as the Aura Veloway,

The Aura Veloway is a two-way cycle path that is safe, easily accessible, and allows residents and community members to not only get active but also to discover the nature and amenities their community has to offer. The project developed a holistic network planning approach, allowing the Veloway to connect to key destinations and activity clusters, to encourage social connectivity and eliminate vehicle travel. Establishing the network early allowed the residents to be connected, even if road networks were not established. The network design is a key factor contributing to the project's success, linking the Veloway to external bike paths in neighbouring suburbs to create broader network, further enhancing community connectivity and decreasing dependence on less-sustainable modes of transport.

The Aura 'bike city' contributes to many positive benefits for individuals and the community as a whole, including

- **Health and wellbeing benefits:** Since Aura has opened, community attitudes towards cycling have significantly improved, encouraging residents to be more active via cycling. As such, the Veloway has potential to increase physical exercise with cycling both for leisure and transport. The Veloway also promotes inclusivity and social interaction, which can enhance one's sense of community and belonging, an important factor in wellbeing.
- **Environmental benefits:** Cycling is a pollution-free mode of transport that does not emit greenhouse gas emissions, and also contributes to the reduction of the need to build, service, and dispose of cars.
- **Economic benefits:** Transport can contribute up to 15 per cent of household expenditure, so increasing active transport may result in significant cost savings for individuals and families. Increasing active transport modes such as cycling may also reduce pressure on road infrastructure and congestion, which is a cost to local governments and communities.

Uptake of the Veloway has been assisted by community programs and initiatives such as a partnership with the Australian Cycling Academy to educate community members and promote safe cycling, with school visits and community programs. Aura also has a 'Pedal Park', featuring a learn-to-ride circuit, as well as a more challenging circuit with a tunnel, bridge, speed humps, traffic lights, and road signage, catering to a range of bicycle rider skill levels. Schools such as Baringa State Primary School have also adopted innovative Ridescore technology program, in which a Bluetooth beacon is placed under the bike seat, triggering an email notification to parents when the bike is placed in the school's bike storage area. Students have the opportunity to earn points for cycling and awarded prizes when they achieve milestone. Such initiatives have seen over 55 per cent of Baringa State School students ride to school, compared to the state average of 12 per cent.

We're proud to be building community resilience with developments such as the Aura Veloway. Our residents and community members have the opportunity to be more active, social, save money, and contribute to positive environmental outcomes. With consistent feedback from residents and visitors on how much they love the Veloway, and the Pedal Park recently nominated by the Sunshine Coast Daily as one of the top 10 parks on the Sunshine Coast, our vision of creating thriving communities is coming to life.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Community

FY19

Why this is important to Stockland

As one of Australia's largest diversified property groups, we are well placed to have a positive and lasting impact on the communities in which we operate. We believe there is a better way to live and our goal is to create and shape communities that thrive now and into the future. We seek to achieve this goal at our retail town centres, workplaces and business parks and in the residential and retirement living communities we create by focusing on health and wellbeing, community connection and education. We focus on these three social impact areas because our proprietary customer and industry research tells us these are the areas that matter when our customers are deciding where to live, play and shop.

Our contribution to our chosen community focus areas is coordinated through a combination of the following activities:

- **community investment** – our employee volunteering and giving programs
- **community development** – projects and initiatives that enhance the communities at our assets
- The **Stockland CARE Foundation** – our charitable trust which delivers infrastructure, programs and initiatives to Australian communities.



This Community Deep Dive is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ The material in this Community Deep Dive is supported by a wider collection of performance metrics contained in our [Community Data Pack](#).

This Community Deep Dive is to be read in conjunction with our published approach to community investment and development, available as part of our sustainability reporting suite at [Our Management Approach to Community Investment and Development](#).

Our key achievements

- Contributed over \$8.3 million to our communities across Australia.
- Delivered 1,200 community development initiatives through strong partnerships with organisations such as Jamie's Ministry of Food, Bowls Australia, and National Theatre for Children, as well as Stockland CARE Foundation partners Touched by Olivia and Redkite.
- Continued our commitment to inclusivity by building four new inclusive playspaces, two in residential communities and two in our retail town centres along with one new quiet room.
- Continued to achieve high resident satisfaction and wellbeing scores in our retirement living communities with our residents achieving an average Personal Wellbeing score of 82.5 in FY19. The National Wellbeing Average (developed by Deakin University) is 73-77.
- Our volunteering rate for FY19 was 41 per cent per cent (up from 31 per cent in FY18).
- Developed a Community Partner Valuation Framework and Tool with KPMG to assess the social and business value created by community partnerships and programs at Stockland. Using this tool, Stockland has estimated the social value created

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

In this document you will find:

FY18 priorities and progress

2

FY18 performance and case studies

6



by five of our national community partners in FY19 as \$6.35 million and the business value created by these programs as \$2.9 million. More information is available in the Valuation case study (see page seven).

- Implemented the BindiMaps app at Stockland Wetherill Park (NSW), which is the first large indoor public space using the app. Bindimaps has the potential to revolutionise the shopping experience for the blind or vision-impaired community by providing navigation to guide users via their smart phones to their destinations.
- Developed our first project specific Reconciliation Action Plan (RAP) for two retail town centre development projects on the Sunshine Coast in Queensland. Initiatives implemented include cultural awareness training, Acknowledgement of Country, Indigenous retail skills training program, Indigenous art displays in centre and indigenous dance performances for centre openings.
- Completed five accessibility assessments across our retail portfolio at Stockland Shellharbour (NSW), Bundaberg (Qld), Burleigh Heads (Qld), Point Cook (Vic) and Wendouree (Vic).
- Evolved our partnership with The National Theatre for Children by delivering a year-long STEM robotics programs in 23 schools, including an opportunity for schools to run an Expo to showcase their robotics work with the school community.

FY19 priorities and progress

Community Investment and Stockland CARE Foundation

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Progress towards a volunteering rate of 50 per cent by FY20, with a focus on nurturing skilled volunteering.	In Progress	Our volunteering rate for FY19 was 41 per cent per cent (up from 31 per cent in FY18).
Achieve greater than 90 per cent employee awareness of Foundation partners by FY20.	Achieved	FY19 employee survey results show that employee awareness of the Stockland CARE Foundation's partners is at 98 per cent. 95 per cent of employees agree that initiatives such as Foundation Fortnight make them proud to work at Stockland.
Include over 60 assets in Foundation Fortnight in FY19.	Not Achieved	53 assets participated in Foundation Fortnight in FY19, including: <ul style="list-style-type: none"> • 33 retail town centres • 19 retirement villages as Grandparents Day (Family Day) events, attracting over 1,500 residents • One residential community. Although this was lower than the original target of 60, it is in line with a strategic decision to focus more on year-round events and awareness campaigns, rather than just Foundation Fortnight. We will continue the transition to year-round activations throughout FY20.
Raise over \$100,000 for our national strategic partners during our 'Foundation Fortnight' fundraiser.	Achieved	Raised over \$165,000 in FY19.

Community Development

Commercial Property

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Participants of health and wellbeing programs to have a wellbeing score above the Personal Wellbeing Index (PWI) national average (as developed by Deakin University) by the end of FY20.	Achieved	Participants in Heart Foundation Walking Groups at our centres achieved a PWI score of 80 in FY19, exceeding the PWI national average range of 74.2–76.7 per cent.
Provide disability awareness training to our retailers to enhance the shopping experience of customers with disability.	In Progress	We are currently working with the Australian Network on Disability and other industries to develop an e-learning module focused on "Welcoming customers with a disability".



FY19 PRIORITIES	STATUS	FY19 PROGRESS
Develop a Reconciliation Action Plan for our new Retail Town Centre developments at Birtinya and Baringa in Queensland to support local indigenous communities.	Achieved	We developed a Reconciliation Action Plan for our new Birtinya and Baringa (Qld) Retail Town Centres, with a focus on supporting indigenous retail employment, promoting local indigenous art, cultural awareness training and Acknowledgement of Country.
Deliver targeted initiatives to address crime and anti-social behaviour of youth at our retail town centres.	In Progress	Commenced a 12 month youth counselling program at Stockland Traralgon (Vic) designed to engage 'at-risk' youth by addressing underlying issues and removing the need for youth to act out in negative ways.
Conduct community resilience assessments in at least three additional trade areas to develop a better understanding of the community's needs and to identify appropriate responses.	Achieved	Conducted community resilience assessments at Stockland Burleigh Heads (Qld), Cleveland (Qld), Stockland Caloundra (Qld) and Stockland Shellharbour (NSW).
Expand the coverage of 'Retail Ready' training programs to at least two more retail town centres through our relationship with the Australian Retailers Association to train local residents and provide them with retail employment skills.	Achieved	We ran the Retail Ready program for Stockland Caloundra (Qld) and Birtinya (Qld), with a focus on supporting local indigenous employment. We also ran the Retail Ready training at Stockland Shellharbour (NSW) and a program at Stockland Baulkham Hills (NSW) is underway and will be run in early FY20.
Deliver a Jamie's Ministry of Food Learn Your Fruit and Veg school holiday program in a retail town centre in FY19 to engage children on healthy eating and identify opportunities to expand across the retail portfolio.	Achieved	We hosted the Learn Your Fruit and Veg school holiday program at Stockland Wetherill Park (NSW), Merrylands (NSW) and Shellharbour (NSW), with 550 children participating and learning how to make healthy and nutritious meals. We will be running the program at Stockland Balgowlah (NSW) and Burleigh Heads (Qld) in July 2020.

Communities

Residential

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve Personal Wellbeing Index above the Australian national average (as measured by our annual Liveability study) by FY22.	In Progress	The average resident Personal Wellbeing score in FY19 is 76.3 as measured across 19 residential communities (Australian national average is a range of 74.2–76.7 per cent).
Achieve a liveability score of 80 per cent across our residential communities by FY19.	Not Achieved	Achieved a liveability score of 74 per cent. While this was lower than the target of 80 per cent, it reflects the removal of four well established performing Queensland residential communities from the liveability survey in FY19. These communities were not included in the liveability survey as we are no longer actively selling these communities. This impacts the weighting of the result toward newer communities with less established community amenity.
Develop a national value proposition for liveability linked to the benefits of living at our Green Star residential communities.	Achieved	A national value proposition for the Stockland Liveability Index was launched in October 2018 to communicate the value of living in a Stockland community to current and prospective customers.
Implement one ongoing indigenous social program in FY19 (in line with our Reconciliation Action Plan), in each state where our residential communities are located.	Achieved	<p>In FY19 we awarded two additional indigenous scholarships in New South Wales and Queensland under the ABCN 'Accelerate' program. We now have a scholarship program operating in each state in which our residential communities operate.</p> <p>In addition, we have also progressed various indigenous programs including:</p> <ul style="list-style-type: none"> Queensland – indigenous led initiative which aims to re-invigorate cultural fire management on country at Aura. New South Wales - bush tucker trail at Willowdale with interpretive signage due for completion in late 2019.



		<ul style="list-style-type: none"> Victoria – activation of Cloverton playground with indigenous storyline. Western Australia – indigenous sculpture due for installation July 2019 at Aviary Park in Vale.
Roll out an active transport plan to at least four residential communities in FY19 to encourage school children to learn about the benefits of walking and take an active approach to their travel.	In Progress	Piloted an active transport plan for a community event at Highlands (Vic) and are currently working to identify schools with an interest in promoting active transport.
Offer a 'parent connect' event with the National Theatre for Children at Cloverton (Vic), and consider expanding to other residential communities where schools have not yet been delivered.	Not achieved	This event has been postponed until Spring 2019 to coincide with a scheduled community event at Cloverton (Vic), themed 'War on Waste'.

Retirement Living

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Maintain the wellbeing of retirement living residents above the Personal Wellbeing Index national average (as developed by Deakin University) through FY20.	Achieved	Our retirement living residents achieved an average Personal Wellbeing score of 82.5 in FY19 (Australian national average is a range of 74.2 – 76.7 per cent)
Develop a Reconciliation Action Plan for one of our new retirement living communities under development to support local indigenous communities.	Not Applicable	We have not had any new retirement living developments in FY19 and therefore did not have the opportunity to meet this priority.
Pilot a Live Life Get Active program at one retirement living community to provide further opportunities for our residents to live healthy lifestyles.	Achieved	Commenced a pilot at Stockland Gowanbrae (Vic) in September 2018.
Continue to deliver Jamie's Ministry of Food cooking and nutrition programs across five retirement living communities to promote healthy eating and community connection.	Achieved	Jamie's Ministry of Food programs were delivered across 37 villages in FY19 reaching over 1,900 residents and customers.
Continue to enhance our partnership with Bowls Australia by offering Coaching Clinics at 10 retirement living communities in FY19.	Achieved	Bowls Australia Coaching Clinics were delivered to 11 retirement living communities in FY19 across NSW and Victoria.
Expand the Heart Foundation Walking Group program across another five retirement living communities.	Achieved	11 new walking groups were established across our retirement living villages.

Future priorities

Community investment and Stockland CARE Foundation

- Launch two new CARE Foundation National Strategic Partnerships, seeing an increase from two to three partners. Both new partners have a focus on mental health in response to an employee survey which showed overwhelming support for this focus area.
- Continue to evolve CARE Foundation activities from one major event in Foundation Fortnight to awareness activations at our assets year-round.

Commercial Property

- Participants in health and wellbeing programs to have a wellbeing score above the Personal Wellbeing Index from Deakin University national average by the end of FY20.



- Deliver targeted initiatives to address crime and anti-social behavior of youth at our retail town centres.
- Provide disability awareness training to our retailers to enhance the shopping experience of customers with a disability.
- Extend Bindimaps to at least two retail town centres to enhance the level of support provided for people with vision impairments shopping in our centres.
- Expand the Jamie's Ministry of Food Learn Your Fruit and Veg school holiday program across our retail town centres to engage children on healthy eating.
- Further develop an indigenous employment program on the Sunshine Coast in FY20 in partnership with the Australian Retailers Association and Government to facilitate indigenous employment at our new shopping centres in Baringa and Birtinya (Qld).
- Expand the coverage of 'Retail Ready' training programs to at least two more retail town centres through our relationship with the Australian Retailers Association to train local residents and provide them with retail employment skills.
- Conduct accessibility assessment at an additional four retail town centres to ensure our centres meet the needs of shoppers of all abilities.

Communities

Residential

- Achieve a liveability score of 75 per cent across our residential communities by FY20.
- Maintain a resident Personal Wellbeing Index score above the Australian National average by FY22.
- Roll out a Community Development toolkit to provide tools and resources for teams to effectively respond to community requirements and meet resident needs, using the liveability index framework to measure impact.
- Develop a national indigenous culture and heritage significance pathway to map areas and artefacts of cultural significance at or surrounding our residential communities.
- Pilot a Compost Revolution program to residents across four communities to educate residents on the benefits of composting and to improve diversion from landfill in Stockland's communities.
- Deliver Neighbourhood Watch programs in at least two new residential communities in FY19 to enhance the levels of community connection and safety in our communities.
- Pilot an innovation start up project at Elara (NSW) with Paper Plane, who have developed a platform for facilitating community hub management and engagement opportunities for residents.

Retirement Living

- Maintain the wellbeing of retirement living residents above the Personal Wellbeing Index national average through FY20.
- Deliver the ABCN Spark Program at two retirement living communities, to encourage residents and village management teams to volunteer at local schools to support early childhood reading programs and provide positive engagement opportunities for residents.
- Pilot a Sustainability Education Workshop with Conservation Volunteers Australia across two retirement living communities to raise awareness of sustainability amongst residents. Workshop topics to include sustainable water use in gardens, native planting to attract wildlife, making seed bombs and bee hotels.
- Deliver the Jamie's Ministry of Food seven week community outreach cooking and nutrition program across 3 retirement living communities to encourage health eating and good nutrition amongst residents and the local community.
- Continue to deliver Bowls Australia Coaching Clinics at 10 retirement living communities to encourage physical activity and improved health and wellbeing.



FY19 performance and case studies

Community contribution overview

The table below provides an overview of our community contributions. In FY19, we invested over \$7.4 million through our community development, community investment programs and the Stockland CARE Foundation, as verified by Corporate Citizenship². A further breakdown of these contributions by category is provided in our [Community Data Pack](#).

COMMUNITY CONTRIBUTION CATEGORY	DEFINITION	CONTRIBUTION				
		FY19	FY18	FY17	FY16	FY15
Community Development	Includes financial and in-kind contributions to national community development partners and local community organisations located in a community where we operate.	\$4,840,339	\$4,734,707	\$3,313,135	\$4,052,189	\$2,562,026
Community Investment	Includes Workplace Giving donations matched by Stockland, ad hoc community donations made on behalf of Stockland, in-kind donations of non-financial goods (e.g. land), financial support for the delivery of volunteering opportunities for our employees, employee volunteering hours, and contributions to CARE Foundation Partners Redkite and Touched by Olivia.	\$1,177,423	\$1,222,587 ³	\$1,869,313 ⁴	\$5,708,666	\$5,447,468
Management costs⁵	Includes costs associated with the management and delivery of Stockland's Community programs including average salaries, costs associated with the development, design and assistance of the Stockland sustainability report and training for community resources.	\$1,393,159	\$982,704	\$856,205	\$659,973	\$421,614
Total community contribution		\$7,410,921	\$6,038,651	\$6,939,998	\$6,038,651	\$10,420,828

In addition to the items outlined above, we also facilitate community contributions through our stakeholders and through the provision of space, bringing our total community contribution to \$8,392,004. More detail on these community contributions is provided in the 'Community investment' section of this document.

² There is a slight variance (less than 0.1%) on this amount and the amount included in Corporate Citizenship's verification statement, which can be attributed to rounding limitations with Corporate Citizenship's system.

³ This amount has decreased in FY18 as we included employee donations and partner and asset fundraising in FY17. These amounts are now reported separately under Stakeholder Contributions as described later in this document.

⁴ The total of \$1.8 million is a decrease on FY15 and FY16 because these two years included a payment of \$4,000,000 as an initial investment in the Stockland CARE Foundation. The CARE Foundation made partner payments of \$200,000 annually commencing in FY16. Our Community Data Pack contains a breakdown of community investment by category.

⁵ Prior to FY16, we reported community development and community investment contributions separately and did not include management costs. Management costs have therefore not been included in the total community contribution for FY15 and FY14. Management costs are included in the FY16/FY17 total community contribution and will be included going forward.



CASE STUDY

Community Partnership Impact Tool

Understanding the social value that we create for our communities through targeted activities and programs is a priority for Stockland. Measuring and reporting this value allows us to improve decision making processes, enhance stakeholder relationships and identify opportunities to improve our operational performance – all whilst demonstrating sustainability leadership.

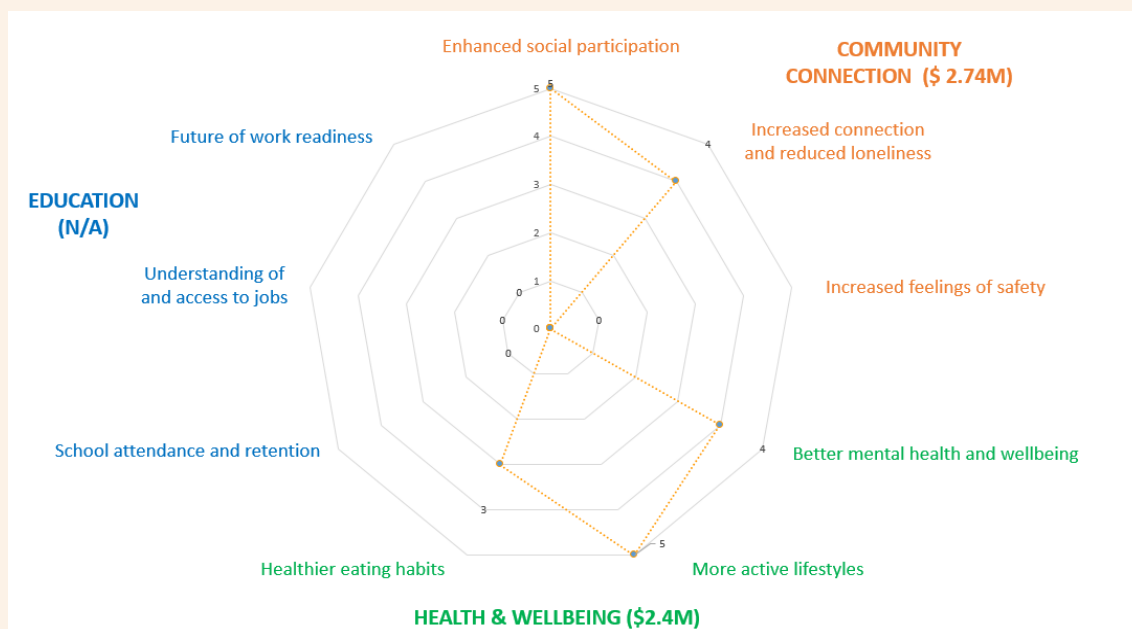
To enhance our approach to improving social value across the business, Stockland engaged KPMG to develop a strategic framework and tool, the Community Partnership Impact Tool, to assess the social and business value generated by our community partnerships and programs. This built on the Social Return on Investment work we undertook in 2018 on our Retirement Living communities. Using this tool, we were able to measure the social and business impact of our current national community programs, including Live Life Get Active, The Heart Foundation Walking Groups, Jamie Oliver's Ministry of Food, Bowls Australia and ABCN.

We can now identify the financial value these programs deliver to the community and Stockland, assigning an indicative dollar value on their impact. Using this tool, the total social value generated through Stockland's partnership with the above five community programs has been estimated at over \$6.45 million. Similarly, the benefit provided to Stockland through running these programs has been estimated at \$2.79 million.

As an example, Stockland's partnership with Live Life Get Active, now in its fifth year, creates significant social value by promoting health and wellbeing and strengthening community connection, with over 8,000 participants in FY19. Using our social impact tool, we estimate that this has helped generate \$2.4 million in health and wellbeing benefits and provided \$2.7 million in social value to the participants.

In addition to quantifying impacts, the tool also enables us to identify the key sources of value that are we are not currently able to monetise. The diagram below outlines the nine social outcomes prioritised under our framework for national community partnerships, and demonstrates how Live Life Get Active contributes to those outcomes. As can be seen below, Live Life Get Active contributes to positive outcome in particular through enhancing social participation and increasing connection, enabling participants to adopt more active lifestyles and enhancing their health and wellbeing.

We will continue to use this tool to improve our decision making when delivering our community partnerships and programs, ensuring we maximise benefits to our customers, the community and our business.



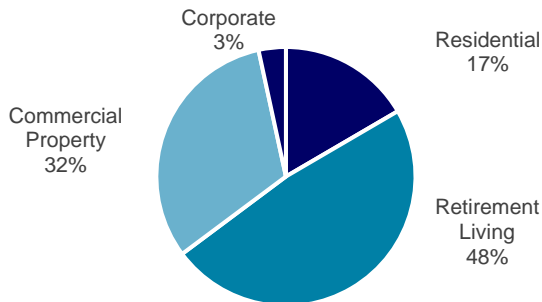
This diagram from the Community Partnership Impact Tool illustrates that our Live Life Get Active partnership contributes to positive outcomes - in particular, enhanced social participation, increased community connection, better mental health and wellbeing, and more active lifestyles.



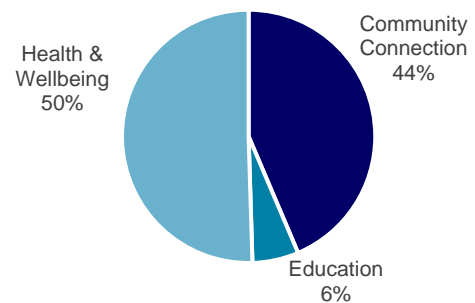
Community development

The community development initiatives reported in FY20 encompass national community development initiatives and programs, CARE grants and CARE Foundation activities. We implemented a total of 1,236 community development initiatives in FY19. The charts below outline the number of initiatives by business unit and focus area.

TOTAL INITIATIVES BY BUSINESS UNIT
(1,236 INITIATIVES IN TOTAL)



TOTAL INITIATIVES BY FOCUS AREA
(1,236 INITIATIVES IN TOTAL)



Our community development activities and partnerships

Many of our community development activities are delivered with the assistance of our community partners. This section describes some highlights of our partnerships, followed by a table that summarises outcomes across our partnerships. More detail on these partnerships can be found in our [Community Data Pack](#).

Inclusive play with Variety – the Children’s Charity NSW/ACT and Touched by Olivia

During the course of the year, Variety NSW/ACT and Touched by Olivia announced a new partnership that will ensure more Australians have access to inclusive playspaces. With a shared vision of delivering special places that change the way our society plays, Variety will continue the partnership model established by Touched by Olivia, collaborating with communities, Councils and developers to build Variety Livvi’s Place playspaces.

Stockland will continue to work with Variety in their delivery of inclusive playspaces, however Variety will transition from a CARE Foundation national strategic partner to a national community investment partner in FY20. This means that while Variety is no longer a Foundation partner, we will continue to work with them to build inclusive playspaces across our national portfolio.

These playspaces are designed so that children of all abilities can play together, including those with physical disabilities, vision, hearing and mobility impairments, or spectrum disorders such as autism. In FY19, we built four inclusive playspaces at Stockland Birtinya and Burleigh Heads, and two in our residential communities at Elara (NSW) and Newport (Qld).

Healthy eating with Jamie’s Ministry of Food

Our partnership with Jamie’s Ministry of Food continued to expand across our residential communities, retirement living communities and retail town centres. Almost 4,000 customers, residents and local community members participated in the programs during FY19.

We delivered seven-week cooking programs at our Unity (SA) and Willowdale (NSW) Retirement Living Communities that taught residents how to prepare simple, healthy, fresh and affordable meals. We also delivered cooking demonstrations across 37 Retirement Living Communities as part of the Stockland Spring Campaign, attracting over 1,850 residents and community members.

We continued to work with the Jamie’s Ministry of Food Mobile Kitchens in Queensland and Western Australia by providing funding, marketing, and logistics support at Stockland Bundaberg (Qld), Newport (Qld) and Sienna Wood (WA). We also delivered the ‘Learn Your Fruit and Veg’ children’s program in three of our shopping centres, and across five of our local schools in our residential communities.

Independent evaluations conducted by Melbourne University and Deakin University in 2014 and 2015 concluded that the Jamie’s Ministry of Food program not only increases participants’ cooking confidence, knowledge, attitudes and beliefs



towards cooking and healthy eating, but also shifted behaviours, supporting our community sustainability objectives of health and wellbeing.

Other community development highlights

Through our partnership with Bowls Australia, we held five coaching clinics led by Australian Jackaroo representatives in New South Wales and Victoria, along with four bowls masterclasses during Victoria's Men's Health Week. We have also participated in a pilot program with Bowls Australia called Roll Back the Clock. Developed through funding from Sports Australia's Better Ageing Grant, Roll Back the Clock is an initiative designed to boost physical activity rates among senior Australians through light exercise, bowls and education. Over 200 participants attended the planned bowls events, coaching clinics and health and wellbeing sessions.

In FY19 we held over 420 health, care and wellbeing information sessions through our Benefits+ program. Benefits+ is a free membership program, exclusive to all residents of Stockland retirement communities. Topics covered included falls prevention, medication management, hearing health, healthy brain ageing and bowel and bladder health. Through partnering with a variety of preferred organisations, residents are given access to flexible services, exclusive discounts and the latest information on health, care and wellbeing.

At our residential communities, 11,855 students across 24 primary schools in Melbourne, Sydney, Brisbane, Gold Coast, Sunshine Coast and Perth took part in the hands-on National Theatre for Children STEAM enrichment education opportunity.

We also partnered with Neighbourhood Watch Victoria to deliver resources, education and support for three communities. The partnership resulted in the formation of three Neighbourhood Watch groups and a program of ongoing support to establish and grow these groups.

We expanded our Heart Foundation Walking Groups across our portfolio and now have 35 active weekly walking groups, with 11 new walking groups in our retirement living villages, and two new groups in our residential communities. In FY19 1,237 people participated in walking groups in shopping centres and 244 in retirement villages. Together, these walkers completed a total of 55,184 walks in FY19.

In addition to community development activities delivered through our community partners, our retail town centres, residential communities and retirement living communities celebrate cultural events such as NAIDOC Week and National Reconciliation Week. We also work with local community organisations to celebrate local festivals and seasonal events at our assets.



CASE STUDY

Song Room promotes student engagement via music

In FY19, Stockland completed a three year partnership with the Song Room to deliver a music and song-writing program at Yuille Park Community College. The program was designed to increase students' engagement with their learning and their social and emotional wellbeing.

Since 2016, Stockland has sponsored a teaching artist to work at the school with all 249 children initially on a weekly basis for a whole semester and later on a fortnightly basis across the year. The children have been exposed to a range of music programs, including song writing and performance, percussion and drumming.

Students undertook a range of performances throughout the project, including a concert at Melbourne Town Hall and for the third year, an annual end of year performance at the Stockland Wendouree Shopping Centre. Students embraced the opportunity to showcase their learning to their parents and the wider community. Parents enjoyed seeing their children perform and spoke about their increased motivation for learning engagement in music.

The program has received great feedback, with 100% of teachers reporting students demonstrated improved class participation and improved engagement with others. Additionally, 98% of teachers reported that students demonstrated increased self-esteem and increased levels of self-expression.

According to Yuille Park teacher, Brianna Dredge, the program "has changed our school community's attitudes towards performing arts and the value it adds to the lives of our students, staff and parents/careers. The program has provided our entire school community with exposure to the arts and experiences with music that they would otherwise not have."

The school has experienced an increased passion for and capacity to deliver the arts. Five teachers have received professional learning sessions and have been able to integrate music and arts activities into their wider classroom practice resulting in music and the arts being embedded as a fundamental part of life at the school. This is a key secondary benefit and legacy of the program which has now concluded after three years.

As explained by Yuille Park teacher, Amanda Taylor "The Song Room has helped to bring our whole school together. To hear the school sing the songs as a collective brings me to tears as it's so beautiful. It has been wonderful for our kindergarten to join with the big kids in the school to sing with them and perform as part of the whole school."



Image credit to The Song Room



OUR COMMUNITY PARTNERSHIPS AND THEIR FY19 IMPACT

COMMUNITY PARTNER	DESCRIPTION	IMPACT HIGHLIGHT
Heart Foundation	Walking groups that promote physical activity, emotional wellbeing and community connection held in and around Stockland retail town centres, residential and retirement living communities.	<ul style="list-style-type: none"> 35 active weekly walking groups 11 new walking groups in our retirement living villages 1,237 people participated in walking groups in shopping centres and 244 in retirement villages
Big Issue	An independent, not-for-profit organisation dedicated to supporting and creating work opportunities for homeless, marginalised and disadvantaged people.	<ul style="list-style-type: none"> Increasing awareness and network using Stockland's external network and Big Issue's Women's Enterprise
Bowls Australia	Active lifestyle, learning opportunities and community connection through coaching clinics and masterclasses, along with health and wellness information sessions.	<ul style="list-style-type: none"> Five Jackeroo Coaching Clinics 100% of respondents learnt new bowling skills and techniques (Tarneit Skies and Plenty Valley clinics) Four Men's Health Week Masterclasses 100% of respondents felt more connected to their friends and community on the day One 'Roll Back the Clock' four-week health and wellbeing program
Live Life Get Active	Weekly, community fitness classes provided free of charge to local Stockland residential communities.	<ul style="list-style-type: none"> 8221 residents from the direct and surrounding suburbs engaged across 19 locations 7080 hours of outdoor activity Participants' health and wellbeing improvements include 7,179 kilograms lost and 7,675 centimetres lost from around the waists of members
Jamie's Ministry of Food	Provides healthy eating and good nutrition hands-on education programs and cooking schools through Community Outreach programs, Mobile Kitchen programs, localised cooking demonstrations and Learn Your Fruit and Veg programs.	<ul style="list-style-type: none"> 3,630 participants across all programs Over 670 participants completing the five and seven week course consume ½ a serve more vegetables per day and cook more meals from scratch 825 children participated in the Learn Your Fruit and Veg program
Touched by Olivia Foundation	Provides engagement and consultation on design to deliver inclusive playspaces within and surrounding our Stockland communities.	<ul style="list-style-type: none"> Delivered four inclusive playspaces. Everyone Can Play Guidelines were launched by the Department of Planning and Environment of NSW
Redkite	Provides essential support to children and young people with cancer (up to the age of 24).	<ul style="list-style-type: none"> As a result of Stockland's funding, Redkite was able to provide practical and/or emotional support services to 93 families at different stages of their child's cancer journey.
Conservation Volunteers Australia (CVA)	Supported volunteering for Stockland employees to take part in conservation programs across Australia.	<ul style="list-style-type: none"> Improvement of critical habitat for the red-crowned toadlet Working with CVA to bring programs into our asset base e.g.. Beekeeping programs in Retirement Living.
Australian Business and Community Network (ABCN)	Provides Stockland employees with opportunities to provide facilitated mentoring in high needs' schools around Australia.	<ul style="list-style-type: none"> 544 students from 35 ABCN schools, which represents an increase of 65 students and five ABCN schools from FY18 Stockland supported seven ABCN Accelerate scholars
The National Theatre for Children	Student education program focused on sustainability. Offers students hands on in class STEAM education combined with LEGO® Education robotics tied together with a live performance.	<ul style="list-style-type: none"> 5,095 primary school students undertook year-round, hands-on learning with the LEGO® Education WeDo 2.0 robotics kits 23 primary schools and 5,341 students participated in the in-school Expos 280 teachers and 1,875 parents, grandparents and siblings attended the Expos



CARE Grants Program

Stockland CARE Grants is an annual program held across our Retail Town Centre, Retirement Living and Residential portfolios to provide local organisations the opportunity to help create more cohesive, inclusive and engaging community-based programs.

In May 2019 we awarded over \$286,000 to local community groups as Stockland CARE Grants. The program, now in its fifth year, has supported grassroots community development by awarding over \$1.5 million to 1,267 community groups. From a shared value perspective, an important consideration is the exposure received from media coverage and social content about the community grants program. This provides visibility of the reach of the program and further raises awareness of both the CARE grants and the recipients in our communities. In FY19, the CARE grants program generated media coverage valued at over \$25,074 and approximately \$75,222 worth of public relations value.⁶

Community Investment

Giving

In FY19, our employees donated \$158,911 to a total of 143 individual charities via our workplace giving program. Stockland matched 85 per cent of these donations to a total of \$134,971. This is a 13 per cent increase in employee donations from FY18.

Over the year, 31 per cent of employees participated in our workplace giving program. This exceeds our FY19 community investment target of 25 per cent.

Volunteering

624 employees contributed over 4572 hours in FY19 to support the communities in which we operate.

Following a review of our volunteering opportunities, we diversified and increased the number of volunteering activities provided to employees and saw an increase in the uptake of skilled volunteering. Employee participation in our volunteering programs was 41 per cent, which included participation in a team volunteering days, student mentoring or the use of personal volunteering leave. The diversification and new activities saw a 30 per cent increase in the employees volunteering and 5 per cent increase in the number of hours.

In FY19, 144 employees volunteered in a student mentoring program via our partnership with the Australian Business and Community Network (ABCN). Stockland continues to work closely with ABCN in funding Indigenous scholarships and matching with mentors. In FY19, we funded an additional two Indigenous scholarships.

Over the next year, we will identify and roll out more skilled volunteering opportunities that leverage our new community partnerships and will conduct a review of industry and Australian standards for volunteering rates. More information on our indigenous scholars program is in our [Human Rights Deep Dive](#).

Stockland CARE Foundation

The Stockland CARE Foundation made its inaugural commitment to Redkite and Touched by Olivia in FY15, who were chosen as the first charity partners to receive financial and in-kind support from the Foundation for a minimum three-year period.

Following an extensive review, including employee feedback, our partnership with Redkite has been extended through to FY21. Following the Touched By Olivia Foundation's successful partnership with Variety, they will transition from a CARE Foundation national strategic partner to a national community partner, allowing Stockland to continue their journey of building inclusive playspaces under the Livvi's Place Variety brand.

Supported by our state employee volunteer committees, our employees ran numerous events, fundraisers and volunteering activities throughout FY19. Some of the highlights of the year included:

- Foundation Fortnight, which is a concentrated two week period of targeted events and activations to promote awareness and raise funds for our Stockland CARE Foundation and its partners. FY19 was the fourth year for Foundation Fortnight, which was held from 2 October 2017 to 15 October 2017 at our state offices and selected assets. We also integrated supplier and contractor engagement into our FY19 Foundation Fortnight. During the fortnight, our corporate, employee, partner and community contributions to the Foundation exceeded \$165,000.
- Tour De Asset Charity bike ride which saw 26 Stockland employees ride to various assets in NSW and raise over \$22,000 for Foundation Fortnight.
- Participation of 19 retirement living communities in Family Day (formerly known as Grandparents Day), an increase on the five villages that participated in FY18. Family Day provided an opportunity to raise awareness about the CARE

⁶ Estimate based on average advertising value equivalent.



Foundation and its charity partners in a fun environment involving activities including face painting, petting zoos, craft tables, treasure hunts and food and drink.

- Fundraising and volunteering efforts resulted in support for 93 families who will have access to Redkite's full suite of programs and services.

CASE STUDY

Gidget Foundation supporting expectant and new parents at Merrylands

At Stockland Merrylands, we have partnered with Gidget Foundation Australia to support expectant and new parents by opening the first Gidget House in Western Sydney. Almost 100,000 Australians experience perinatal depression and anxiety (PNDA) every year, equating to one in five mums and one in ten dads. Gidget House provides free counselling and psychological services to new parents who are experiencing PNDA, and the partnership aligns with our strategic objective of supporting the health and wellbeing of our customers and communities.

Gidget House employs local psychologists, including specialists proficient in languages other than English, to help meet the needs of the Merrylands community, which comprises people of more than 120 nationalities. At the opening in August 2018, Stockland representatives joined Gidget Foundation Australia CEO, Arabella Gibson, and Ambassador and former PNDA sufferer, Antoinette Lattouf, to officially open Gidget House with NSW Minister for Health and Medical Research, the Hon. Brad Hazzard MP.

Ms Lattouf, a journalist who grew up in Merrylands, said: "It is a really valuable and important service for local families, especially those who would otherwise struggle to pay for specialist psychological counselling. Speaking about mental health issues remains taboo among many different cultural groups and hopefully Gidget House can help to break the stigma with the support of psychologists who have language and cultural understanding,"

Partnering with Gidget House enables us to provide a valuable community service to our customers that enhances health and wellbeing in the community. Community development initiatives driven by local centres such as Stockland Merrylands are integral to our work in creating thriving communities, part of our purpose of creating a better way to live.



Photo credit: Gidget Foundation Australia

Customer Engagement and Experience

FY19

Why this is important to Stockland

Understanding and responding to our customers' changing needs and improving the customer experience is critical to the sustainability of our business and the ongoing relevance and reputation of our brand, products and services.

Our commitment to customer engagement is consistent across our diverse customer base, which includes:

- the people who live in our residential communities
- the people who live in our retirement living communities
- the people who may potentially live in our residential and retirement living communities
- shoppers and retailers in our retail town centres
- Workplace, Logistics and Business Park tenants across our commercial assets.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹

This Deep Dive is to be read in conjunction with our published approach to customer engagement and experience, available as part of our sustainability reporting suite at [Our Management Approach to Customer Engagement and Experience](#). Please note that investor and broader community engagement activities are detailed in our [Stakeholder Engagement Deep Dive](#).



Our key achievements

- Exceeded residential communities prospective resident satisfaction of 88 per cent (target 80 per cent).
- Achieved the highest level of retirement living resident happiness since 2009 surpassing our target of 8.25 out of 10 to reach 8.56 (mean resident satisfaction).
- Exceeded retailer satisfaction of 82.5 per cent (target 75 per cent).
- Achieved our shopper satisfaction target of 80 per cent.
- Achieved Logistics & Workplace tenant satisfaction of 84 per cent (target 80 per cent).
- Successful roll out of Stockland Listens to retail business and integration of key insights into retailer engagement strategy.
- Launch of our Customer Promise and digital progress tracker for our residential customers.
- Increasing our Stockland Exchange research community membership to 6000 members whilst increasing member engagement (78 per cent of members satisfied with the community).

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

In this document you will find:

FY19 priorities and progress

2

FY19 performance and case studies

3



FY19 priorities and progress

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve retailer satisfaction of 75 per cent in FY19.	Achieved	Retailer satisfaction score of 82.5 per cent which is 10 percentage points above the year prior.
Achieve shopper satisfaction of 80 per cent in FY19.	Achieved	Shopper satisfaction of 80 per cent.
Achieve tenant satisfaction amongst Logistics, Business Parks and Workplace tenants of 80 per cent in FY19.	Achieved	Workplace & Logistics tenant satisfaction score of 84 per cent.
Achieve prospective resident satisfaction of 80 per cent nationally amongst Lead and Opportunity customers in FY19.	Achieved	Prospective resident satisfaction of 88 per cent.
Achieve a Liveability score of 80 per cent across our residential communities by FY19.	Not Achieved	Our Liveability score in FY19 was 74 per cent. The lower result was in part due to the removal of a number of high performing communities this year.
Maintain a resident Personal Wellbeing Index score above the Australian National average in FY22.	In Progress	In FY19, our PWI score was 76.3 per cent which is at the higher end of the Australian average of 74.2-76.7 per cent.
Achieve an average happiness score amongst our retirement living residents of 8.25 (out of 10).	Achieved	Resident Satisfaction mean score of 8.56 Nationally. With 91 per cent (circa) of residents rating their overall happiness between 7 and 10.
Achieve overall satisfaction of 75 per cent amongst our prospective retirement living customers (Leads and Reservations).	Not Achieved	Prospective retirement living resident satisfaction of 72 per cent.

Future priorities

- Achieve retailer satisfaction of 77 per cent in FY20.
- Achieve shopper satisfaction of 80 per cent in FY20.
- Achieve tenant satisfaction amongst Workplace & Logistics tenants of 80 per cent in FY20.
- Achieve prospective resident satisfaction of 85 per cent nationally amongst Lead and Opportunity customers in FY20.
- Achieve a Liveability score of 75 per cent across our residential communities by FY20.
- Maintain a resident Personal Wellbeing Index score above the Australian national average in FY22.
- Achieve an average happiness score amongst our retirement living residents of 8.25 (out of 10) in FY20.
- Achieve overall satisfaction of 75 per cent amongst our prospective retirement living customers (Leads and Reservations) in FY20.



FY19 performance and case studies

Commercial Property

Retail tenant satisfaction

Our FY19 retail tenant satisfaction score was 82.5 per cent, 7.5 percentage points above our 75 per cent target and 10 percentage points above our FY18 score. As reported in last year's report, we introduced an amended weighted metric, developed by Stockland, using data sourced from two different surveys conducted by Monash University. The new methodology is simpler and takes into account that differences between individual landlords are generally not statistically significant. The new methodology consists of two metrics:

- satisfaction metric: our performance compared with the rest of the industry average amongst all retailers and all retailers responsible for leasing
- intention to continue relationship metric: our performance compared with the rest of the industry average amongst all retailers and all retailers responsible for leasing

Our FY19 performance increase was led by improved scores amongst retailers responsible for leasing, particularly centre-based retailers. Over the last year, a number of initiatives have been introduced which have likely contributed to the improved scores:

- Workshops with Leasing executives to remind and educate on the optimal leasing experience for smaller retailers which followed qualitative research being undertaken with dissatisfied smaller retailers to better understand their needs
- Stockland Listens programme extended to retailers (see case study)
- Retailer strategy paper developed to respond to key retailer concerns and ensure minimum standards are met

Given ongoing difficult retail trade conditions, it is perhaps not surprising that satisfaction with landlords generally declined in FY19. Against this backdrop, Stockland ranked first for satisfaction amongst Head Office based retailers and was the only landlord to see an increase in satisfaction amongst retailers responsible for leasing. This is something we are proud of particularly because there is a strong correlation between retailer satisfaction and intention to renew.

PERFORMANCE ON NEW RETAILER SATISFACTION TARGET

	FY19	FY18	FY17	FY16
Weighted customer satisfaction score (revised)	82.5%	72.5%	75%	77.5%

Our retail tenant satisfaction target for FY20 has been increased to 77 per cent to ensure continual focus on retailers.

Shopper satisfaction research

We have been measuring shopper satisfaction across our largest 10 retail town centres since mid-2016. From January 2018, we expanded the research which now covers 31 of our centres. This research collects shopper assessments each quarter on a range of different metrics including satisfaction and centre performance. The research is conducted by Monash University and results are benchmarked against an industry average.

Across the centres covered by our research, we achieved a shopper satisfaction target of 80 per cent in FY19 and have set a target to maintain a score of 80 per cent in FY20.

SHOPPER SATISFACTION METRICS

	FY19	FY18
Shopper satisfaction across the Stockland portfolio ²	80%	76%
Weighted Industry Average (reflective of Stockland's main centre type) as measured by Monash	82%	77%

² Based on percentage rating satisfaction as 6-10 out of 10.



Workplace and Logistics tenant satisfaction

In FY19, 84 per cent of our Workplace and Logistics tenants rated their satisfaction with Stockland as high compared to a target of 80 per cent. The FY20 target will remain at 80 per cent reflecting the volatility in the results given the relatively small sample base (n=99 responses in FY19).

WORKPLACE AND LOGISTICS TENANT SATISFACTION

	FY19	FY18	FY17	FY16
Logistics tenant satisfaction	85%	89%	89%	87%
Workplace tenant satisfaction	84%	88%	NA	NA
Combined Workplace and Logistics tenant satisfaction	84%	89%	NA	NA

CASE STUDIES

Aligning Behind Our Customer Crusader Promise

At Stockland, we have determined priority roles that our employees have in making a contribution to our company, communities, and country. Our 'Customer Crusader' is one of the key priority roles, focusing on customer-centricity to put our customers at the heart of everything we do.

In October 2018, we launched our new Customer Promise, which provides clarity on what it means to be a "Customer Crusader". It encourages everyone to consider our commitment to customers when making everyday decisions. We know that to deliver exceptional customer experiences, we must go above and beyond to improve and focus on our customer needs at every step.

As this is a promise Stockland makes to all its customers, across all of our diversified business lines, a host of examples of excellent delivery of the Promise have been shared (and will continue to be shared) to celebrate our success stories. Here are just three (of many) highlights:

Great

Every day we strive to create a positive impact on our customers experiences and lives. Whenever we can do this whilst also combining multiple facets of our strategy - including sustainability, enhancing our customer experience, and delivering on our purpose of a better way to live - that's 'great'. In this case happy Residents at Stockland North Lakes enjoy using reusable coffee cups.

Easier

We want things to be simple and convenient for our customers, to make doing business with Stockland seamless. Appreciating that customers enjoy visiting the residential site, we hold community events like 'Walk Your Lot' where customers can meet their neighbours, ask questions and add to their excitement, making what can be a complicated process that much easier.

Better

Our roving concierge at Stockland Hervey Bay actively helps shoppers – whether it's assistance with finding a store, helping them carry groceries to the car, sitting down for a chat to build strong community relationships or shouting a coffee. This is an example of looking at a traditional way of doing things, and doing it better.

For our customers we will make it...

great

Create thriving communities and spaces that customers can proudly call 'their place'.

easier

Deliver a personal and enjoyable experience that customers find convenient.

better

Listen, empathise and then strive to innovate to create an experience that always gets better.

Stockland | Our Customer Crusader Promise



Communities

Residential

In FY19 we received almost 2000 responses across 29 residential communities to our annual proprietary Liveability Index survey³. This research tells us how satisfied our residents are once they have moved into our residential communities, what we are doing well, and learnings that we can take forward for future developments. Insights from this research are used to inform strategic planning of each community and our national community design guidelines. For further information on how we use this insight to inform community development, please refer to the [Community Deep Dive](#).

Our liveability research has been an important focus of our customer engagement activities since its inception in 2011. In FY18, with over half of residents completing the survey on a mobile device, we took the opportunity to review the survey and make it more user-friendly. We introduced a five-point scale and restructured the survey meaning that our Liveability Index results prior to FY18 are not directly comparable to results from FY18 onward although adjustments can be made on the basis that on average, results using the new methodology are 6 percentage points lower than on the old scale. Other metrics such as average resident satisfaction and Personal Wellbeing Index scores have not changed and are directly comparable.

The below table provides historical Liveability Index adjusted scores and resident satisfaction scores for comparison purposes.

LIVEABILITY AND RESIDENT SATISFACTION

	FY19	FY18	FY17	FY16
Average Liveability Index ⁴ score across our communities (results prior to FY18 have been adjusted to provide comparability)	74%	78%	78% ⁵	84% ⁵
Average resident satisfaction across our communities ³	93%	93%	93%	93%
Average resident Personal Wellbeing score as measured using Deakin University's methodology	76%	77%	79%	80%
Proportion of residents agreeing that community has met or exceeded their expectations	87%	88%	NA	NA
Proportion of residents who claim to have recommended the community to others	47%	43%	NA	NA

In FY19, we scored 74 per cent on our new Liveability Index modelling which is calculated using regression modelling. This is slightly lower than in FY18 largely due to the removal of a number of high performing communities (our Liveability Index score is calculated with a 99% weighting towards actively selling communities and there is a strong correlation between more established communities and their respective Liveability scores). Our satisfaction scores remain high and the proportion of residents who claim to have recommended the community to others has increased this year, which is an important metric because referrals are a key source of new business.

In FY20, our Liveability target is 75% which recognises the change in methodology and likely make-up of active communities with the removal of more completed communities and addition of some new communities. In FY20 we also intend to survey completed residential communities to ascertain whether communities continue to maintain a high Liveability score once Stockland is no longer managing the community development.

Satisfaction with the residential purchasing experience

We introduced a new metric to measure prospective resident satisfaction in FY18, consisting of three components that drive customer engagement and conversion:

- satisfaction with overall experience of dealing with Stockland
- likelihood of recommending Stockland if asked and
- sentiment on the effort required in engaging with Stockland through the process.

In FY19 our prospective resident satisfaction score was 88 per cent, which is a significant improvement on our FY18 performance and exceeds our FY19 target of 80 per cent. Our performance can be explained by greater satisfaction amongst our Lead customers which is largely driven by significant changes in lead management process and increased capability of our

³ We targeted and received sufficient responses from 19 communities to look at these results in depth.

⁴ Liveability score is a single number that measures resident satisfaction on a range of attributes calculated using regression analysis.

⁵ Results prior to FY18 have been adjusted to take into account the change in scale and provide comparability guidance



sales team. Additionally, current market dynamics have had a favourable impact on satisfaction as Sales Professionals are able to dedicate more time to nurture Leads.

Another contributing factor to the high satisfaction score are key customer initiatives, such as Stockland Listens, to raise the importance of focusing on the customer and addressing customer concerns.

Going forward we need to strike the right balance between growing our Lead pool and ensuring sales professionals have sufficient time and resources available to nurture Leads. For this reason, our FY20 target is 85 per cent.

Other customer-focused enhancements include:

- establishing national guidelines for setting accurate settlement timing expectations (in response to frustrations regarding settlement delays)
- key performance indicators for our development teams to deliver projects on time
- increased frequency and personalisation of our customer communications.

PROSPECTIVE RESIDENT SATISFACTION – RESIDENTIAL

	FY19	FY18	FY17
Weighted customer satisfaction score ⁵	88%	82%	76%

Retirement Living

Our retirement living satisfaction or 'happiness' target of 8.25/10 is measured via the Residents Voice program, which is equivalent to the Residential Liveability research and measures many of the same aspects of resident satisfaction. In FY19:

- 11,636 Residents invited to take part in a survey to measure satisfaction with various facets of village life
- A total of 6,643 residents participated in the survey which is 57 per cent of all residents

The KPI, measured by asking how happy our residents are with the village where they live, was met in FY19. Please note that due to changes in timing of the survey, no data was collected in FY18.

RETIREMENT LIVING RESIDENTS VOICE SATISFACTION

	FY19	FY17	FY16	FY15	FY14	FY13
Average overall happiness with their village (out of 10)	8.56	8.44	8.48	8.48	8.49	8.51
Proportion of residents rating satisfaction as seven or more	91%	90%	90%	90%	90%	90%
Number of residents completing the survey	6,643	6,813	6,614	5,897	6,668	6,143
Response rate (% of residents responding)	57%	58%	57%	59%	68%	66%

At 8.56, this is the highest level of resident satisfaction achieved since 2009. Additional metrics that provide insights about the experiences of our Retirement Living residents in FY19 included:

- 93 per cent of residents are satisfied with their homes;
- 90 per cent of residents are extremely happy with their social life at the village;
- Home and social life in the village remain the biggest drivers of overall satisfaction amongst residents; and
- 81 per cent of residents would recommend their village to friends and family and 46% have done so in the last year.

We have been measuring prospective resident satisfaction amongst our retirement living customers since FY15. We survey Lead and Reservation customers on their experience and satisfaction with Stockland and in FY19 the prospective resident satisfaction was 72 per cent (target is 75 per cent).

⁵ Calculated based on total volume of surveys (historically 70% being from Leads and 30% from Deposits).



Various factors have likely contributed to this score:

1. Evidence of growing expectations from our Retirement Living customer. This coupled with negative sentiment within the industry is potentially impacting Leads, causing them to rethink their options and holding Stockland to a higher standard than previous
2. Additionally we recognise the Sales team capability in light of new internal systems is likely playing a role - more time is required for sales teams to adopt new process and implement strategies

PROSPECTIVE RESIDENT SATISFACTION – RETIREMENT LIVING

	FY19	FY18	FY17	FY16	FY15
Prospective resident satisfaction (Leads & Reservations)	72%	73%	79%	68%	71%

CASE STUDY

This land is your land

Stockland Communities set ourselves a challenge of devising a high tech 'always on' solution to provide its residential land buying customers with the first national-scale digital progress tracker. The 'Land Track' (LT) project would require wholesale changes in management practice, company-wide collaboration and cutting-edge technological integration. Critically, it involved adopting genuinely customer-led thinking.

Previously, customer insights were often held by functional-team groups. Decision-making was curtailed, with a visibility deficit that left Stockland's vast company-wide knowledge untapped. Expertise from seniors and fresh eyes was diffused, and team and state KPIs promoted a culture that prioritised organisational goals. Additionally, when it came to residential land development data, this was stored in a diverse range of systems. Data collection methods and systems also reflected a state-based focus and hugely variant sources (such as inspectors and trades).

It was evident LT would require a sustained national approach, involving fresh management practices and a wholesale rethink of resourcing and technology integration across platforms, systems and processes. It also called for a focus on design thinking, so we developed a system more oriented around customer needs. It was a huge undertaking, involving two years, four states, 250 expert employees and 10 cross-divisional teams. Building a tracker on firm technological foundations required:

- Nationally uniform and accurate data capture outputted via Salesforce
- Integration of Salesforce Marketing Cloud (emails, SMS's) and Sitecore (website) to deliver uniform, scalable data and information to customers
- Seamless integration of processes and systems

The scale of management practice change was also significant. With senior management support, company-wide expertise was harnessed from 250 employees and 60 experts. 10 teams were represented: Customer Experience, Customer Relations, Marketing, Development, Project Management, Sales, Conveyancing, IT, Legal and Risk.

From these innovations and cross-business collaboration came an industry-leading solution: the 2019 launch of the first national-scale land tracker, 'Stockland Communities' - Land Track', for customers buying land. Now, our customers have continuous access to accurate and detailed progress status reports for their land. Integrating Salesforce data into the tracker and automatically outputting it to email templates or the residential website has delivered an industry-leading experience for customers buying land from Stockland.

The initial market response has more than justified Stockland's investment in innovation to create this breakthrough. We will continue to innovate with our customers in mind, utilising customer insights to understand problems, set customer-led KPIs, and develop solutions to deliver better experiences to our customers.



Happy customers in Cloverton (Vic).



Stockland Exchange

Stockland Exchange is our own research community made up of shoppers, residents and prospective residents across both our residential and retirement living communities. The research community has over 6,000 members aged from 18 to over 90. In FY19, the platform and/or members have collectively engaged in almost 40 research projects and provided over 9,000 survey responses on a range of initiatives. In the last year we have welcomed over 500 new members and used community feedback to help:

- inform our retail Placemaking strategy
- Inform the development of a number of our residential communities & the community events that we offer
- evaluate communication concepts
- identify gaps and opportunities to better meet shopper needs
- inform our food catering strategy across a number of centres

Having our own research community enables us to gather insight from our customers quickly and cost effectively. Stockland Exchange makes it easier and quicker for us to engage with our customers; listen to their feedback and ultimately help build communities that better meet the needs of our customers. A number of key milestones were achieved in FY19 including:

- welcoming our 6000th member
- celebrating the 5th anniversary of our community which we acknowledged by holding an event at Stockland Head Office attended by over 40 members and key Stockland stakeholders to showcase the contribution that the community has in driving customer centricity
- 78 per cent of members satisfied with the community (up 4 per cent from FY18)
- incorporating discussion forums into our Placemaking strategic planning using insights from our community to better understand our shoppers and opportunities to better meet their needs

CASE STUDY

Customer-centricity starts with listening

In many large organisations, the majority of employees, particularly in the back-office, have little to no regular contact with customers. As part of our strategy to enhance our customer-centricity, and to tap into the creative brains of all our employees, we launched "Stockland Listens", a customer immersion program meant to drive both empathy and innovation.

Giving customers a voice

Throughout the year in each state we invite customers, including tenants, from across every area of our business to a 'Meet & Greet' with employees so they can share their experiences first-hand. Employees rave about the sessions and use their creativity based on what they heard to submit innovative ideas to differentiate Stockland.

Staff also "Listen In" our National Contact Centre to live calls to learn what customers are saying and collaborate on ideas for better experiences.

In addition, we celebrated the 5th anniversary of our Stockland Exchange online customer community by inviting these VIPs in to our office to say thank you and hear their experiences, with many of our leadership team attending. Regardless of how they learn from customers, employees come away with great ideas and enthusiasm. All the ideas are calibrated with other insights (e.g. survey data, social media sentiment) and prioritised for implementation. In the last year we held 12 of these sessions, with well over 700 staff attending and submitting over 125 actionable ideas.

Outside the office, employees often come in contact with our customers, at social events and gatherings. They can take any feedback or ideas via a specially designed app, fed directly into Salesforce, and the team responsible will reach out to resolve as needed.

We launched a "Stockland Listens" pilot in our shopping centres to make it easy for customers to share feedback and ideas for making their experience better. This is promoted in centre, powered by an app that feeds directly into Salesforce so ideas can be categorised for action. The centre teams connect with the customer to discuss their idea and capture details

Taking action

Initiatives ranging from small (adding the ability for multiple customers in a household to receive email communications) to large (the importance of eliminating land settlement delays) have come from these sessions. A pipeline of ideas is discussed and prioritised with leadership, and annual objectives are in place to implement as many changes as possible.

As Stockland Listens becomes part of our operating rhythm, enhancing our customer-centric culture, starting with listening and understanding our customers, is a long-term initiative that we believe will prove to be a competitive differentiator.



Innovation

Innovation at Stockland is about creating value by changing what we do, or how we do it. Great innovation always starts with the customer. By understanding their pain points, how their needs are being met or not, and emerging trends, we can identify new opportunities to create great customer experiences and grow our business lines. Our commitment to innovation is demonstrated by LAB-52. Named after our founding year, Lab-52 is Stockland's internal innovation hub, a collection of tools and processes that enable us to identify, assess and ultimately deliver value for our customers and shareholders.

Some key achievements of LAB-52 in FY19 include:

- Innovation Portal - Launching our idea and outcome sharing platform, where employees can submit new ideas to explore, share learnings from their experiments to scale, and collaborate. This platform enables teams to identify opportunities for improvement and implement them throughout our business and assets. For example, the opportunity for a wayfinding application to improve accessibility at our Retail Town Centres was highlighted, leading to the pilot of BindiMaps at Stockland Wetherill Park (NSW).
- Chairman's Award for Innovation - The 'Excellence in Customer Experience Innovation' category received multiple entries in our refreshed Chairman's Award for Innovation during FY19. Judged by our Chairman and members of the Board, the aforementioned Land Tracker won the overall prize, celebrating customer-centric innovations.
- Stockland Accelerator - Powered by BlueChilli, the Stockland Accelerator is a program that identified, validates, and builds new PropTech business that can transform our industry and create better connected communities. Of over 240 applications, 10 start-ups were selected for the program, with concepts ranging from modular microgreens farms to a platform to streamline facilities requests. Many of our participating start-ups now have live pilots, improving the experience of various customers across the business.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).



Employee Engagement, Development, Diversity and Inclusion Deep Dive

FY19

Why this is important to Stockland

The ability to engage and retain our employees is critical to our overall business performance. Employees who are engaged are more productive, more passionate and more inspired to innovate and deliver above and beyond standard performance. Furthermore, building a diverse and more inclusive workplace enables greater breadth of thought, more informed decision-making, and better business outcomes.

Developing our employees' capabilities enables them to deliver on our business strategy and purpose, to drive continuous improvement and enhance performance. An employee's professional development enhances each employee's passion and potential to deliver high quality performance outcomes, both for themselves and for the business.

Effectively monitoring and evaluating performance also enables us to maintain our people's actions and outcomes in alignment with our broader business objectives.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ The material in this Deep Dive is supported by a wider collection of performance metrics contained in our [People Data Pack](#).

This Deep Dive is to be read in conjunction with our published management approaches to employee engagement and development, as well as to diversity and inclusion (available on our [website](#) as part of our sustainability reporting suite).



Our key achievements

- Conducting a culture review and developing an approach to strengthen Stockland's culture by building on our strong foundations and developing organisational capabilities and behaviours to enable achievement of our business strategy.
- Embedding the development planning process with our manager population, with almost all of our emerging and key talent at Senior Manager and General Manager level now with individual development plans in place.
- Year on Year improvement in female participation rates across Executive, General Manager, Senior Management and Total Management categories.
- Acknowledged as an Employer of Choice for Gender Equality for the fifth year in a row.
- Over 83 per cent of employees have a form of flexible work arrangements.
- Launching our People Proposition internally and externally to ensure Stockland remains an employer of choice for current and future employees.

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

In this document you will find:

FY19 priorities and progress

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FY19 priorities and progress

Employee engagement

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Maintain an employee engagement score of 80 per cent or above, and above the Australian National Norm.	Achieved	We achieved an employee engagement score of 81 per cent, which is four points higher than the Australian National Norm.
Maintain employee turnover (<1 year tenure) at 20 per cent or lower.	Achieved	Our turnover for employees tenured less than one year was 16 per cent.
Maintain employee-initiated turnover for employees (with Strong performance or above) at 12 per cent or lower.	Not Achieved	Our employee-initiated turnover for employees with Strong performance or above was 12.9 per cent.
Maintain the percentage of employees with flexible working arrangements, as nominated by their One Simple Thing, at or above 80 per cent.	Achieved	The percentage of employees with flexible working arrangements, as nominated by their One Simple Thing was 83.2 per cent.
Complete a review of our organisational culture with regard to Stockland's values, strategy and societal expectations.	Achieved	We completed an organisation-wide review of our culture, identifying our strengths and opportunities which have been defined in our Strengthening Stockland approach.
Launch our People Proposition to external and internal audience by including it in our recruitment and onboarding processes and aligning with other key employee touch points.	Achieved	Our people proposition was integrated into our recruitment and onboarding processes and in other employee communications on our intranet and Yammer pages.

Employee development

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Deliver Senior Leadership Experience program to General Managers and Senior Managers.	Achieved	Over FY19 two additional cohorts of the Senior Leadership Experience program were delivered capturing over 45 more leaders - Senior Manager and above. This represents over 80 per cent of the Senior Leader population having participated in the program.
Roll out next phase of the Stockland Leadership Framework to the Manager job band.	In progress	The next phase of the Leadership Framework was put on hold to allow for the capability framework to be reviewed and consolidated. This priority will now be delivered in FY20.
Develop and deliver the Managing@Stockland component of our leadership development framework (targeted at all people managers).	Achieved	The Manager Induction was developed and rolled out to assist managers transitioning into the business. The focus of this course was to introduce the Managers to what they need to know and where they can find the tools and templates to assist them. Over 100 new managers have attended the training.
Deliver training focused on employee wellbeing and resilience to Executive Committee and General Managers.	Achieved	The 'Ways to Wellbeing' course was developed in consultation with the Well Being Outfit, to provide participants with a neuroscientific understanding of stress and wellbeing. More than 500 employees have completed the training since it was launched including Executive and General Managers.



Diversity and inclusion

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Maintain gender pay equity ratio of 97 - 103 per cent.	Achieved	At 30 June 2019, our gender pay equity ratio was 98.5 per cent.
Increase the percentage of women in management roles towards target of 50 per cent by 2020, with a FY19 target of 48.6 per cent.	In progress	At 30 June 2019, women represented 45.8 per cent of our management population which was an increase on FY18. The rates of female participation also increased at all levels of management including Executive, Senior Manager and broader Management
Pilot internships for Aboriginal and Torres Strait Islander students through Career Trackers.	Achieved	Two Aboriginal and Torres Strait Islander students participated in our Career Trackers pilot.

Future priorities

- Strengthen the Stockland culture with an integrated program of work across systems, capability, leadership, processes and structure. This program of work will assist the business to build on our foundation of collegiality, care, and passion to build greater innovation, accountability, and faster decision making.
- Align our leaders to cascade Stockland's strategy to our front-line employees and build change leadership capability as our industry and customers evolve.
- Build organisational capability with a specific focus on developing leadership and management, inclusive behaviours and accelerating internal development of key job families.
- Continue to work across the employment cycle to simplify employee processes and enhance the employee experience.
- Protect and support the success of our communities by ensuring compliance and strong employee risk behaviours at all levels.

FY19 performance and case studies

Employee engagement

Building a highly engaged workforce is critical to our success as an organisation and our ability to deliver on our priorities. We have partnered with Willis Towers Watson, a leading global advisory company, for over a decade to design and deliver the Our Voice employee engagement survey, which is one of the key ways we measure the engagement of our employees.

The table below provides some headline metrics from this year's survey. A larger sample of results by survey category is provided in our [People Data Pack](#).

SURVEY QUESTION/METRIC	FY19	FY18	FY17
Employee engagement – composite employee engagement score	81 per cent 4 points above the Australian National Norm	83 per cent	82 per cent
Corporate responsibility and sustainability – composite corporate responsibility and sustainability score	87 per cent 8 points above Australian National Norm	89 per cent	88 per cent
Diversity and Inclusion – composite diversity and inclusion score	86 per cent 6 points above Australian National Norm	86 ² per cent	86 per cent
Wellbeing – composite wellbeing score	75 per cent 3 points above Australian National Norm	75 per cent	75 per cent
Health and safety – composite health and safety score	93 per cent 6 points above Australian National Norm	93 per cent	92 per cent
Leadership – overall leadership score	67 per cent 4 points below Australian National Norm	73 per cent	73 per cent

² This was incorrectly reported in our FY18 Deep Dive as 87 and has since been corrected.



The FY19 Our Voice survey retained high engagement levels and identified key strengths as well as areas for improvement. We saw gains in how employees feel about their Work Life Quality, specifically around team workloads, and how people regard their Immediate Managers and their role in breaking down team goals and responsibilities. We saw an improvement in satisfaction with our technology systems and tools; and the upcoming rollout of the next Core module will further enhance this.

Organisational changes and market conditions impacted leadership and communications scores with declines of 7 and 6 points respectively on FY18. During FY20/21 our key focus will be to strengthen the Stockland culture by aligning key leadership, processes, capability, systems and structures. We will align leaders to meaningfully cascade Stockland's strategy to our front-line employees to help with clarity of communication and direction. There will be a specific focus on developing leadership, management and commercial capabilities including continuing the momentum on our customer centricity and innovation efforts.

Projects undertaken to enhance employee engagement in FY19 include:

- Launched a new innovation and brand portal, Lab 52 to promote innovation across Stockland and help ideas move through our innovation process of Explore, Experiment, Pilot and Scale and partnered with Blue Chilli to help Stockland incubate and accelerate innovative businesses. 63 per cent of our people feel Stockland has established a climate where innovative ideas can fail without penalty to the originating person or group which is a two point increase on last year.
- Enhanced our work processes and systems through IT Service Support with the launch of TechHub in Sydney, our Service Now platform and continued rollout of laptops now being used by 96 per cent of our people.
- Engaging employees with our customer promise, including a range of listening initiatives across all parts of our business which is reflected in our Customer score of 85, five points above the Australian norm.
- Continued to build employee and organisational wellbeing and resilience by piloting and delivering wellbeing training to all leaders, with our employee wellbeing scores stable despite internal and external changes and pressures.

Talent attraction and retention

Rolling turnover³

Our turnover rates across all turnover metrics increased in FY19. This follows several years of low or decreasing turnover rates. Employee initiated turnover of employees with Strong performance or above was slightly over the 12% target.

The table below details the proportion of our workforce that has left the business in the last 12 months. The table includes insights into our performance against priority metrics of turnover for employees with Strong performance and turnover for employees in their first year. A further breakdown of turnover rates by tenure is provided in our [People Data Pack](#).

TURNOVER RATES BY TURNOVER TYPE

	FY19	FY18	FY17	FY16	FY15
Employee-initiated turnover ⁴	16.2% (247)	14.1% (214)	15.1% (220)	14.9% (216)	13.8% (193)
• Employee-initiated turnover for employees with Strong performance or above ⁵	12.9% (119)	10.9% (97)	10.6% (104)	11.8% (143)	12.2% (150)
Stockland-initiated turnover ⁶	3.7% (56)	2.4% (37)	2.4% (35)	5.6% (81)	3.0% (42)
Total turnover	19.8% (303)	16.5% (251)	17.5% (255)	20.5% (297)	16.8% (235)
Turnover of employees in their first year ⁷	16.3% (38)	14.6% (38)	20.1% (46)	22.6% (50)	18.8% (40)

³ Turnover presents the proportion of the Stockland workforce that has exited in the last 12 months. Rolling turnover is calculated by dividing [Total number of exits in the last 12 months] by [12-month average headcount]. All turnover data (including headcount) excludes those employed on a casual or fixed term basis.

⁴ Employee-initiated turnover includes resignations and retirements.

⁵ Stockland uses a four-point rating scale for performance. This metric assesses turnover for the three highest performance ratings. Employee Initiated For Strong Performance or above is calculated by dividing [Total number of exits in the last 12 months with a Strong performance or above rating] by [Employees with a Strong performance or above rating].

⁶ Stockland-initiated turnover includes redundancy or termination by Stockland (e.g. terminated during probation or for cause).

⁷ Calculated by dividing [Total number of employee or Stockland-initiated exits in the last 12 months of employees in their first year] by [12-month average headcount of employees in their first year].



Employee development

Learning and development

In FY19 we were able to further embed Success Factors Learning by leveraging the automation available with the auto-assignment of required learning and utilise the improved reporting capability. With the learning management system in place, we have also been able to increase the e-Learning modules available to more efficiently induct new employees and deliver technical on-boarding for our core job families. With this foundation, the trajectory will see a further increase in online learning as part of a more blended strategy to ensure face to face formal learning opportunities are optimised.

Another key focus for FY19 was continuing to build knowledge and understanding of the development planning process, in particular for our manager population, via a series of webinars, manager induction training, and through the provision of templates and tools using the 70/20/10 model. As a result of these efforts, 95% of our key and emerging talent at Senior Manager and General Manager level now have an individual development plan in place, and we are now observing managers cascade their own learnings in this space to support the career development planning of their direct reports.

In FY19 the operating model for learning and development across the Group was further reviewed to;

- support the priority around building broader capability including Leadership and Management in the organisation and
- enable optimal use of our investment in technology upgrades.

FY20 and beyond will see a consolidated capability framework leading into an aligned capability development framework supporting employees at all levels across the organisation.

Leadership development

The Senior Leadership Experience program continued to be the flagship leadership development offering at Stockland with an additional two cohorts attending in FY19, taking the total population of senior management who have attended to approximately 75 per cent. Targeted at Senior Managers and General Managers, the Senior Leadership Experience program delivers an immersive leadership development experience across inclusive leadership, design thinking, change and wellbeing.

The work being conducted around the consolidation of capability frameworks and the learning operating model will lead to a continued focus on Leadership Development in FY20, including a focus on leadership at the frontline and middle management levels.

The new Manager Induction was successfully rolled out in FY19 with over 100 new managers completing the course, which provides leaders with people management responsibilities with the tools and access to information they need to successfully manage their direct reports and teams.

Graduate development

Commencing in 2016, our graduate program aims to create a pipeline of diverse talent and potential future leaders to inject new ways of thinking into Stockland. The program intake remained steady in FY19, with 20 new graduates joining the business in a mix of pathway and rotation roles, which brings the total number of grads to 37 on the two-year program. Reflecting our broader objectives of gender diversity in the property industry, the program's diversity targets were again achieved, with over 50% of the intake being female.

The structured formal learning components of the program are scheduled across the full 24 months with the view of developing capabilities such as innovation, collaboration, business writing, self-leadership and personal style to reflect our corporate values. The learning program also includes a career planning element designed to support graduates to move into other roles at Stockland at completion of their graduate program.

As well as the formal learning opportunities, the graduates also come together throughout the program to collaborate on other challenging initiatives such as the Wesley Homeless Food Challenge, where they worked together to feed homeless people on a budget of \$3 /day.

Diversity and inclusion

Our FY19 employee engagement results reiterated the importance our people place on diversity and inclusion, which continues to be a key driver for engagement and retention. The diversity and inclusion Index from our 2019 Our Voice survey remained stable at 86 per cent and continues to be six points above the Australian National Norm.

[Our Management Approach to Diversity and Inclusion](#) reinforces our commitment to improve the diversity of our workforce and continue to build a culture of inclusion in our workplace. It outlines our aim to leverage the maximum potential of our people, irrespective of differences, such as gender, ethnicity, age, physical abilities, gender identity, gender expression, sexual orientation, family status, beliefs, and perspectives.



Targets and metrics that guide our approach to diversity and inclusion include:

- targets for women in management, senior management and job families with lower female representation.
- parental leave return rates targeting greater than 80 per cent return, as well as growing the proportion of males taking primary carers leave.
- target range for gender pay equity ratio.
- gender diversity of our succession pipeline and talent population.
- diversity and inclusion related indices from our annual Our Voice employee engagement survey.
- flexible working practices through the 'One Simple Thing' program.
- LGBTI+ inclusive practises benchmarked through the Australian Workplace Equality Index (AWEI).

Gender Diversity

We have strong and longstanding support for gender equity and are committed to maintaining a culture where we encourage and support career development and advancement of both males and females in our business. During FY19 our Managing Director has continued advocating for gender equity in the property industry as a member of the Property Male Champions of Change group. We were recognised for the fifth consecutive year as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency for our active commitment to achieving gender equity in the workplace.

We rolled out an enhanced Senior Women's Sponsorship program with our Executive Committee for the third year, which continues to yield successful outcomes relating to career growth and promotion opportunities. We designed and implemented a new immersive learning program, Accelerate-Development, which provides a career pathway into the Development job family for those currently working in another area of the business. Development has lower female representation and with more than 60% female participants in the Accelerate program it will help build our female talent pipeline.

Women in management

Our Women in Management, Senior Management and Executive results have increased in FY19.

WOMEN IN MANAGEMENT BY JOB BAND

JOB BAND	FY19		FY18		FY17		FY16		FY15	
	TOTAL	WOMEN	TOTAL	WOMEN	TOTAL	WOMEN	TOTAL	WOMEN	TOTAL	WOMEN
Management	557	45.8%	574	45.1%	555	45.9%	536	44.6%	515	44.7%
• Executive ⁸	8	50.0%	11	27.3%	9	11.1%	9	11.0%	9	11.0%
• Senior Management ⁹	136	41.2%	146	39.7%	152	38.8%	151	36.0%	138	36.0%
• Manager	413	47.2%	417	47.5%	394	49.5%	376	49.0%	368	49.0%
Employee	1,034	65.7%	1,116	66.3%	1,065	66.9%	1,010	67.0%	1,012	66.0%
Stockland	1,591	58.7%	1,690	59.3%	1,620	59.7%	1,546	60.0%	1,527	59.0%

Rate of return from parental leave

Our rate of return from parental leave continues to be well above our target of 80 per cent and the number of men taking parental leave continues to increase year on year with a 40 per cent increase in FY19. This year our parental leave policy was enhanced to include surrogacy and stillbirth. In the circumstance of Stillbirth Stockland fully recognises childbirth and employees are supported to take full parental leave.

Staying connected with employees during parental leave is a key focus to support return to work rates and through our Keeping in Touch events we invite those on leave back to their workplace. In these sessions we provide important business updates and transitioning advice and Stockland provides onsite or in-home nanny support so employees can participate in a way they feel most comfortable with.

⁸ Executive is Stockland's Executive Committee.

⁹ Includes General Manager and Senior Manager job bands.



RATE OF RETURN FROM PARENTAL LEAVE WITHIN 12 MONTHS

GENDER	TOTAL LEAVE	RETURNS	FY19 RETURN RATE	FY18	FY17	FY16
Male	28	21	75.0%	90.0%	94.1%	94.4%
Female	91	81	89.0%	91.5%	80.4%	79.2%
Overall	119	103	85.7%	91.0%	82.3%	84.1%

Gender pay equity

We aim to achieve gender pay equity within roles by considering an individual's positioning against the relevant market benchmark and comparing gender outcomes. This analysis is shown in the gender pay equity ratio table below. Our target is for a gender pay equity ratio of 100 per cent plus or minus three per cent across the company. This means that males and females would be paid the same for performing similar roles, with a small variance to allow for different levels of experience and other factors. Using the gender pay equity ratio overcomes the limitation of measuring pay equity based solely on average fixed pay by job band, which ignores different market values placed on different jobs.

GENDER PAY EQUITY RATIO

	FY19	FY18	FY17	FY16	FY15
Stockland	98.5%	98.3%	98.6%	97.4%	97.2%

Cultural diversity

The table below provides an overview of the cultural diversity of our employees. This data is sourced from our annual Our Voice survey, where respondents can voluntarily select the cultural group they identify with. In FY19 we gathered insights on employee country of birth and language which can be used for future cultural diversity customer and employee analysis.

We continued our focus on indigenous employment detailed in our Reconciliation Action Plan including our Career Trackers pilot and commencing a partnership with Workstars, an indigenous recruitment partner focused in South East to Central Queensland, targeting employment opportunities at our assets. Our indigenous employees are an incredibly engaged cohort, with higher than Stockland average engagement scores on almost all categories of questions in Our Voice.

WORKFORCE BY CULTURAL BACKGROUND¹⁰

CULTURE	FY19	FY18	FY17	FY16	FY15	FY14
Australian	62.3%	62.3%	56.2%	62.5%	56.2%	69.6%
Aboriginal and Torres Strait Islander	0.8%	0.7%	0.4%	0.0%	0.4%	0.3%
European ¹¹	18.0%	19.0%	25.4%	22.8%	25.4%	14.6%
Asian ¹²	10.9%	8.9%	9.3%	8.7%	9.3%	6.5%
Maori and New Zealand	1.8%	1.8%	2.4%	2.3%	2.4%	2.3%
Middle Eastern	1.2%	1.3%	0.8%	0.0%	0.8%	0.7%
South African	0.8%	0.9%	1.0%	1.2%	1.0%	0.9%
North American	0.0%	0.9%	0.6%	0.0%	0.6%	1.2%
Other	4.2%	4.3%	4.0%	2.5%	4.0%	3.9%

¹⁰ Data presented as a percentage of respondents who chose to disclose their cultural background to the Our Voice survey, our employee engagement survey. Some employees choose not to disclose their cultural background. Responses to this survey are collated by a third party and completely confidential – we have no access to individual data points.

¹¹ Includes north-west, central, southern, eastern, British, Irish and Scottish.

¹² Includes south-east, north-east, southern and central.



CASE STUDY

Sponsoring women to succeed

Our Diversity and Inclusion strategy outlines four objectives with one of these focused on maximising diversity in leadership positions, in particular the proportion of women in management roles. In November 2018, Stockland achieved a significant milestone of at least 40% women in every level of governance or management (including Board, Executive, General Manager, Senior Manager, Manager level), considered as balanced gender leadership (40/40/20).

Amongst the policies and programs contributing to this achievement is the Senior Women's Sponsorship program. The objective of this program is to connect talented, high-potential senior female managers with an Executive member, who can advocate for their career development and help make valuable connections. Ultimately, this program progresses gender equality in General Manager and Executive roles, whilst supporting our Executive team to

build their gender leadership capability and understand the challenges, barriers and aspirations of senior talented women within the business. All Executive members participate in the program, investing their time and experience to champion gender-balanced career progression.

Since its 2017 inception, 26 senior women have participated (or are currently participating) in the program. Always looking to improve, we made key enhancements to the program in FY19 based on participant feedback, including extending the program from 12 to 18 months and incorporating a more structured Learning and Development approach to assist with career planning, learning and development.

To date, 50% of program participants have been promoted to more senior roles with almost 40% of these to General Manager positions.

We are proud that our General Manager female population has risen from 30.6% in FY16 to 39.3%, reflecting the success of this program and our broader gender equity initiatives.

We have also been able to validate the link between gender diversity and team engagement levels, with our 2018 employee engagement survey showing that our most gender balanced teams (teams where the percentage of women is between 40% and 60%) are our most engaged teams, with high levels of job satisfaction.

Overall, the program has produced many successful outcomes including new cross functional project opportunities and promotions for participants and it remains a key element of our Gender Equity and leadership strategy at Stockland.



Our recent cohort of talented women in the Senior Women's Sponsorship Program.



Employee advocacy groups (EAGs).

Our Gender Equity; Flexibility; Wellbeing, Accessibility and Cultural Inclusion; and LGBTI+¹³ EAGs are a key component of our approach to diversity and inclusion. This section focuses on key achievements of EAGs in FY19; more information on the EAGs' objectives and composition is provided in [Our Management Approach to Diversity and Inclusion](#).

Gender Equity

The Gender Equity EAG have focused on the following initiatives in FY19:

- Raising awareness and understanding of domestic and family violence, including how gender imbalances and stereotypes contribute to women being more common targets. All Executive and General Managers attended awareness sessions to understand prevalence, employee/workplace impacts and Stockland's policy. First responder training was also provided to key employees/managers nationally which provided a more in-depth understanding on supporting employee disclosures and Stockland's response framework of support.
- International Women's Day was celebrated with female Stockland Board Members as guest speakers providing insight on their leadership journeys and the gender challenges they've experienced and navigated throughout their careers. These were engaging sessions for employees to listen, question and discuss their own experiences in the workplace.
- Enhancements to our Supplier policy were drafted to reflect our gender equity expectations of partners.

Flexibility

The Flexibility EAG have focused on the following initiatives in FY19:

- Our Flexibility EAG spent a large proportion of the year listening to our employees' experiences of flexibility, conducting twelve employee focus groups nationally and over 20 one on one interviews. The feedback highlighted where and how flexibility is working well and where there are opportunities to improve. including better manager support, technology to assist with productivity and asset role job design. Employee communication campaigns to share case studies, our toolkits and provide flexibility support for managers and employees with queries on normalising flexibility within their roles and teams.

Wellbeing, Accessibility and Cultural Inclusion

The Wellbeing and Cultural Inclusion EAG have focused on the following initiatives in FY19:

- The organisational rollout of Ways to Wellbeing training to support employees and leaders with resilience and wellbeing. The EAG utilised the wellbeing framework as part of their communications and activation plan including helping teams with being active and mindful.
- Increasing the utilisation rate of our Employee Assistance Program (Benestar) portal and coaching services to 5.9% - Stockland's highest use on record and above industry average of 5.5%. This has been achieved by normalising the conversation around mental health and encouraging employees and managers to access support services through campaigns like RU Ok day and other wellbeing communications throughout the year.
- Celebrating cultural diversity through employee storytelling and communication opportunities including Harmony Day. More information on our Reconciliation Action Plan and other initiatives related to indigenous rights is provided in our [Human Rights Deep Dive](#).

LGBTI+

The LGBTI+ EAG have focused on the following initiatives in FY19:

- Implemented policy updates to our parental leave policy to include surrogacy as well as LGBTI+ inclusive language and examples in our anti-discrimination and harassment policy.
- Implemented LGBTI+ inclusion online training module, completed by 550+ employees and delivered face-to-face training to HR & Careers teams.
- Completed 2019 Australian Workplace Equality Index survey which helps benchmark LGBTI+ inclusive practise and achieved 94/200 (vs 32/200 in 2018).

¹³ LGBTI+ stands for lesbian, gay, bisexual, transgender, and intersex, with the '+' added to indicate inclusion of other diverse sexual orientations and gender identities.



CASE STUDY

Increasing employee wellbeing and resilience

Results in our 2018 Our Voice employee engagement survey provided insight that there was opportunity to support our employees to improve how they were feeling at work. 'I often feel anxious at work (No)' score had slightly declined in 2018 from 64 to 63, and we knew external market factors and the accelerated pace of internal change were likely to contribute more pressure. In May to June 2018 we piloted a Ways to Wellbeing program with three teams across Stockland to assess impact before rolling out to the entire organisation.

The program, conducted in partnership with the Wellbeing Outfit, provides employees a neuroscientific understanding of the impacts of stress on their mental clarity, leadership shadow and ultimately their ability to perform at their peak work performance.

A wellbeing framework and supporting tools assist employees and leaders to develop an individual Wellbeing Investment Plan,

to build their resilience and support their personal and team's wellbeing. Approximately 50 employees participated in the pilot and with some minor program adjustments we had overwhelmingly positive support to continue a more extensive rollout nationally.

In twelve months since launching, more than 500 employees have attended Ways to Wellbeing including our Executive and Senior Leadership group. Driving the successful uptake has been leadership buy in, with the majority of participation lead by leaders running team sessions, which has provided opportunity for the team to share their experiences and sustain the learning as a group afterwards.

Our Wellbeing Employee Advocacy Group played an important role of embedding the learning by using the same Wellbeing framework in their employee communications and office activations around the country.

This has included normalising office practises like walking meetings and breathing exercises as part of our ways of working at Stockland.

It has been a significant year of transformation for Stockland with tougher market conditions, business change and pressure for our employees to be more innovative and customer centric. Despite this our Wellbeing and Work Life Index results from Our Voice have sustained or improved with improvements in the anxious at work scores (63 in 2018 to 64 in 2019).

In 2019 we will continue to embed the wellbeing framework organisationally and provide ongoing training for employees that have not yet participated.



The 'Wellbeing wheel' utilised within the program, focuses on five key elements – be active, take notice, keep learning, give, and connect.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Governance and Risk

FY19

Why this is important to Stockland

We adopt a rigorous approach to understanding and proactively managing the risks we face in our business. We recognise that making business decisions that involve calculated risks, and managing these risks within sensible tolerances, is fundamental to creating long-term value for all our stakeholders. As an investor of capital, we conduct risk assessments at critical decision points during the investment process to identify risks and to meet target returns. The Board has determined that Stockland will maintain a balanced risk profile to remain a sustainable business and an attractive investment proposition, in both the short and long term.

We acknowledge that sustainability leadership at Board and executive level is critical to integrating sustainability management and performance into our culture, processes and business relationships. We also recognise the importance of effective management and remuneration methods that promote and incentivise proactive approaches to sustainability both at Group and asset level.

Health and safety are important focus areas for our business, and we report on our activities and achievements related to health and safety in our [Health and Safety Deep Dive](#).

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ This document is to be read in conjunction with our published approach to governance and risk, available as part of our sustainability reporting suite at [Our Management Approach to Governance and Risk](#).



Our key achievements

- Established a Data Governance Framework to provide a structured approach to effectively govern and control the management of data. This included the establishment of a Data Governance Committee and assigning ownership of master data as well as the role of data stewards across the business.
- Delivery of broad scenario exercises to test and enhance our crisis management capabilities.

FY19 priorities and progress

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Update Business Continuity Plans as part of our organisational resilience framework enhancements.	Complete	We have reviewed and updated our Business Continuity Plans to capture changes to work processes, systems and personnel. We have also launched a Business Continuity assurance survey which will assist in prioritising reviews, actions, and training to further enhance our capability to respond to disruptive events.

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

In this document you will find:

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FY19 PRIORITIES	STATUS	FY19 PROGRESS
Establish a Data Governance Framework, led by our Data Governance Manager, to support business operations and strategic decisions.	Complete	A Data Governance Framework was developed which provides a structured approach to effectively govern and control the management of data. A Data Governance Committee was established to embed the data governance principles and align data management with Stockland's strategic objectives.
Continue to review and enhance our cyber security risk management plan to further protect our systems and data from cyber risks.	In progress	We have worked with our Cyber Risk team to develop and build on our cyber security plan and continue to progress actions to further manage cyber related risks.
Complete an independent review of our Risk Management Framework and associated processes.	Complete	This review was completed by KPMG and confirmed our existing risk management framework meets the mandatory requirements outlined in ASIC's RG259 (Risk Management Systems of Responsible Entities). KPMG also identified improvement opportunities to further evolve our risk management approach which have been actioned or addressed via future strategic priorities.

Future priorities

- Implement risk based systems via the Core systems (SAP) solution.
- Refresh our Organisational Resilience strategy and roadmap.
- Prepare and implement an action plan to address criteria under Modern Slavery Act.
- Continue to evolve our three lines of defence model to drive accountability, focussing on embedding this into business and operational processes and procedures.
- Manage regulatory risk through progressing with our Regulatory Roadmap workplan.
- Continue to implement the Group Risk Training Strategy within the SAP Learning Management System to build risk-based capabilities in the business.

FY19 performance and case studies

Governance of sustainability objectives and performance

Board Sustainability Committee

The Board Sustainability Committee met three times in FY19, in July 2018, December 2018 and June 2019, and the Sustainability Subcommittee met once in September 2018. The key areas explored in FY19 included a review of our strategy and priorities, and discussions and updates on initiatives such as our response to Modern Slavery legislation, energy and carbon, our Reconciliation Action Plan and Liveability outcomes. Further information on these initiatives can be found in the [Carbon and Energy Deep Dive](#) and [Community Deep Dive](#).

CARE Foundation Board

The CARE Foundation Board met five times in FY19, in October 2018, December 2018, March 2019, April 2019, and June 2019. These meetings were used to review the CARE Foundation's investment strategy, strategic planning for the future CARE Foundation partnerships, and updates on activities completed with the Foundation's community partners. Further information on these initiatives can be found in the [Community Deep Dive](#).

Risk management

Our approach to risk management is governed by the three lines of defence model described in [Our Management Approach to Governance and Risk](#) and our [Risk Management Policy](#). We continue to evolve our approach and will continue to focus on driving greater and consistent accountability within our business.

Corporate risk, assurance and insurance

In FY19 we conducted risk workshops with each business unit and corporate function group to review and update existing risk profiles, including the identification of new and emerging risks. Consistent with our second line of defence approach to risk management (as outlined in [Our Management Approach to Governance and Risk](#)), the updated risk profiles also inform the key areas of focus for our internal audit partners. Our key risk register was reviewed quarterly with the Risk Committee.



We completed crisis management simulation exercises during FY19 focusing on a variety of scenarios including a data (cyber) breach, and significant public incident.

We conducted targeted risk reviews across the business including reviews of our Residential business operating processes and third party management and our gift card program. The outcome of these reviews resulted in a deeper understanding of the risk exposure and the identification of control/process gaps and improvement opportunities to reduce risk exposure.

We continue to work with our Cyber Risk team to progress against actions identified in our cyber security plan to further manage cyber related risks. This is an ongoing iterative process to strengthen our technology platform, refine operating processes and educate our people on cyber security controls. For further detail on cyber security for our customers and broader stakeholders, see our [Health and Safety Deep Dive](#).

Compliance

Our Compliance team develops and implements policies, procedures and guidance to assist the business assess regulatory risk for new initiatives and remediate compliance/near-miss incidents.

In FY19, we focussed on progressing with our Regulatory Roadmap project. Regulations and controls mapped during the year included Consumer Law, Real Estate Licences and Trust Accounting, Embedded Energy networks and Retirement Living. The compliance plans for Stockland's registered managed investment schemes were updated for new regulatory guides and lodged with ASIC. The Whistleblower Policy was amended to include reference to engagement of an external service provider as an additional channel for whistleblowers to report misconduct anonymously. Additional changes to the Whistleblower Policy, procedures and training are in progress to meet the FY20 legislative changes. We continued to provide specific compliance training on areas including the Stockland compliance framework, managed investment schemes, privacy and real estate trust accounting.

Internal audit

In FY19, our internal audit function (outsourced to EY) completed the audits set out in the approved annual internal audit plan. This covered rolling audits across our Retirement Living villages, Retail shopping centres, Workplace and Logistics assets as well as our Development projects. In addition, we also completed internal audits on our Travel and Expenses Claim processes, our Organisational Resilience Framework (audit currently in reporting phase) and our Retirement Living customer complaints management process (audit currently in reporting phase).



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Health and Safety

FY19

Why this is important to Stockland

At Stockland, the health, safety and wellbeing of our employees and our customers is an important focus. We are committed to providing a safe environment for everyone who works with us or attends our workplace.

Millions of people access our assets each year and rely on us to keep them safe. Each asset presents unique security and safety risks. We commit to delivering communities and assets where our residents, visitors, tenants and shoppers feel safe at all times.

We foster a culture where health, safety and wellbeing are core values and continuous improvement of our safety performance is part of our normal business practice. We also place a great focus on employee health and wellbeing. Stress and anxiety significantly impact job performance, employee satisfaction and retention and ultimately affect the achievement of organisational goals and objectives.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ The material in this Deep Dive is supported by a wider collection of performance metrics contained in our [People Data Pack](#).

This Deep Dive is to be read in conjunction with our published approach to health and safety, available as part of our sustainability reporting suite at [Our Management Approach to Health and Safety](#).



Our key achievements

- We further expanded on our Sights on Safety initiative where the Stockland National Sights on Safety (SOS) Award was launched in 2018, with a total of 30 submissions received nationally. The inaugural winner of the National Sights on Safety Award 2018 was Shadforth (civil contractor), who demonstrated their progress to continually improve safety culture and on-site project initiatives across several Stockland projects.
- Our Group Risk Training Strategy has been implemented throughout FY19, supported by our transition to the SAP Learning Management System earlier in the year. Our training strategy is based on targeting critical roles, critical capabilities and developing training programs to develop these critical capabilities. In FY19, 15 risk based training programs were delivered in line with our strategy (both face to face and online) with over 3,400 attendees/completions.
- We reviewed and updated our Operational Risk Audit and Assurance model and adapted it to meet current business demands and risk maturity. As part of this review, we leveraged our current technology platforms to incorporate Online Assessments into our audit program. Online Assessments (including sample verification audits) have been undertaken across Retail, Retirement Living and Residential assets/projects throughout FY19 with positive feedback from end users. This approach also supports our broader Group Risk strategy of evolving the maturity of our three lines of defence risk management model, especially in driving accountability at our line 1 teams.

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

In this document you will find:

FY19 priorities and progress

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FY19 performance and case studies

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FY19 priorities and progress

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Review our health and safety management system (including a gap analysis in line with the new ISO45001 standards).	Completed	Stockland engaged Clayton Utz and Advantage Safety & Risk Management Services to review our WHS risk management system. Advantage Safety completed their review in August 2018 which included a desktop assessment and site audits at four assets. Overall, they found we possessed a well developed and implemented system with sites visited demonstrating a high level of compliance. Clayton Utz completed a desktop audit in October 2018 and found our WHS framework comprehensive with clear enhancements in the areas of training, due diligence and auditing. Improvement opportunities (non-critical) from both audits have been assessed and planned for implementation throughout FY20.
Implement a vehicle impact mitigation guideline across all asset classes to minimise the likelihood and consequence of accidental or malicious incidents caused by a motor vehicle impact.	Completed	Stockland's Vehicle Impact Mitigation (VIM) Guideline was finalised in November 2018 and has been embedded into our design risk review process. The VIM Guideline applies to all Stockland Retirement Living and Commercial assets and includes strategies to reduce the risk of hostile and accidental vehicle impacts across our portfolio. Audits performed internally against the VIM guideline have been undertaken by asset teams with external audits to be undertaken in FY20.
Implement the next phase of Sights on Safety focusing on working at heights.	In progress	To date, Sights on Safety has led to the development of 'Recommended Standards & Practices' in the areas of Plant Rollovers, Service Strikes and more recently, Height Safety. Following work completed by the Sights on Safety Committees in 2018 on the prevention of height incidents (above and below ground), events will be held throughout June and July 2019 to launch the height safety Recommended Standards and Practices posters on site and in their offices. Plant Rollover and Service Strikes Recommended Standards and Practices will also be reinforced during these events as they continue to be embedded into day to day activities.
Develop guidelines to support our minimum security standards across all business units.	Ongoing	We continue to work through our national security and public safety strategy with a specific focus on protecting people from harm, denying unauthorised access and protecting property from damage. In FY19, detailed specifications for CCTV systems and Access Control systems were developed as well as the finalisation of the VIM Guideline. Our Security Guarding Approach will be our next key focus area for FY20.
Complete the transition to a new SAP learning management system.	Completed	Group Risk transitioned to the SAP Learning Management System in early FY19 and has coordinated all risk based training in the LMS since this transition (both face to face and online modules). Our capabilities to develop, deliver and monitor targeted risk based training have increased significantly following this transition which will support the implementation of our Group Risk Training Strategy into the future.

Future priorities

In addition to the priorities in progress above, our future priorities include:

- Following a number of travelator related incidents, Group Risk has undertaken a travelator Deep Dive which includes data analysis and industry wide consultation. This work will continue throughout FY20.
- Evolve Stockland's Sights on Safety brand and expand its focus across from development assets to operational assets as well as internal employee safety awareness initiatives.
- Review and simplify fundamental Operational Risk procedures including Contractor Management and Incident Management, as well as streamlining our internal Operational Risk Integrated Management System (ORIMS)



FY19 performance and case studies

Employee health, safety and wellbeing

Lost time injuries

We continue to progress on our injury management initiatives through the employment lifecycle from pre-employment checks to ensure employees have the right capabilities to meet job requirements, ongoing manual handling and workers' compensation training as well as simplifying the administrative process to assist with responding to injuries and return-to-work. Although our lost time injury frequency rate (LTIFR) increased slightly this year from record lows in previous years, we continue to report a low average lost day rate (see [People Data Pack](#)) indicating employees continue to return to work sooner through our injury management initiatives.

KEY HEALTH AND SAFETY METRICS

	FY19	FY18	FY17	FY16	FY15
Total average workforce ²	1,639	1,689	1,578	1,507	1,438
Total hours worked (million)	3.08	3.08	2.83	2.75	2.53
Number of lost time injuries (LTI) ^{3,4}	10	5	5	11	12
Lost time injury frequency rate (LTIFR) ⁵	3.2	1.6	1.8	4.0	4.7

More health and safety metrics are provided in the [People Data Pack](#).

Wellbeing

Our wellbeing score (as measured in the annual employee Our Voice survey) was 75 per cent in FY19, which is consistent with our FY18 score and is three points above Willis Towers Watson's Australian National Norm (ANN). We also scored ten points better than the ANN for the question "I often feel anxious at work" (where higher scores against the ANN equate to lower feelings of anxiety) which is a one point improvement on FY18 and our Work Life quality scores scored six points above the ANN at 80 per cent which is a two per cent improvement on last year.

Our ongoing focus to ensure employees are aware and accessing health support through our Employee Assistance Program portal and coaching services has increased the utilisation rate to 5.9 per cent which is Stockland's highest use on record and above industry average of 5.5 per cent.

Our ongoing approach to workplace flexibility, centred on our One Simple Thing initiative, seeks to enhance work-life balance and general wellbeing and the Our Voice question 'My work schedule allows sufficient flexibility to meet my personal/family needs' was 85 per cent, two per cent improved on last year and nine per cent above the ANN. Refer to the [Our Approach to Employee Engagement and Employee Development](#) for further information on this initiative.

The 'Ways to Wellbeing' course that was piloted in FY18 has since been attended by more than 500 employees including Executive and General Managers. This program provides employees a neuroscientific understanding of the impacts of stress on their mental clarity, leadership shadow and ultimately their ability to perform at their peak work performance. A wellbeing framework and supporting tools assist employees and leaders to develop an individual Wellbeing Investment Plan to build their resilience and support their personal and team's wellbeing.

² Total average workforce uses monthly employee totals rather than the end of financial year figure used in Our People metrics.

³ Includes injuries incurred as a result of a work related incident. Does not include commuting/recess injuries.

⁴ An injury resulting in the loss of one or more shifts. Not including injuries requiring first aid treatment only.

⁵ Number of LTIs / total hours worked from July 2018 to June 2019 x 1,000,000 hours.



Health and safety initiatives

Work health and safety management systems review

We engaged Clayton Utz and Advantage Safety & Risk Management Services to review our WHS risk management system. Advantage Safety completed their review in August 2018 which included a desktop assessment and site audits at four assets (Hendra, Willowdale, North Lakes and Cleveland). The review focused on the following key areas: scope of our Operational Risk Integrated Management System (ORIMS) against the risks our business is exposed to; implementation of our system at the sample sites; and a review of our audit program. Overall, they found we possessed a well developed and implemented safety management system with sites visited demonstrating high levels of compliance with ORIMS. They also found our audit program represented a positive departure from conventional auditing by integrating deep dive reviews. We are currently working on an action plan to address identified improvement opportunities (non-critical).

Clayton Utz further completed a desktop audit in October 2018 focussing on areas including our WHS Risk Management Framework, Strategy and Contractor Management. The audit found our WHS framework comprehensive with clear enhancements in the areas of training, due diligence and auditing. No material compliance issues were identified. Opportunities for enhancement largely relate to our incident classification model and the escalation of information to officers, as well as asbestos awareness. These opportunities are currently being assessed and already includes a planned deep dive into asbestos management in FY20 as well as a review of our existing incident classification system.

WHS Training

Our Group Risk Training Strategy has been implemented throughout FY19, supported by our transition to the SAP Learning Management System earlier in the year. 15 risk based training programs were delivered in line with our strategy (both face to face and online) with over 3,400 attendees/completions. Key training programs delivered across the organisation included:

- Refresh of Head Office Induction training to all head office staff
- WHS Responsible Officers training (via Clayton Utz) to ExCo, the Board and Leadership Team members.
- Insurance workshop for our legal and project management teams.
- Risk Workshops across Retirement Living (to Village Managers) and Commercial Property (to Operations & Facility Managers).
- Event Risk Management training (online) to staff who organise events, including Sales and Marketing staff.
- WHS Obligations Training to Project and Development Managers nationally.
- Manual handling training delivered to Commercial and Retirement Living personnel who undertake manual handling activities.
- Contractor Management training (online) to all asset and project managers.
- Emergency Response & Business Continuity training to Retirement Living and Commercial assets

Customer safety and security

Our approach to customer safety and security comprises a combination of physical security measures, monitoring/surveillance systems, and systems for notification, awareness, and training. More detail on this approach is provided in [Our Management Approach to Health and Safety](#).

Updates to strategies and guidelines

Over the past year, we've continued to implement our national security and public safety strategy with a specific focus on protecting people from harm, denying unauthorised access and protecting property from damage. This national strategy encompasses the minimum-security standards that we developed in FY17. Supporting guidelines have been completed for key security elements (e.g. CCTV systems, Body Mounted Cameras, Access Control systems and VIM) with further guidelines to be developed in FY20. We also plan to expand our security and public safety strategy in FY20 to encompass a broader remit of security threats including cyber security. Broader progress on cyber security has been detailed in our [Governance and Risk Deep Dive](#).



CASE STUDY

National Sights on Safety Award placing the focus on health and safety

Sights on Safety is a shared initiative, formed by the collaboration between Stockland, our contractors, consultants and stakeholders. Commencing in 2016, the purpose of the Sights on Safety initiative is to share information and knowledge to help address risks and positively influence the prevention of incidents and injuries during development projects. The Stockland National Sights on Safety (SOS) Award was launched in 2018 to provide Stockland's delivery partners the opportunity to showcase their hard work in implementing the SOS Recommended Standards and Practices for Plant Rollover and Service Strikes. Award submissions were open to individuals, projects and organisations. A total of 30 submissions were received nationally, highlighting our partners' commitment to safety and SOS. Ten finalists were announced late CY2018. These submissions were reduced to a final four in February 2019 which were reviewed by the SOS Award judging panel.

The inaugural winner of the National Sights on Safety Award was awarded to Shadforth (civil contractor), by Mark Steinert and presentation attended by members of ExCo, Group Risk, Group Project Management and Sustainability and Procurement teams. Shadforth's submitted award nominations highlighting their progress to continually improve safety, on-site achievements and individual success across several Stockland projects. Shadforth detailed the achievements of their organisation, focussing on their efforts at our Aura, Pallara and Newport residential communities. Their submission summarised the initiatives trialled and rolled out across Stockland projects following the launch of the SOS initiative. Following the implementation of the SOS recommended standards and practices, Shadforth have reported and demonstrated a decrease in plant rollovers by 70 per cent and a decrease in service strikes of 80 per cent. Additional training has also been provided to 80 employees, and fleet equipment adjusted to minimise risk. Pennie Teh, Group Risk Officer, said: "Shadforth place a significant focus on improving safety culture and ongoing engagement with their employees. We are proud of the positive contribution they have made to SOS and their overall commitment to workplace safety."



Stockland CEO Mark Steinert presenting our inaugural Sights on Safety Award to winners, Shadforth Managing Director Ray Shadforth and Construction Manager Jeremy Linton.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).



Human Rights

FY19

Why this is important to Stockland

In accordance with the UN Guiding Principles on Business and Human Rights, we are committed to respecting and promoting human rights consistent with the International Bill of Rights (including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights) and with the eight fundamental Conventions of the International Labour Organisation.¹

We operate wholly within Australia, a country with a long history of democratic government, judicial independence and high standards of governance and with legislative regimes relating to human rights including labour standards, privacy and non-discrimination. Our commitment to both respect and promote human rights underpins our business activities and stakeholder relationships, and this is appropriately reflected in our human rights policies and procedures. We do not tolerate behaviour that is in breach of the law or our corporate policies.

This Deep Dive is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.²

This Deep Dive is to be read in conjunction with our published approach to human rights, available as part of our sustainability reporting suite at [Our Management Approach to Human Rights](#).



Our key achievements

- Developed an industry supply chain survey tool in partnership with 15 member groups of the Property Council of Australia to strengthen property industry approach to human rights and other social and governance considerations within the supply chain
- Partnered with the Australian Business Community Network (ABCN) to sponsor six Indigenous scholarships for high school students and to pair them with Stockland mentors. We have committed to providing a further two scholarships to be announced at the end of 2019.
- Corporate procurement activities have utilised over \$3.6 million from Indigenous suppliers since 2014.
- Increased our Australian Workplace Equality Index Score to 94/200, by 194% increase from FY18, reflecting the efforts made on our LGBTI+ inclusion and diversity practices.
- Continued our commitment to inclusive play by building three new inclusive playspaces in collaboration with our Foundation partner Touched by Olivia. In our Residential Communities we delivered Newport (Qld) and Elara (NSW) and Birtinya (Qld) and Burleigh Heads (Qld) in our Commercial Property Portfolio.
- Piloted BindiMaps, an app based wayfinding system for people who live with vision impairment using beacon technology, in selected retail centres.

¹ These conventions address freedom of association, collective bargaining, forced labour, minimum age, worst forms of child labour, equal remuneration and discrimination (employment and occupation).

² The GRI Standards are global standards for sustainability reporting published by the Global Reporting Initiative (<https://www.globalreporting.org/standards/>).

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- Delivered 18 per cent of our Residential built form product to Silver Level LHA (Livable Housing Australia) design standard
- Delivered a quiet room at Stockland Birtinya (Qld).

FY19 priorities and progress

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Develop a formal response to the recommendations of the human rights issues review and use FY19 to commence implementation of agreed recommendations.	In progress	We have actioned several of the key recommendations from our Human Rights Risk Review, including the development of a supply chain industry survey tool and an organisation-wide culture review. We will continue to address recommendations from the review throughout FY20.
Create an industry survey tool in collaboration with our industry peers to assist with transparency in the supply chain around ethical sourcing, in an effort to reduce/prevent the incidence of modern slavery (key priority resulting from human rights issues review).	Achieved	The property industry supply chain survey tool has been developed with input from 15 member groups of a Property Council of Australia working group. Piloting the tool will commence in early FY20 in line with the introduction of the Modern Slavery Act.
Complete a review of our organisational culture with regard to Stockland's values, strategy and societal expectations (key priority resulting from human rights issues review).	Achieved	Undertook a review of our culture during FY19, led by independent external advisor, which included decision making, 'ways of working', leadership effectiveness and employee experience. This work was completed and discussed at Executive, Board and General Manager level. Findings were reviewed against our values, strategy and stakeholder expectations and a plan has been developed to strengthen the culture, which is currently being implemented with deeper engagement through the organisation.
Complete key work for our 2019 Reconciliation Action Plan, including reviewing opportunities for enhancing our reconciliation commitment.	Achieved	We completed our first Innovate Reconciliation Action Plan (RAP) in this reporting period. Our RAP included 61 actions spread across 16 focus areas. We have completed 58 activities and have agreed with Reconciliation Australia (RA) to roll forward the last three commitments into our next RAP cycle. We have worked closely with RA on the development of our next Innovate RAP for FY20-22.
Undertake Retail Town Centre accessibility audits in FY19 in at least six additional retail town centres to assess the level of accessibility and amenity across the Retail Town Centre portfolio.	Not achieved	Accessibility assessments were completed in five new locations including Burleigh Heads and Bundaberg (Qld), Wendouree and Point Cook (Vic) and Shellharbour (NSW).
Build at least six new inclusive playspaces across our retail town centres and residential communities in FY19.	In progress	Four new inclusive playspaces were completed during FY19 including Elara (NSW) and Newport (Qld) Residential projects, and Stockland Burleigh Heads (Qld) and Birtinya (Qld) Retail Town Centres, with several other playspaces on hold to align with a broader placemaking review of the Retail Town Centre portfolio. The outcomes of the placemaking strategy review will inform the design and delivery of all future playspaces as part of a holistic customer experience improvement project.
Develop a learning module in collaboration with our builder partners to support Livable Housing Australia (LHA) across our Residential developments.	Achieved	The LHA learning module was delivered on the Supply Chain Sustainability School website and is embedded in our Sustainability Schedule for completion by our Contractors operating at our Residential communities.
Develop a communication and education program to engage customers and residents on the nature and benefits of LHA designs and accessibility, using Sustainable Drive at Highlands as a pilot.	Achieved	We produced an education flyer for customers which is available online.
Work towards a minimum LHA Silver standard (Design certified) for 20 per cent of our Townhomes and Completed Homes by FY20.	In progress	Overall, we delivered 18 per cent silver level Design Certified LHA homes across our residential built form projects.



FY19 PRIORITIES	STATUS	FY19 PROGRESS
Work towards a minimum LHA Silver standard (design certified) for 100 per cent of all new retirement living developments by FY20.	In progress	All new retirement living developments active in FY19 are designed to be 100 per cent compliant with LHA Silver design standards as a minimum.
Deliver a minimum of two new display homes in all new residential communities to LHA Silver standard by FY20.	In progress	Six of our residential communities in development during the reporting period have display villages with two or more homes designed to silver level LHA standards, including Altrove (NSW), Aura (Qld), Mt Atkinson (Vic), North Shore (Qld), Minta (Vic), and Willowdale (NSW),
Offer LHA design options from at least two builders in all new residential communities by FY20.	In progress	Builders offer LHA design options at nine of our residential communities in development during the reporting period, including Altrove (NSW), Aura (Qld), Mt Atkinson (Vic), North Shore (Qld), Minta (Vic), and Willowdale (NSW), Vale (WA), Calleya (WA), and Elara (NSW)
Increase our score on the Australian Workplace Equality Index by continuing to enhance LGBTI+ inclusion in our workplace.	Achieved	Completed 2019 AWEI survey and achieved 94/200, a 194 per cent increase on FY18 (32/200)

Future priorities

- Develop Modern Slavery Act (MSA) Statement and continue to work with our supply chain to progress our group-wide response to MSA.
- Implement outcomes of organisational culture review, with an integrated program of work across systems, capability, leadership, processes and structure.
- Commence implementation of our next Innovate Reconciliation Action Plan (FY20-22).
- Further develop an indigenous employment program on the Sunshine Coast in FY20 in partnership with the Australian Retailers Association and Government to facilitate indigenous employment at our new shopping centres in Baringa and Birtinya.
- Continue to target construction of six new inclusive play spaces across our residential and retail portfolio each year
- Collate actions and recommendations from our Retail Town Centre accessibility assessments and commence planning for improvements to customer amenity and risk mitigation.
- Conduct accessibility assessment at an additional four Retail Town Centres to ensure our centres meet the needs of shoppers of all abilities.
- Work towards a minimum LHA Silver standard (Design certified) for 20 per cent of our Townhomes and Completed Homes by FY20.
- Deliver a minimum of two new display homes in all new residential communities to LHA Silver standard by FY20.
- Offer LHA design options from at least two builders in all new residential communities by FY20.

FY19 performance and case studies

Corporate human rights

We have continued activities focused on our human rights approach, including consideration of emerging legislation on modern slavery. We have participated in industry awareness sessions with the Property Council and Green Building Council, as well as industry forums to help develop industry approaches to be tackle these issues.

Additionally, our review on key issues for our workforce led to the creation of a LGBTI+ Employee Advocacy Group (lesbian, gay, bisexual, transgender, intersex and other diverse sexual orientations and gender identities). The Group's purpose is to promote LGBTI+ inclusion in the workplace, provide advice to staff on LGBTI+ issues as required, and enhance Stockland's position as employer of choice. In FY19 the Group benchmarked our inclusion efforts by making a submission to the Australian Workplace Equality Index, increasing our Australian Workplace Equality Index Score to 94/200 (a 194% improvement from FY18). This is further described in the [Employee Engagement, Development Diversity and Inclusion Deep Dive](#).



In FY18, we completed a human rights issues review that extended to 100 per cent of our operations. It leveraged external expertise to benchmark the rights articulated in our Human Rights Policy against human rights issues facing the property sector. The review highlighted risks and opportunities based on a review of key documents and interviews with our staff who control frameworks for human rights through their work in governance, risk, sustainability and procurement.

The review identified 11 risk or opportunity areas, and validated supply chain as the highest human rights risk for our business. In response to this, we focused on addressing this area in FY19, with activities such as:

- Developed an industry supply chain survey tool in partnership with 15 member groups of the Property Council of Australia to strengthen property industry approach to human rights and other environmental, social, and governance considerations within the supply chain
- Continued work on our policy “What Stockland Expects from its Suppliers”, with an aim to launch in FY20. This policy works to align Stockland’s values with those of our suppliers and address human rights issues such as modern slavery.

Reconciliation

We completed our first Innovate Reconciliation Action Plan (RAP) in this reporting period. Our RAP included 61 actions spread across 16 focus areas. We have completed 58 activities and have agreed with Reconciliation Australia (RA) to roll forward the last 3 commitments into our next RAP cycle. We have worked closely with RA on the development of our next Innovate RAP for FY20-22. Our activities over the past year have focused on programs and initiatives that focus on the areas of health and wellbeing, education and community connection to help shape thriving communities that respect, value and celebrate Australia’s First Peoples. Some of our key achievements include:

- Partnering with the Australian Business Community Network (ABCN) to sponsor six Indigenous scholarships for high school students and to pair them with Stockland mentors. We have committed to providing a further two scholarships which will be announced at the end of 2019.
- Working with Career Trackers to commence indigenous internships for two students in FY19. Career Trackers is an organisation which provides a meaningful change both from an education and employment perspective for Aboriginal and Torres Strait Islander students, with 90% of participants securing ongoing employment through a Career Trackers partner.
- Partnering with Workstars, an indigenous recruitment partner focused in South East to Central Queensland, targeting opportunities at our assets and facilitated through our in-house recruitment provider Careers@Stockland. The program supports successful placements by providing post placement support, such as mentorships for new hires to support settling in.
- Partnering with National Centre of Indigenous Excellence to develop an indigenous temporary workforce to assist in catering and boardroom dining.
- Procurement activities have utilised over \$3.6 million from Indigenous suppliers since 2014.
- Delivery of Jamie’s Ministry of Food indigenous cooking program as part of our Queensland mobile kitchen partnership.
- In partnership with the Australian Retail Association and through the adaption of their training program we created employment activity for indigenous only applicants. This continues to bolster our project-level RAP’s at our retail town centre developments on Queensland’s Sunshine Coast and aims to provide a benefit to the local indigenous community through arts and culture, employment and storytelling.
- Implemented a Cultural Awareness training module within the Stockland online training environment. Face to face cultural awareness training was also completed in Queensland at our Sunshine Coast office.
- Implemented all policy and framework requirements of the Innovate Reconciliation Action Plan. This includes review of key organisational policies, creation of a Welcome to Country policy, and the implementation of an employment strategy.
- Completed Reconciliation Plaques at all Stockland branded Retail assets (except for assets where traditional ownership is still in the process of being determined).
- Advocacy and customer communications for NAIDOC and National Reconciliation Week. A Stockland employee who was also an indigenous artist created a national colouring in competition. Additionally, this employee toured Stockland offices to raise awareness for reconciliation.



CASE STUDY

Reconciliation in action on the Sunshine Coast

Stockland is proud to have an ongoing commitment to reconciliation, currently working towards our second 'Innovate' Reconciliation Action Plan (RAP), endorsed by Reconciliation Australia. Our activities over the past year have focused on programs and initiatives in the areas of health and wellbeing, education and community connection.

In FY19, Stockland took the initiative to develop a 'Project RAP' for two Green Star-registered Retail Town Centre developments on the Sunshine Coast, Baringa and Birtinya. There was a synergy in that the two projects were in the same region and in construction in parallel, and that we were already in consultation with the local Aboriginal community (Kabi Kabi) on activities in our Aura Master Planned Community. The Project RAP provided further opportunity to work with the Kabi Kabi to develop initiatives that would benefit their community at both a project and community level.

Utilising existing relationships established with local Kabi Kabi stakeholders and Native Title applicants, we engaged an Aboriginal-owned consultancy, Balarinji, to help facilitate authentic engagement around culture, art, employment, skills, storytelling and identity. We conducted workshops and meetings to consult and develop a range of initiatives that aligned to Kabi Kabi interests and needs.

Key initiatives undertaken as part of the Project RAP included:

- Engagement and ideas generation workshops;
- Retail Ready – a five week Retail Skills Program for Indigenous participants;
- Retailer Welcome Pack Gift, including design by local Kabi Kabi artist;
- Cultural Awareness Training held with Stockland project team;
- Kabi Kabi Acknowledgement/Welcome Ceremony held at centre opening event; and
- RAP Plaque installed in the centre public mall space.

Once both projects are complete, we will seek to pursue other initiatives, such as using the centre as an arts exhibition or cultural performance space.

With the development of our next Innovate RAP for FY20-22 underway, we look to continue our reconciliation focus on initiatives regarding health and wellbeing, education and community connection to help shape thriving communities that respect, value and celebrate Australia's First Peoples.



The Gubbi Gubbi Dance Troupe at the official opening ceremony of Stockland Birtinya.



Accessibility and inclusion

Our Accessibility and Inclusion Strategy was developed to respond to the needs of people living with disabilities within and across our communities and to further integrate standards (such as those published by Livable Housing Australia and Changing Places) across our portfolio of assets.

Commercial Property

We remain focused on accessibility in our Commercial Property portfolio, and over the past year we further developed and utilised the accessibility scorecard piloted in FY18. Accessibility assessments were completed in five new locations including Burleigh Heads and Bundaberg (Qld), Wendouree and Point Cook (Vic) and Shellharbour (NSW).

A key initiative in FY19 was the installation of 'BindiMaps', an app based wayfinding system for people who live with vision impairment using beacon technology. This is the first time BindiMaps has been deployed in a large footprint building so it is a first for Stockland and for retail assets in Australia. Bindimaps is an empowering technology that allows people with vision impairment to independently navigate a shopping centre environment. This pilot is a key initiative aligned to our accessibility strategy aimed at delivering a better customer experience for people who live with disability. The secondary benefit is that Stockland now has a customer wayfinding system able to be used by anyone to help navigate our Retail Town Centres.

Communities

Within our Communities businesses, we delivered inclusive playspaces at our Newport (Qld) and Elara (NSW) residential communities and in partnership with our community partner Variety, ran an "Inclusivity" workshop to continue to educate our teams involved in designing and delivering communities.

21 of our Stockland designed Residential and Retirement Living built form product are certified Silver Level design standard. During FY19 we delivered 18 per cent of our residential built form product to Silver level LHA design standards, and six of our display villages include LHA silver level display homes, enabling customers to choose from a range of accessible homes. We have piloted a number of innovative options during the year, for example at Cloverton (Vic), builders seeking to operate from our display village were offered financial incentives to deliver LHA designed homes in the village. We will review this project to understand the effectiveness of the incentive during FY20.

Collective bargaining

We support the right to exercise freedom of association and collective bargaining and are not aware of any operations or suppliers in which these rights are at risk. In FY19, approximately five per cent of our employees were covered by collective bargaining agreements. These agreements contain provisions for health and safety protections during dispute and/or grievance processes and in some cases contain commitments to maintain safe and healthy work environments. More broadly, our Work Health and Safety Policy applies to all employees which provides commitments to a safe and healthy work environment.

Corporate policies breaches and grievances

We monitor compliance with corporate policies and report any breaches, as outlined below:

- **employee conduct** – there were 11 substantiated breaches of our Code of Conduct in FY19 involving inappropriate behaviours in the workplace resulting in three terminations of employment, six formal warnings and two performance/expectations conversations.
- **fraud and corruption** – there were no substantiated breaches of our Fraud and Corruption Policy in FY19.
- **discrimination** – there were no substantiated incidents of discrimination in FY19.³
- **privacy** – there were no notifiable data breaches identified in FY19.
- **grievances** – there were three formal grievances raised which were considered and resolved following discussions.
- **whistleblower** - There was one concern raised by a whistleblower on a confidential basis to one of our Whistleblower Protection Officers in late FY18. This matter was investigated and closed during FY19. We also received three further anonymous concerns raised via our whistleblower channel on Stockland's website and our internal "Ask Mark" channel. These matters were investigated and closed, with the appropriate actions taken. Two of the matters resulted in action as summarised in the employee conduct section above.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

³ This includes incidents involving the rights of indigenous people.

Stakeholder Engagement

FY19

Why this is important to Stockland

We develop and maintain strong relationships with a broad range of stakeholders in order to acknowledge and respond to their perceptions, needs and concerns. Across our diverse business, we engage with stakeholders on important life decisions, whether it is deciding where to lease space for their business, buying a first home, or deciding where to live in retirement. We practice open, honest, two-way communication and recognise the mutual benefits for both our business and our stakeholders that result from genuine engagement.

Our approach to stakeholder engagement encourages regular dialogue with:

- Securityholders and the investment community through our Investor Relations team
- Media through our Stakeholder Relations team
- Governments and agencies at all levels through both our Government Relations team and our project and asset teams
- Employees through various internal communication mechanisms
- Customers and community partners through our Commercial Property and Communities businesses.



This Deep Dive is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ This Deep Dive is to be read in conjunction with our published approach to stakeholder engagement, available as part of our sustainability reporting suite at [Our Management Approach to Stakeholder Engagement](#).

This document details our priorities, progress and achievements in relation to our engagement with the investment community, media and government stakeholders. Please note that annual performance reporting related to other stakeholder groups are provided in separate documents:

- [Employee Engagement, Development, Diversity and Inclusion Deep Dive](#)
- [Customer Engagement and Experience Deep Dive](#)
- [Community Deep Dive](#)
- [Supply Chain Deep Dive](#)

Our key achievements

- Reviewed and implemented state-based stakeholder engagement plans reflecting our best practice stakeholder engagement approach across the business.
- Reviewed and implemented new data-driven system for tracking and reporting on projects with active stakeholder engagement.
- Partnered with government to profile our state investments and community initiatives, in particular our investment in rooftop solar installations at our Retail Town Centres across Queensland, New South Wales and Victoria.

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

In this document you will find:

FY19 priorities and progress

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FY19 performance and case studies

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FY19 priorities and progress

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Deliver stakeholder engagement workshops for employees in Queensland and Victoria with external government and industry stakeholders.	In progress	Workshop preparation nearing completion, delivery date delayed to second half of calendar year following broader review of program.
Review our Government Relations Policy and stakeholder engagement framework to maintain alignment with best practice.	Complete	Stakeholder engagement framework reviewed to incorporate greater focus on engagement with Aboriginal and Torres Strait Islander communities
Maintain stakeholder engagement plans for all active development projects.	In progress	All active development projects have a stakeholder engagement plan either in development or in place.

Future priorities

- Deliver stakeholder engagement workshops for employees in Queensland and Victoria with external government and industry stakeholders
- Review stakeholder engagement learning and development modules and investigate capacity to improve with additional online capacity
- Maintain stakeholder engagement plans for all active development projects.

FY19 performance and case studies

Our focus in FY19 was to enhance the capabilities of project teams to plan and deliver engagement activities that include stakeholders interested in our projects. Over the past year we have:

- Continued to focus on improving coordination between the different layers of stakeholder engagement strategies across the business and looked at how the information from these strategies are collected and monitoring.
- Partnered with government to profile our state investments and community initiatives, in particular our investment in rooftop solar installations at our retail town centres across Queensland, New South Wales and Victoria.

Government and industry relations

We engage with government to better understand current and forthcoming policies with a particular focus on land use planning, housing affordability, and integration of land use planning with transport and key infrastructure investment. We believe that Australia's growing population requires a combination of brownfield and greenfield development, with appropriate infrastructure investment and land-use planning regulation by the public sector. We continue to communicate this message to government while establishing our reputation as a creator of communities and a provider of affordable, sustainable, and liveable places.

We engage with industry groups to contribute to a unified voice for the property industry and to collaborate in addressing issues facing the industry and lifting the benchmark for industry sustainability.

**CASE STUDY****Partnership to focus on ageing and dignity**

In 2019 Stockland was pleased to partner with the Committee of Sydney and not-for-profit organisation, Baptistcare to produce the 'Dignity and Choice' report which highlighted the challenges in creating an inclusive future for Sydney's ageing population. As one of Australia's largest retirement living operators, Stockland understands the scale of the challenge in planning for the housing needs of Sydney's ageing population.

In partnering with Baptistcare and the Committee of Sydney, Stockland not only contributed financially but also hosted a working group to best determine challenges to be answered within the document. Stockland General Manager of Retirement Living and Legal Operations, Kirrily Lord also produced a detailed foreword to the report outlining why the work was of vital importance.

The report profiles Australia's ageing population and identifies key challenges that need to be overcome in order to ensure our cities remain inclusive and accessible for seniors.

Dignity & Choice considered the challenges of an ageing population in a range of different areas including:

- Meeting the housing needs of an ageing population
- Transport to keep us socially connected and healthy
- Planning principles for inclusive public spaces
- Healthy and active ageing
- Fostering social connection and good mental health
- Tackling the dementia challenge

The report also included Ipsos polling on how well Sydneysiders felt their community was catering to the seniors.

The report was launched amongst an audience of industry and government representatives and included a keynote address from the Hon. John Sidoti MP, NSW Minister for Sport, Multiculturalism, Seniors and Veterans. The launch served as a platform to facilitate further discussions around challenges faced by seniors and for key stakeholder to connect and continue to find solutions to these issues.

The report was covered extensively in Sydney media, with a predominately positive overall media sentiment and coverage including an exclusive one-hour episode on ABC Radio's Focus program with Cassie McCullagh. The report also featured in the Daily Telegraph, focusing on both the polling commissioned to support the research and on some of our key recommendations. Other online news outlets including Government News and Community Care Review highlighted the report's recommendations on dementia.

Ultimately, this collaborative effort from Baptistcare, Committee of Sydney and Stockland has produced a report that will continue to facilitate further discussion in the Sydney community.

Over 12,000 residents call a Stockland retirement village their home. The ability to participate in activities, share experiences in a community environment and still maintain their independence is of vital importance to Stockland. Producing reports like the 'Dignity and Choice' report allows us as a business to remain on top of the retirement living market, identify challenges and help to continue to provide high quality, community living for our residents.

Media relations

Throughout FY19, we have maintained a strong focus on protecting and enhancing the Stockland brand and reputation through effective engagement with print, online and broadcast media. Our Media Relations team has worked closely with all areas of the business to address any issues as they have arisen and managed consistent communications across all relevant social media platforms.

Investor relations

In FY19, our investor engagement focused on maintaining clear and transparent reporting through regular financial reports, operational updates and lodgement of market sensitive information with the Australian Securities Exchange (ASX). With a view to broadening our investor base and diversifying our sources of capital, we have also engaged with brokers and investors throughout the year at sales desk briefings, conferences, roadshows, group meetings and asset tours. We participated in nine conferences and roadshows in Australia, Asia, Europe, and North America and met with over 220 investment groups, of which approximately 70% represented prospective investors.

Stockland's stakeholder engagement program enhances our profile in the global market and provides brokers and securityholders with direct access to management. 48 asset tours were conducted to educate and deepen investor understanding of our assets and our operations. An investor day, held in Melbourne in June, provided an update on the key focus areas and strategic priorities for Stockland as well as including tours of medium density and logistics assets and a



masterplan community. The assets we visited reinforced our strategic priorities to increase the portfolio weighting of logistics, grow our medium density business and increase capital partnering initiatives across all asset classes in the business.

In FY19 we continued to encourage our securityholders to receive their communications (reports, distribution notices and announcements) electronically enabling securityholders to receive timely and secure communication. Approximately nine per cent of those investors who were contacted opted to receive their investor communications electronically allowing Stockland to reallocate the savings in printing and mailout costs into more accessible digital communications for securityholders. Our quarterly updates, annual general meeting, and investor day were all webcast live on the internet to allow timely communication and accessibility to all stakeholders.

ESG engagement

We continue to engage investors on our environmental, social and governance (ESG) performance, primarily through participation in investor ESG research and surveys. In FY18, we achieved recognition of our ESG performance through:

- CDP Climate Change – only Australian property company to be recognised on the 2018 CDP Climate A List for leadership in climate action.
- Dow Jones Sustainability Index – inclusion on the World Dow Jones Sustainability Index for the twelfth consecutive year, and recognised as the most sustainable real estate group in the world for the fifth time.
- Global Real Estate Sustainability Benchmark – 2018 Global Leader for Listed Diversified Office/Retail respondents.

We acknowledge growing interest from investors on how listed entities are identifying, assessing, managing, and disclosing risks and opportunities arising from climate change. We have responded to this interest by being an early adopter of the investor-led Task Force on Climate-related Financial Disclosures (Task Force). Our approach to managing climate-related risks and opportunities, disclosed according to Task Force recommendations, is in our [FY19 Annual Report](#) and supported by sustainability reporting available on our [website](#).



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Supply Chain

FY19

Why this is important to Stockland

Every year, we partner with hundreds of suppliers including construction contractors, professional consultants, and service providers. We work to build strong partnerships with our suppliers such that they are motivated to operate in a manner that is consistent with our values and standards.

We are committed to responsible procurement and sustainable supply chain management. We recognise that having a sustainable supply chain is fundamental to having a sustainable business.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹

This Deep Dive is to be read in conjunction with our published approach to supply chain management, available as part of our sustainability reporting suite at [Our Management Approach to Supply Chain](#).



Our key achievements

- Developed an industry supply chain survey tool in partnership with 15 member groups of the Property Council of Australia to strengthen property industry approach to human rights and other social and governance considerations within the supply chain.
- Continued to collaborate with our suppliers to achieve health, safety, environmental and quality outcomes including through our ever-growing 'Sights on Safety' initiative, which implemented its inaugural Sights on Safety Award, targeted at recognising the work undertaken by suppliers and stakeholders to focus on safety improvement within their organisation and work sites.
- Launched a sustainability schedule for our construction contracts in collaboration with our contractors, targeting issues such as environmental impact, materials use, community engagement, and health and safety. Pilots are underway with key partners, with a view to implement across wider portfolio in FY20.
- Partnered with the Supply Chain Sustainability School (SCSS) to develop and launch a Sustainability Induction training video, targeting project contractors via the SCSS training and education website.
- Completed our first Innovate Reconciliation Action Plan (RAP) during FY19 and commenced work on our next Innovate RAP for FY20-22, with a focus on indigenous employment opportunities and procurement.

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

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FY19 priorities and progress

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Launch our guideline 'Sustainability in our Development Supply Chain – What Stockland Expects' with strategic suppliers to communicate our sustainability expectations.	In progress	The guideline has evolved into a policy titled 'What Stockland Expects from its Suppliers'. We have delayed the launch to early FY20 to include Modern Slavery legislation. The policy will be launched through various channels including targeted correspondence and supplier webinars.
Partner with the Property Council of Australia to complete a pilot industry supply chain survey to help gain insights into human rights considerations as part of our commitment to the objectives of forthcoming legislation on modern slavery.	Achieved	The property industry supply chain survey tool has been developed with input from 15 member groups of a Property Council of Australia working group. Piloting the tool will commence in early FY20 in line with the introduction of the Modern Slavery Act.
Run a supplier roadshow with our strategic suppliers to outline our planned development pipeline and our sustainability, supply chain, and health and safety strategies and initiatives.	In progress	We elected to defer the supplier roadshow to early FY20 to include the Modern Slavery legislation and renewed Reconciliation Action Plan commitments. We have also elected to undertake these communications through mixed channels including webinars.
Launch our procurement management system that includes an increase in sustainability objectives for suppliers (part of our internal Core Systems program).	In progress	Our procurement management system is an integral part of Stockland's investment in a new Enterprise Management System. The EMS and procurement management system has been rescheduled for delivery in FY20.
Undertake three-yearly compliance assurance of service contractors.	In progress	We undertook compliance assurance of labour-intensive service contractors in FY16 and engaged suitable contractors on 3 year terms. We are planning to repeat the assurance process in mid-2019 for selected service contracts.

Future priorities

- Develop and implement our Modern Slavery Act strategy including risk mapping and targeted due diligence of high risk suppliers.
- Deliver human rights training to key procurement staff and make the training available to suppliers through the Supply Chain Sustainability School.
- Undertake a supply chain mapping process to inform sourcing and specification processes for new built form developments over \$5 million.
- Launch our procurement management system that includes an increase in sustainability objectives for suppliers (part of our internal Core Systems program).
- Pilot the PCA Modern Slavery supplier survey tool in FY20, commencing with higher-risk developments and operational service providers.

FY19 performance and case studies

Supply chain procurement overview

In FY19, we procured over \$2.2 billion of goods and services from our direct supply chain, which consists of over 3,800 active suppliers. More information on how we categorise our suppliers and engage with them according to tier is provided in [Our Management Approach to Supply Chain](#).



SUPPLIER TIERING BY SPEND

CATEGORY	TIER DEFINITION	NUMBER OF SUPPLIERS	SPEND (\$ MILLION)	% OF SPEND
Tier 1	Supply goods and services directly to Stockland	3,867	2,295	100
Critical Tier 1	Limited number of alternative suppliers of the good or services they provide, and they are essential to meeting the business objectives.	16	597	26
Sustainability high-risk suppliers	Tier 1 suppliers with a spend over \$5 million per annum. ²	61	1,524	66

Supply chain framework and guidelines

Following the development of our supply chain framework in FY16 (summarised in the figure below), we have been working on our policy titled 'What Stockland Expects from its Suppliers'. This policy spells out key considerations for our development suppliers (such as health and safety, materials and resource use, and local employment), organised by the core themes of the supply chain framework.

We engaged with our suppliers on the themes and initiatives that support our supply chain framework, such as our Sights on Safety initiative, as well as emerging issues such as forthcoming legislation on modern slavery. We incorporated feedback from these engagements into the policy throughout FY18-19. We will aim to communicate this policy in early FY20.

STOCKLAND SUPPLY CHAIN FRAMEWORK

GOVERNANCE & MANAGEMENT Stockland seeks to work with suppliers who are transparent and accountable in how they do business. This includes complying with all legislation and standards as well as acting ethically in all their dealings with us and in the marketplace.	ENVIRONMENTAL IMPACT Stockland believes every organisation has a responsibility to understand and manage their environmental impacts. As such, we seek to work with suppliers who have sustainable procurement practices and prioritise the use of sustainable materials.	HEALTH, SAFETY & QUALITY Stockland provides a safe and healthy work environment. We implement high standards in health, safety and quality across our operations and expect the same standards from our suppliers.
SOCIAL VALUE Stockland believes business can play a positive role in society. We encourage our suppliers to identify ways to encourage contribute to the communities in which we operate.	HUMAN RIGHTS Stockland respects and promotes safe, fair, diverse and inclusive workplaces. We seek to work with suppliers who have appropriate labour practices and consistent values.	INNOVATION, CAPABILITY & CAPACITY Stockland works collaboratively with suppliers to achieve innovative and sustainable outcomes. We seek to work with suppliers who have proven capability and capacity to work collaboratively to achieve better outcomes.

We use the supply chain framework to hold suppliers accountable for demonstrating our values. We respond to any environmental, social, and labour practice risks or impacts identified and in FY19 we have not terminated any supplier agreements due to significant actual and potential negative environmental, social, or labour practice-related impacts.

The rest of this document describes initiatives and achievements organised by the categories of our supply chain framework. More information on the supply chain framework is provided in [Our Management Approach to Supply Chain](#).

² Classified as sustainability high-risk suppliers due to their increased of impacting our ability to meet our business objectives relating to finance, health and safety, environment, and human rights.



Governance, management and environmental impact

Over the course of FY18, we worked with our suppliers to establish a sustainability schedule for inclusion in project requirements. The schedule aims to:

- improve environmental impact through environmental management systems, environmental and waste management plans, reuse of spoil on site and the use of recycled materials and materials that have lower embodied energy
- prioritise health, safety and wellbeing programs and initiatives such as Mates in Construction
- promote Aboriginal and Torres Strait Islander employment opportunities with our contractors
- seek to understand how we can partner with our contractors to improve female participation in the construction industry
- raise sustainability awareness through initiatives such as the Supply Chain Sustainability School and implementation of the Green Star suite of rating tools
- drive community engagement by working with contractors to hold events to involve residents in the delivery process of their new community
- enhance understanding of emerging risks such as modern slavery through working with the Supply Chain Sustainability School.

In FY19 we launched the Sustainability Schedule and piloted it at Calleya with our builder partner, Georgiou. Work is underway and Stockland will follow up with Georgiou upon completion to track the success of the initiatives contained in the schedule. In FY20, we aim to pilot the schedule on projects in NSW and QLD along with consultation with Council, Consultant and Contractor representatives. It is expected that the schedule will evolve over time as Stockland and the Industry become more proficient in delivering the specified initiatives and the benchmark will raise accordingly to enable us to deliver best practice sustainability on our masterplan residential development sites.

CASE STUDY

Increasing materials visibility and collaboration in the supply chain

Our supply chain Sustainability Schedule, developed in FY18 as the result of an assessment of supply chain issues and risks impacting the construction industry, is now being piloted and integrated into development projects. One of the key aspects of the Schedule is the requirement of our contractors to clearly document and provide evidence of sustainability initiatives and measures, such as materials used in the projects via a materials verification register. This register outlines the minimum verification and certification requirements to ensure a responsible outcome. In FY19, we worked with project contractors for Birtinya to implement the improved materials register. Executing this was a collaborative process, with materials verification discussed in each project meeting, ensuring that the contractor was proactively reporting on progress of their materials compliance. Verifying the standards and qualities of our materials is crucial to meeting our business and sustainability objectives, including:

- **Quality:** Ensuring each raw material and final product is sourced from quality materials and using appropriate fabrication ensures the longevity and safety of an asset. Whilst sourcing structural steel for Birtinya, the register required Australian Certification standards and practices to be followed, with the contractor performing quality control inspections at the overseas fabrication plant to ensure quality control, of which evidence and outcomes were collected and documented.
- **Human Rights practices:** Labour affected by modern slavery has a higher than typical occurrence in the supply chain in materials such as tiles or stone. As such, tiles for Birtinya were sourced from a reputable Australian supplier who could provide a verified chain of custody. Doing so allowed our contractor visibility and certainty of the human rights practices within the manufacturing processes,
- **Environmental:** Ensuring timber products are sourced from renewable sources ensures long-term supply availability and environmentally sustainability. Birtinya has a higher extent of engineered timber product finishes than other similar projects (plywood, decorative timber veneers). We obtained certification that timber products used were certified by forest certification scheme or from a reused source.
- **Health:** High-VOC levels in chemical products (such as adhesives, sealants, paints, and PVC) can be toxic and harmful to health. Our materials register ensured all products sourced for Birtinya contained low-level VOCs, ensuring the health and safety of onsite workers, Stockland staff, tenants and the community.

Whilst materials standards are by no means a new concept for Stockland, with the new Sustainability Schedule requirements in part overlapping with Green Star obligations, this ensures the process is front of mind from project conception through to delivery. Typically, contractors would collect the minimum information required for Green Star and Stockland standards, and submit their information about the project once completed. This new practice ensures early and ongoing monitoring of progress, certification being cited before product selections or installations, and increased visibility and collaboration during the process for Stockland.



Creating local jobs

As a developer and asset owner and operator, we have the opportunity to leverage our resources to provide local procurement and employment opportunities for those in our communities and assets under development. In FY19, we worked with the Australian Retailers Association to run the Retail Ready program for Stockland Caloundra and Birtinya, with the focus on supporting local indigenous employment. In FY20, we aim to expand the coverage to at least two more retail centres, to train local residents and provide them with retail employment skills.

Initiatives such as the Retail Ready program demonstrate the opportunities and broader social benefit that can eventuate when we partner with local communities as part of our development work. More information on FY19 achievements relating to community development is provided in the [Community Deep Dive](#).

Health, safety and human rights

Throughout the year we continued to collaborate with our suppliers to achieve health, safety, and quality outcomes through our 'Sights on Safety' initiative. Sights on Safety focuses on identifying and implementing measures to reduce the number of serious incidents at our developments and assets. The program is aimed at driving safety behaviours and advancing better practice on our developments, construction sites, operational assets and where possible, across the broader construction industry. Now with over 200 external contributors engaged, the next phase and development of this initiative is underway. More information on Sights on Safety achievements during FY19 is provided in our [Health and Safety Deep Dive](#).

With regard to the human rights aspect of our supply chain framework we have been working with our contractor partners regarding participation in health, safety and wellbeing initiatives on our sites. This has been demonstrated with our continued work with Mates in Construction to improve mental health awareness at our worksites. We have undertaken Mates in Construction training at various sites, including our Newport (Qld) and North Lakes (Qld) projects. We have also extended this to our head office by raising awareness about mental health issues facing construction workers in conjunction with our national mental health promotion campaigns such as RUOK Day.

[Our Management Approach to Human Rights](#) and our [Human Rights Policy](#) provide additional information on our commitment to human rights both in our organisation and across our supply chain. We are not aware of any incidents of child labour or forced/compulsory labour in the operations or supply chain of our principal contractors. In response to the Modern Slavery legislation, Stockland has undertaken a process to further understand our supply chain and operations and areas of possible exposure to modern slavery. We are developing and implementing a strategy to increase awareness of modern slavery risk both internally and with our suppliers, and strengthening our due diligence processes in this regard.

Innovation, capability and capacity

We work closely with a number of members in our supply chain to deliver great outcomes in our communities. Some key collaborations from FY19 include:

Highlands and Orion Braybrook (Vic) - This year we launched our Zero Net Carbon (ZNC) home pilot programme in partnership with Sustainability Victoria and our builder partners Creation Homes and Vcon Homes. We aim to deliver Stockland's first ZNC home product at our Highlands and Braybrook developments. The partnership will see us undertaking a number of key activities including, zero carbon energy modelling, cost benefit studies, best practice design and construction, as-built air tightness testing and insulation integrity, builder partner education and research on marketing the ZNCH message to our customers. The pilot programme is also aligned with our residential built form targets and our broader net zero business commitment in Logistics, RL and at our Head Offices. The programme participation will position us to deliver homes that meet the new, tighter energy regulations and will continue to strengthen Stockland's sustainability leadership position.

Baringa (Qld) - Stockland has a long standing relationship with the Caloundra Chamber of Commerce who operate markets locally. The Baringa civic square has been designed as an active public realm and from early on, markets have been viewed as a key part of this. Baringa's first market is scheduled to occur in Spring and we are currently working with the Caloundra Chamber of Commerce and council to secure required permits. The markets will offer a variety of food and craft stalls and provide an opportunity for local community and businesses to buy and sell local produce. As planning progresses, we will be working with the local businesses including the Baringa Community centre and the new retail operators to ensure the markets are a success.

Supply Chain Sustainability School

We continue to encourage our suppliers to participate in programs initiated by the Supply Chain Sustainability School, of which we are a founding member and financial contributor. The School has over 1900 people registered and over 1000 unique organisations engaged, ranging from small businesses to large organisations in the public, private, and non-for-profit sectors.



CASE STUDY

Increasing contractor awareness via the Supply Chain Sustainability School

As part of the Sustainability Schedule, which launched in FY19, we identified a key objective of raising the sustainability awareness of our key contractors. Working collaboratively with our contractors ensures we can not only improve the sustainability outcomes at our communities, but more broadly in the property industry.

For maximum impact, we needed the learnings to be simple, scalable, and efficient, delivered in a way that was easily accessible to our contractors. To achieve this, we worked with the Supply Chain Sustainability School to develop free, interactive learning modules, that are easily accessed via their website. Contractors can complete the mobile-friendly modules on-the-go, allowing them to engage with the content as it suits their individual and team needs.

Head Contractors are first required to complete a self-assessment, which is designed to help them assess their current sustainability knowledge and identify areas of improvement for their organisation. From there, they are required to participate in the Stockland Sustainability Induction, Sustainable Procurement, and Human Rights and Modern Slavery e-learning modules [available on the site](#).

If the Contractor is also involved in delivering Stockland's Built Form, they are required to complete the additional module on 'Livable Housing'. They can also choose to engage with a variety of resources available on the site, including modules on waste, biodiversity, climate change adaptation, and local economy and community.

To further maximise the impact of our collaboration with the Supply Chain Sustainability School, the 'Sustainability Induction' and 'Livable Housing' modules have been designed to enable Stockland to access Skills Development and Industry Capacity Building Credits in the Green Building Council's Communities Green Star Tool, making it easier for Stockland teams to deliver Green Star projects as part of our wider business strategy relating to Green Star certifications.

As part of the process, we intend to deliver a survey to all those Contractors who completed the modules as part of working on Stockland Masterplan Communities. This will enable us to track the benefits of the modules and identify any potential improvements and other areas of supplier awareness that we could address.

Corporate procurement

Our supply chain management activities extend to corporate procurement, where we seek to influence sustainability outcomes via the purchase of goods and services for our own workforce.

With a human rights issue review completed in FY18 that highlighted 11 risks and opportunity areas and validated supply chain as the highest human rights risk for our business, Corporate Procurement's FY19 focus was assessing and addressing risk in our supply chain against our What Stockland Expects from Its Suppliers Policy.

A key to sustainable procurement and addressing risk is knowing your supply chain. As part of developing and readying the business for adoption of the procurement management system Corporate Procurement has undertaken data analysis to improve group oversight of suppliers and how we work with them to deliver sustainable, cost effective services.

Over the past year, we have also continued working with indigenous suppliers. Our achievements related to indigenous procurement are detailed in our [Human Rights Deep Dive](#).



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, click here.

Waste and Materials

FY19

Why this is important to Stockland

We understand we have a role to play in protecting and enhancing the natural, built and human environment. We acknowledge that the development and operation of buildings account for large quantities of waste and material usage, which we can manage, to minimise negative impacts.

Waste treatment and disposal can have a major impact on the surrounding environment. Examples include nutrient pollution of groundwater and waterways, air quality issues from incineration, and greenhouse gas emissions from landfills. We take these impacts very seriously and are committed to managing our waste efficiently. We seek to reduce, reuse and recycle our waste whenever feasible, minimising our contribution to landfill.

We acknowledge the finite nature of resources and the limited opportunities to dispose of waste. As such, we seek opportunities to implement and transition to a more circular economy, closing material loops through recognising that waste has a value and designing for reuse and regeneration. We equally acknowledge that the use of virgin materials can have significant impacts on environmental and human health. By specifying the use of ecologically and health preferable materials and recycled materials in our developments, we are able to deliver tangible environmental, social and business benefits.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ The material in this Deep Dive is supported by a wider collection of performance metrics contained in our [Environmental Data Pack](#).

This Deep Dive is to be read in conjunction with our published approach to waste and materials, available as part of our sustainability reporting suite at [Our Management Approach to Waste and Materials](#).



Our key achievements

- Diverted 94 per cent of waste from landfill across our Retail Town Centre developments, outperforming our waste target.
- Diverted 98 per cent of waste from landfill across our Residential developments, outperforming our waste target.
- Diverted over 90 per cent of waste from landfill at our Birtinya (Qld) and Newport (Qld) retirement living developments.

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

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FY19 priorities and progress

Commercial Property

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve a minimum 45 per cent waste diversion from landfill for Retail Town Centre, Workplace operations (by FY20).	In Progress	Currently at 38 per cent for Retail Town Centres and 29 per cent for Workplaces. A new waste contract will see greater landfill diversion rates across multiple waste streams in FY20.
Achieve a minimum 90 per cent waste diversion from landfill for developments seeking Green Star – Design & As Built certification.	Achieved	Diverted 94 per cent per cent of waste from landfill across our Commercial Property Retail Town Centre redevelopments at Birtinya (Qld) and Baringa (Qld).
Investigate the delivery of Pulpmaster organic waste management systems across more of our retail town centres.	In Progress	We are investigating the performance of the Pulpmaster systems at Stockland Merrylands (NSW) and Wetherill Park (NSW) to gain an understanding of its operations in a larger retail asset.

Communities

Residential

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Achieve a minimum 60 per cent waste diversion from landfill for all new residential construction contracts by FY20.	In progress	Diverted 98 per cent of construction waste from landfill across our Residential communities in FY19.
Develop and embed sustainable timber and concrete specifications into new civil/landscape contracts.	Complete	We have developed a civil contractor sustainability schedule that specifies sustainability requirements for aspects such as materials, waste, and environmental management.
Expand application of our sustainability contractor schedule from civil contracts to include built form contracts.	In Progress	During the year we embedded our energy and water sustainability targets into our built form design and delivery templates. The next step will be to expand to other environmental and social initiatives.
Develop a partnership with an environmental organisation to develop and pilot resident operational waste management across our communities.	Achieved	During the year we fostered partnerships with Compost Revolution, the O Initiative, and Terracycle and will pilot the partnerships during FY20.

Retirement Living

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Undertake a portfolio waste and recycling review and identify the top three waste generating retirement living communities based on cost and quantity of waste diverted from landfill.	Achieved	In preparation for a new waste and recycling contract to be implemented as of 1 July 2019, a portfolio review of 31 villages was undertaken. The remainder of the villages will be reviewed and rolled into new contract upon completion of existing contracts.
Conduct a minimum of one life cycle assessment (LCA) on a Retirement Living development project in FY19.	Not Applicable	There were no new Retirement Living development projects for FY19, therefore no opportunity to deliver this priority.

Future priorities

Group

- Develop our next phase of long term waste and materials targets (FY21-23).

Commercial Property

- Achieve a minimum 45 per cent waste diversion from landfill for Retail Town Centre, Workplace and Business Parks operations (by FY20).
- Achieve a minimum 85 per cent waste diversion from landfill for Retail Town Centre, Workplace and Business Parks developments (by FY20).
- Achieve a minimum 90 per cent waste diversion from landfill for developments seeking Green Star – Design & As Built certification.
- Embed new waste contract with Waste Options and track performance against contract criteria for reporting and landfill diversion.
- Review operational waste and recycling performance and opportunities across Sydney Head Office.

Communities

Residential

- Achieve a minimum 60 per cent waste diversion from landfill for all new residential construction contracts by FY20.
- Extend our application of our sustainability contractor schedule from civil contracts to include Stockland built form contracts.
- Develop a partnership with an environmental organisation to pilot resident operational waste management across our communities.

Retirement Living

- Embed new contract with Waste Options and implement three new initiatives across portfolio.
- Set a portfolio waste diversion target for FY21 across villages included in Waste Options contract.

FY19 performance and case studies

Development waste

Commercial Property

Our Retail Town Centre development projects in FY19 included the final stages of construction at Stockland Birtinya and the commencement of construction at Stockland Baringa, both on the Sunshine Coast (Qld). Both are registered Green Star Design and As-Built projects targeting 5 stars, so construction waste targets are core commitments for the developments, with a target diversion rate of 90 per cent.

Stockland Birtinya achieved a rate of 97 per cent of construction waste diverted at the completion of the project. While not due for completion until late 2019, Stockland Birtinya has achieved a waste diversion rate of 93 per cent to date.

RETAIL DEVELOPMENT WASTE PROFILE (TONNES)

	FY19	FY18	FY17	FY16	FY15
Total waste	878	4,371	1,396	3,253	6,428
Waste recycled	829	3,910	678	2,684	5,940
Waste to landfill	50	461	718	569	487
Diversion from landfill (%)	94%	89%	49%	83%	92%
Developments included (% by project value)	100%	100%	96%	100%	100%

Communities

Our FY19 diversion from landfill rate for residential masterplan developments was 98 per cent, which exceeds the target rate of 60 per cent. The total waste generated has continued to decline (compared to previous years) due in part to improved management of waste on site and because several larger residential community projects no longer require the export of large amounts of debris from site. We have a number of excellent individual project results, such as Aura (Qld), where 100 per cent of plastic was able to be recycled.

Examples of waste reduction and diversion through civil and landscape works include:

- **Timber:** Timber is commonly mulched and reused for landscape establishment, weed management and stabilisation. Timber is also reused on site to create nature play spaces, such as at Sienna Wood (WA), or to create landscape furniture, such as at Stoneridge (Qld). Timber and excess rock has also been used in natural area rehabilitation works at Whiteman Edge (WA), and as riparian corridor restoration and nesting box construction at Willowdale (NSW).
- **Topsoil and fill materials:** We also manage materials onsite through reuse of fill materials, for example at Vale and Foreshore (Qld), where civil works materials were balanced across the site. We also reuse topsoil removed from roadways and construction areas to improve soil quality and depth at landscape and open space areas. Where we have surplus concrete or asphalt, we have crushed and reused it onsite, for example in retaining walls and in the construction of community gardens, such as at Calleya (WA).
- **Buildings and materials:** We will often reuse or repurpose our sales centres instead of removing them once no longer required. For example, we have recently rebranded our North Lakes (Qld) retirement living village sales and information centre, to support our residential Promenade project at Rothwell (Qld).

The below table summarises the waste streams from our greenfield Communities developments².

COMMUNITIES DEVELOPMENT WASTE PROFILE (TONNES)

	FY19	FY18	FY17	FY16	FY15
Total waste	41,093	19,625	41,237	35,424	82,033
Waste diverted from landfill	40,430	18,441	39,923	33,881	78,415
Waste sent to landfill	663	1,184	1,314	1,542	3,617
Diversion from landfill	98%	94%	97%	96%	96%

² Data on construction waste generated by contractors at sites where we do not have operational control (e.g. brownfield or sites with a single principal contractor) is not collected or reported. Note that due to the nature of greenfield developments, the waste figures generated on a per-year basis do not necessarily reflect the level of activity for that year as waste can be stored for a period of time onsite until reused or exported offsite to landfill when the space becomes unavailable.

CASE STUDY

Showcasing waste at Sustainable Park

Our Highlands community, nestled in the heart of Melbourne's northern outer ring suburb of Craigieburn, has a long history of demonstrating leading sustainability initiatives. One winding street, known as Sustainable Drive, is dedicated to bringing to life various opportunities for residents to demonstrate their community commitment to living greener. Among the initiatives are 7 star energy efficient homes, solar and battery offers for residents, and homes demonstrating Livable Housing Australia Gold Standard accessibility ratings.

Waste management and reuse of materials is also a big ticket at Sustainable Drive, including through the design and construction of Sustainable Park. The recently opened Sustainable Park, located on Sustainable Drive, is a 1.5 hectare public park and playground for the community that has been constructed from recycled materials from in and around the community. The playground's centre piece is called "The Nest", a spiral staircase tower surrounded by stick cladding collected from around Highlands. Concrete steps, timber animals, carved logs, tree sculptures, musical instruments and tyre spinners make up the play space. The park makes use of and recycles old construction materials such as rocks, reclaimed house bricks, concrete pipes and pillars and tyres.

Opportunities for residents to manage their own waste is also a key theme on Sustainable Drive. A local business "Big Bio", focuses on 'Circular Food'. They turn food waste into fertiliser using industrial worm farms. For Sustainable Drive residents, Stockland is offering packages to each home of products from Big Bio including a compost bin, a worm farm and organic fertiliser.

Operational waste

Commercial Property

In FY19, we continued to monitor and analyse our waste data streams to understand where opportunities exist to further improve the levels of recycling at our Retail Town Centre, Workplace and Business Park sites. Our Retail Town Centre operations diverted 38 per cent of waste from landfill, while our Workplace and Business Parks operations diverted 29 per cent of waste from landfill, falling short of our 45 per cent diversion targets.

To improve our waste diversion in FY20 we have embedded a new waste contract with Waste Options and will track performance against contract criteria for reporting and landfill diversion. The principle contract arrangement allows for standardised reporting across the portfolio and optimisation of costs.

Our continued focus on waste management across our portfolio, combined with enhanced data quality and completeness from our waste contractors, will assist us to meet our FY20 target of 45 per cent diversion.

OPERATIONAL WASTE (TONNES)

	RETAIL TOWN CENTRES					WORKPLACES				
	FY19	FY18	FY17 ³	FY16	FY15	FY19	FY18	FY17 ³	FY16	FY15
Total waste	17,265	17,577	17,351	17,895	16,717	1,007	1,043	1,193	1,182	1,298
Total waste to landfill	10,768	11,730	11,969	10,858	11,537	712	661	739	680	806
Total waste recycled	6,497	5,846	5,382	7,038	5,181	295	383	454	502	491
Diversion from landfill (%)	38	33	31	39	31	29	37	38	42	38
% portfolio reporting	97	97	95	95	95	85	85	85	100	80

The quality of our waste data is dependent on the quality of data provided to us by our waste contractors. We have been working closely with our waste contractors over the last year to incorporate the new Better Buildings Partnership (BBP) Operational Waste Reporting Guidelines, as developed by the City of Sydney into our future waste contracts. This provides consistency in the quality and standard of the data being reported across our portfolio. We engaged a specialised waste consultant in FY19 to help monitor, reconcile and interrogate the waste data and further improve the accuracy and quality of the information that is provided by our contractors. We will continue to focus on opportunities in organics recycling to help improve waste diversion rates by the end of FY20.

³ FY17 results restated due to contractor data reporting error.

In FY19 we continued our operation of Pulpmaster systems at Stockland Wetherill Park (NSW), Stockland Merrylands (NSW) and Stockland Cleveland (Qld). Pulpmaster systems process organic waste on site and enable cost reductions and improved diversion rates where they are used. In FY20 we will investigate opportunities for more organics recycling at our Retail Town Centres.

Retirement Living

In FY19, we completed a national tender to engage a head contractor responsible for waste and recycling services under an integrated waste management services agreement for those retirement communities, retail town centres and workplace and logistics assets that have current contractual arrangements expiring at the end of the financial year. As part of this process, we incorporated the Better Buildings Partnership (BBP) Operational Waste Reporting Guidelines, which was developed through an industry partnership with the City of Sydney; 31 retirement communities were included in the tender.

In FY20 we will establish a portfolio performance baseline to monitor, reconcile and interrogate the waste and recycling data and further improve the accuracy and quality of the information that is provided by our contractors. This information will be used to develop portfolio-wide diversion targets and assess organics and battery recycling opportunities to help improve waste diversion rates by the end of FY21.

Materials

There has been continued industry attention to the role of non-conforming and non-compliant building materials as well as materials that carry a lower environmental footprint, both in the context of supply chain verification and asset management. We undertake comprehensive materials verification processes in our construction projects, including using a materials verification register. This materials register outlines the minimum verification and certification requirements in regard to the materials' quality, human rights practices, environmental standards and health standards. We have also been responsive to new and anticipated legislation relating to façade cladding on our existing asset portfolio.

Initiatives implemented in FY19 to reduce the impacts of materials in our developments include:

- Completion of our sustainability contractor schedule establishes a baseline suite of sustainability initiatives that we will require in new civil contracts. The schedule also includes opportunities for project-specific initiatives to be delivered through our contractor partners. The schedule enables us to be clear on our waste management and product and material selection expectations for each development. The schedule is now being piloted on our Calleya (WA) project in Western Australia and will be rolled out at one New South Wales and one Queensland project in FY20.
- On our Western Australia projects, we utilise "Green Concrete" or concrete where traditional aggregates are substituted for Fly Ash. Similar products, Ultramax and E-crete, are being used at Cloverton and Highlands (Vic). We began investigating options for substituting raw materials such as aggregates from coal by-products and recycled plastics in our construction processes such as roadways and pavements. We will continue to work with suppliers in FY20 on product availability and appropriateness for use on selected projects.
- Other products being trialled and increasingly being used in our projects include biodiesel substitute in lieu of traditional diesel. At our North Shore (Qld), Altrove (NSW) and Highlands (Vic) projects we are installing recycled plastic landscape elements such as garden edging bollards and seating. At Foreshore we have successfully trialled a water based prime in paving construction instead of traditional oil based prime, reducing contamination risk to the surrounding wetland.
- In partnership with the Supply Chain Sustainability School we developed the "Sustainable Procurement for your Supply Chain" online education module aimed at project teams who want to improve their knowledge of Sustainable Procurement opportunities.

CASE STUDY

Empowering residents in the war on waste

Creating and shaping sustainable, resilient communities that thrive now and into the future means we need to put our customers at the heart of our decisions, involving them in the process from start to finish. In our residential developments, we are empowering residents in their communities to make a tangible difference in fighting the war on waste, with three new initiatives at Highlands.

The O Initiative - a global movement providing water refill fountains which double as a work of art.

O fountains are beautifully designed sculptures that provide filtered water, to encourage the use of reusable bottles. At Stockland Highlands, we invited local artists to express their interest in transforming a blank O Initiative fountain into a piece of art, with community members voting on their favourite design. Artwork submissions were required to align with Stockland's core values, and make reference to themes of community, health, environment and conservation.

James Westh, Project Director, said the Highlands O fountain would encourage conversation and community engagement at Highlands, while providing a platform for a local artist to showcase their work. "The concept of the O Fountain is to encourage residents and visitors to use refillable water bottles or top-up dog bowls when they are out, to help reduce the need for single use plastic water bottles that end up in landfill and pollute our oceans and waterways."

The first O initiative refill station at a Stockland community will be installed at the new Sustainable Park in Spring 2019, with more planned for roll-out during FY20.

Compost Revolution - delivering composting gear to the doors of our residents

Since 2012, over 42,000 households across Australia have joined the Compost Revolution by diverting their food scraps from landfill, diverting an average of 2.3kg of food waste per household per week. Not only has this saved an estimated \$2.1 million in waste collection costs for councils and ratepayers, but has also prevented over 18,000 tonnes of greenhouse gases being released into the atmosphere in the form of methane (which drives climate change 25 times faster than carbon dioxide).

We are joining forces with Compost Revolution as part of a 12 month pilot, providing residents in our communities the opportunity to obtain free equipment to begin their composting journey. Residents at Elara and Altrove (NSW), Cloverton (Vic) and Calleya (WA) will have the opportunity to sign up for a product of their choice and an online tutorial program to provide education and support along the journey to reducing both food wastage and their carbon footprint.

Terracycle – solutions for 'hard to recycle' items

When a resident in our 6 Star Green Star Community at Cloverton (Vic) asked our team whether we could explore TerraCycle as a recycling option, we didn't hesitate. TerraCycle is an organisation that through a variety of recycling platforms, help find solutions for almost all waste. Our Cloverton residents completed a survey to determine the top ten items that they would like to see recycled, with top answers including toothpaste tubes, coffee pods, and batteries.

A prototype design is now underway to provide residents with a simple and easy way to drop off such items. Once a box is filled, it is shipped to TerraCycle who ensure the items are appropriately recycled, such as being 'upcycled' into new products. The unit will be launched in late 2019, with an opportunity for residents to earn TerraCycle points which are redeemable for charitable gifts, TerraCycle products, or a donation to a school or non-profit of the community's choice.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Water Management

FY19

Why this is important to Stockland

Water is essential for environmental and social health. It also enables us to develop and manage our assets and plays an important role in making our communities and assets attractive, healthy and efficient places in which our customers want to live and work.

Australia's climate is characterised by variability, featuring long-term drought, water scarcity (often resulting in water restrictions) and severe flooding. As a responsible property developer, we constantly consider where water is sourced, how efficiently it is used and how quantity and quality is managed. We maintain a strong focus on water management and quality in the development and operation of our assets, including improving the quality of rainwater runoff leaving our project sites, access to alternate water infrastructure and practical innovation to support more efficient water use.

Maintaining effective water management systems to minimise consumption and manage water quality is a key priority. Effective systems deliver significant benefits to the environment and promote performance and cost efficiencies across our projects and operations.

This Deep Dive document is a component of our FY19 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is third-party assured and drafted in accordance with the GRI Standards.¹ The material in this Deep Dive is supported by a wider collection of performance metrics contained in our [Environmental Data Pack](#).

This Deep Dive is to be read in conjunction with our published approach to water management, available as part of our sustainability reporting suite at [Our Management Approach to Water Efficiency and Quality](#).



Our key achievements

- NABERS Water ratings undertaken on our Retail Town Centre portfolio, the area weighted portfolio average has improved at 3.5 stars (3.18 stars in FY18).
- Reduced water intensity of our Retail Town Centre portfolio by 4 per cent compared to our FY17 benchmark.
- Installed 17 water sub-meters across 11 logistics assets.
- 15 of our sales offices and other facilities are now connected to either rainwater or centralised recycled water supply.
- Achieved an 8 per cent improvement over local compliance requirements exceeding our Residential Built Form water consumption target by 3 per cent.

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

In this document you will find:

FY19 priorities and progress

2

FY19 performance and case studies

3



FY19 priorities and progress

Commercial Property

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Reduce water consumption by five per cent by FY20 in our Retail Town Centre portfolio (against FY17 benchmark).	In progress	We achieved a water intensity reduction of 4 per cent against FY17 for our Retail Town Centre portfolio
Reduce water consumption by five per cent by FY20 in our Workplaces portfolio (against FY17 benchmark).	In progress	We achieved a water intensity reduction of 3 per cent against FY17 for our Workplaces portfolio
Achieve a NABERS Water portfolio average of 3.5 stars for our Retail Town Centre portfolio by FY20.	Achieved	Our NABERS Water average for our Retail Town Centre portfolio is 3.5 stars (up from 3.18 stars at end of FY18).
Achieve a NABERS Water portfolio average of 4 stars for our Workplaces portfolio by FY20.	In progress	Our NABERS Water average for our Workplaces portfolio is 3.44 stars (down from 3.57 stars at end of FY18). The decline is attributable to increased vacancy in the portfolio and the exclusion of the Optus Campus (Sydney) from the average whilst we reconcile data from metering systems.

Communities

Residential

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Exceed relevant minimum water consumption compliance standards by five per cent by FY20 in our residential communities.	In progress	We achieved an 8 per cent improvement on water consumption compliance exceeding our residential built form target by 3 per cent.
All new residential master planned communities and built form projects over 500 dwellings to deliver the following modelled water quality targets when discharging water from our site into natural water systems: <ul style="list-style-type: none"> 45 per cent reduction in nitrogen 65 per cent reduction in phosphorus 85 per cent reduction in suspended solids 	Not achieved	We modelled the water quality performance of our Minta project (Vic). Overall the treatment system at Minta is designed to achieve nitrogen reduction of 46.3 per cent, phosphorous reduction of 70.1 per cent and suspended solids reduction of 83.1 per cent.
Continue to progress the feasibility study for Sienna Wood (WA) recycled water project.	Achieved	The Feasibility Study for Sienna Wood (WA) is complete and concluded the delivery of recycled water to Sienna Wood is not feasible due to existing cost effective availability of water supply.

Retirement Living

FY19 PRIORITIES	STATUS	FY19 PROGRESS
Establish a water efficiency program that embeds the recommendations derived from the sub-metering and monitoring pilot and seeks to achieve a five per cent water efficiency target for villages with sub-metering by FY20.	In progress	We have identified water efficiency opportunities resulting from the sub-metering and monitoring program currently underway. Our pilot sub-metering and monitoring program has led to a 13.7 per cent increase in water consumption at Tarneit Skies (Vic) and 36 per cent decrease in water consumption at The Willows (NSW).



Complete an operational efficiency review of our three most water intensive retirement living communities. In progress

Monitoring is currently ongoing at Tarneit Skies and The Willows retirement villages to improve data for the establishment of benchmarks. Alternative monitoring solutions are being reviewed.

Future priorities

Group

- Develop our next phase of long term water targets (FY21-23).

Commercial Property

- Reduce water intensity by five per cent by FY20 in our Retail Town Centre portfolio, and in our Workplace and Business Parks portfolio (compared to FY17 baseline).
- Achieve an average NABERS Water rating of 3.5 stars for our Retail Town Centre portfolio, and 4 stars for our Workplace and Business Parks portfolio by FY20.

Communities

Residential

- Exceed relevant minimum water consumption compliance standards by five per cent by FY20 in our residential communities.
- All new residential master planned communities and built form projects over 500 dwellings to deliver the following modelled water quality targets when discharging water from our site into natural water systems:
 - 45 per cent reduction in nitrogen;
 - 65 per cent reduction in phosphorus; and
 - 85 per cent reduction in suspended solids.
- Develop new water quality targets for FY21 and beyond.

Retirement Living

- Exceed relevant minimum water related compliance standards by 5 per cent for all new developments commencing within FY18-20.
- Portfolio wide water monitoring options for common areas are continuing to be reviewed.

FY19 performance and case studies

Commercial Property

NABERS Water Ratings

Following the NABERS Water ratings undertaken in FY19 on our Retail Town Centre portfolio, the area weighted portfolio average has improved at 3.5 stars (3.18 stars in FY18). Seven assets out of 23 received an improved rating while five assets received a lower rating.

Following the NABERS Water ratings undertaken in FY19 on our Workplace and Business Parks portfolio, our combined portfolio average is 3.47 stars. This is a reduction on FY18 (2.57 stars), as a result of decreased average in our Business Parks portfolio due to the exclusion of the Optus Campus from certification.

More information on our NABERS ratings is provided in our [Asset Rating and Certification Deep Dive](#).

Initiatives and performance metrics

In FY19 we continued to see the benefits of our comprehensive sub-metering network across our commercial property assets, noting that it resulted in a savings of 83,000kL (in prevented leaks) over the course of the year. Further we installed additional water sub-meters across 11 logistics assets with a total of 17 meters to assist with water management.



We track our water consumption on a per square metre intensity basis as a means of taking divestments and investments into account when considering our water consumption. The table below outlines our year-on-year water intensity in commercial property over the last five years.

COMMERCIAL PROPERTY WATER CONSUMPTION INTENSITY (kL/m²)

	FY19	FY18	FY17	FY16	FY15
Workplaces ²	0.62	0.67 ⁵	0.64	0.65 ³	0.58
Retail Town Centres	1.05	1.04	1.09	1.11	1.1
Commercial Property⁴	0.96	0.96	0.95	1.00	0.96

COMMERCIAL PROPERTY ANNUAL WATER INTENSITY CHANGE FROM PRIOR YEAR

	ANNUAL INTENSITY CHANGE (%)				
	FY19	FY18	FY17	FY16	FY15
Workplaces	-7%	5%	-5%	12%	-8%
Retail Town Centres	1%	-5%	-2%	0%	0%
Total Commercial Property⁵	0%	1%	-5%	4%	-2%

Communities

Residential

Residential contractor water data varies from year to year due to activities such as filling lakes in large developments and location-specific variables such as natural rainfall, project life cycles, market conditions, site management techniques and local landscaping requirements set by councils. Further, contractors self-report water data and we do not review each contractor's data collection processes. From FY16, we upgraded our contractor templates to enhance reporting processes and to notify contractors if water usage falls outside an expected range.

Water efficiency

Our current Residential water targets (set in FY17) focus on the performance of built form product which is under our control. These targets aim for a five per cent improvement in the performance of built form product, by FY20, compared with existing water reduction compliance benchmarks established by regulation within the states where we operate. We model and analyse the performance of our built form product in our residential communities to understand water-related initiatives that we could include in our designs, to exceed compliance requirements by five per cent or more. We investigated initiatives including use of recycled water, inclusion of water tanks, and water efficient appliances (such as showerheads, taps, and toilets). As an example, we modelled and analysed the performance of 318 homes constructed during FY19. This year we achieved 8 per cent improvement against water benchmarks. The result is largely attributable to the installation of water efficient fixtures, installation of rainwater tanks and efficient landscaping.

Other water efficiency initiatives delivered in FY19 include:

- The collection of rainwater runoff in basins for reuse for purposes of dust suppression at our South East Queensland projects including Newport, Vale, Pallara, Augustine Heights, Highland Reserve, Pallara and Foreshore.
- Connection of 15 of our sales offices and other facilities to either rainwater or centralised recycled water supply.

² Water consumption (and the associated intensity and annual intensity change) has been amended for the Business Parks portfolio for FY17 and FY18. Inconsistencies with the water meter were identified and as a result, sub-metering data has been used to provide a more accurate reflection of actual consumption. Annual movements relate to water leaks identified.

³ Water usage increase in FY16 was due to various water leaks and an increase in irrigation due to new landscapes.

⁴ Consumption intensity data calculated based on Workplace and Business Parks, and Retail Town Centre consumption figures only. Does not include Logistics.

⁵ Consumption Intensity data calculated based on Workplace and Business Parks, and Retail Town Centre consumption figures only. Does not include Logistics.

⁵ Increase due to water leak at Optus Campus



- Use of low water tolerant species such as Australian native plants in our landscaping, public open space and verges at Willowdale (NSW), Whiteman Edge (WA), Sienna Wood (WA), and Sovereign Pocket (Qld). Parks in Western Australia, such as Sienna Woods, were also delivered during Winter to improve water saving and survival rates of landscaping.
- In-ground rainwater tanks were installed on all our Medium Density Homes at our Altrove project in north west Sydney.
- At Calleya in Western Australia, we require all front landscaping to be designed in accordance with WA Water Corporations Water Wise Garden standards.
- At Aura on the Sunshine Coast, we provide education opportunities for new residents via access to information about water efficiency at display villages and as part of our new resident welcome packs.
- We include non-potable water irrigation options in our developments. As an example, the irrigation of open space at Cloverton in Victoria is serviced by recycled water.
- We have installed recycled water piping to future proof the project at Grandview in Victoria.

Water quality

We use water sensitive urban design (WSUD) strategies at our residential developments to minimise the impact these developments have on water quality. In FY19, one project, Minta (Vic), moved into the development stage where we mandate the development WSUD strategy. The project is split into two catchment areas, of which one of the catchments falls within a larger catchment strategy prepared by Melbourne Water, and does not require delivery of stormwater management assets within our project site. Stormwater treatment is achieved via wetlands downstream of the project site, which is funded via an area contribution scheme aimed to achieve best practice stormwater management targets for the region. The results of stormwater design for the portion of the site, or the catchment that falls within our control is shown in the table below. Minta will achieve 46.3 per cent (target 45 per cent) nitrogen reduction, 70.1 per cent Phosphorus removal (target 65 per cent) however slightly less than the Suspended Solids target with 83.1 per cent (target 85 per cent).

We also minimise pollution during construction through delivery of sediment and erosion control plans. Water runoff is captured in basins and treated with flocculants to allow suspended solids and pollutants to settle out of the water column.

Retirement Living

Our water sub-metering and monitoring pilot at Tarneit Skies (Vic) and The Willows (NSW) has continued in FY19. The pilot allows closer interrogation of water usage at the village level, helping to identify any abnormal changes in water consumption and trends for usage during the day. We continue to target a five per cent water efficiency improvement for the FY18 to FY20 target period for those villages included in the sub-metering pilot and seek efficiency opportunities that can then be scaled across our operational retirement village portfolio.



CASE STUDY

Using technology to save both water and costs

Australia's changing climate is placing increased pressure on companies and communities alike, with issues of water inequity, quality and drought negatively impacting large areas across the country. As a developer, owner and operator of assets, the efficient consumption and management of water resources is an important issue for Stockland, our communities, and our customers.

We utilise third party technologies and processes to real-time monitor our water consumption, allowing issues such as leaks and other faults to be identified, escalated and resolved in the most effective way possible. This also allows us to assess if our building management systems are running in the most efficient conditions, providing opportunity to optimise them throughout the year. These monitoring systems have saved us \$357,000 dollars throughout FY19. Some key examples of where issues were detected and resolved at three of our Retail Town Centre's include:

1. Optimisation of hot water use

At Stockland Harrisdale (WA) system algorithms noticed constant running water from the main water meter. It was identified that there was a similar use of electricity in the hot water heaters, pointing to a potential correlation of resource consumption. Further investigations revealed that the hot water was being use for frequent grease flushing, which was then able to be limited to flushing after business hours only. It was recommended to limit the operation to four hours, with timers in place to ensure this was followed.

2. Leaks in irrigation

At Stockland Shellharbour (NSW), system algorithms detected unusual water use activity, consisting of constant running water from one of the water meters to external taps. After notifying the site team, an investigation determined that there were irrigation leaks in the garden, which was able to be rectified by the gardeners. From notification to resolution, the issue was closed out in less than two days.

3. Cooling tower fault detection

At Stockland Rockhampton (Qld), system algorithms detected constant running water from one of the cooling towers, which are used primarily for cooling and ventilation of the centre. A contractor was able to investigate on site and determined that a faulty sump pump was dumping water from one of the cooling towers, causing water to be constantly filling up the tower.

Maintaining effective water management systems to minimise consumption and ensure high water quality standards are crucial to driving cost efficiencies, improving operational performance and minimising the environmental footprint of our assets, from development through to operation.



To access the complete list of documents in Stockland's Sustainability Deep Dive Series, [click here](#).

Community Data Pack

FY19

Background notes

We report our community data holistically, given that our approach to investing in our community is consistent across all our business units. We do however provide breakdowns by business unit when discussing investments and initiatives at asset level.

The data contained in this data pack, and in our FY19 sustainability reporting more broadly, has been third-party assured.

Overview

Our community data presents the total value of our strategic community investment activities delivered via:

- **community development** – our strategic approach to delivering infrastructure and social programs in partnership with not-for-profit organisations in the areas of health and wellbeing, community connection and education in and around our assets.
- **community investment** – our long-term strategic involvement in community partnerships and programs that address social issues and opportunities through employee engagement programs.
- The **Stockland CARE Foundation** – a charitable trust established for the purposes of improving the health, wellbeing and education of Australian communities.

In FY19, we invested over \$8.3 million through our community development and community investment programs, through the Stockland CARE Foundation, and through facilitating stakeholder contributions and the provision of space.

Total community contribution

The table below outlines Stockland's total community contribution from community development, community investment and the Stockland CARE Foundation. The total community contribution as verified by the London Benchmarking Group is \$7,410,921.

		FY19	FY18	FY17	FY16	FY15
COMMUNITY DEVELOPMENT						
National partnerships	Financial contributions made to not-for-profit organisations that are national community development partners of Stockland	\$908,483	\$742,296 ¹	\$457,985	\$290,638	\$206,750
Stockland CARE Grants	Financial contributions made to not-for-profit organisations that were successful in receiving a Stockland CARE Grant	\$590,830 ²	\$560,292	\$303,714	\$325,750	\$218,500

² This is made up of 267 grants to the value of \$286,000 to local communities surrounding Stockland assets. In addition, we provided 10 grants in FY19 to the Aura residential community of \$304,830.

In this document you will find:

Our community partnerships, programs and resources 4

National partnerships 8

Community development 5

National community development projects 17



		FY19	FY18	FY17	FY16	FY15
Asset based contributions	Financial support provided to local community organisations from a Stockland residential, commercial property or retirement living asset or project	\$1,975,324	\$1,971,895 ³	\$2,551,436	\$3,435,802	\$2,136,776
Community Infrastructure	Community infrastructure to promote accessibility and inclusion e.g. Inclusive playspaces, quiet rooms and adult change facilities	\$1,365,703	\$1,460,223 ⁴	NA	NA	NA
Total community development		\$4,840,339	\$4,734,707	\$3,313,135	\$4,052,189	\$2,562,026
COMMUNITY INVESTMENT						
Workplace giving	Total matched donations made by Stockland through Stockland's workplace giving program	\$134,971 ⁵	\$138,366 ⁶	\$251,197	\$87,584	\$84,988
In-kind donations	Total donations of non-financial goods to not-for-profit organisations including land, property and casual mall leasing space	\$83,239 ⁷	\$26,801	\$617,414	\$708,926	\$1,043,493
Corporate donations	Ad-hoc community donations made on behalf of Stockland Development and/or Stockland Trust	\$233,611	\$315,153	\$280,947	\$289,277	\$124,762
National community investment partnerships	Financial support given to not-for-profit organisations that support the delivery of volunteering opportunities for Stockland employees	\$110,000	\$126,000	\$130,000	\$104,500	\$71,500
Volunteering	Value of the number of hours logged from personal and team volunteering and student mentoring	\$403,295	\$382,477	\$213,720	\$238,285	\$122,725
Stockland CARE Foundation	Transfer of funds by Stockland to the Stockland CARE Foundation Trust and grants distributed to Stockland CARE Foundation beneficiaries	\$200,000	\$200,000	\$200,000 ⁸	\$4,200,000	\$4,000,000
	Donations made to Stockland CARE Foundation partners as a result of corporate contributions ⁹ and sponsorships	\$12,307 ¹⁰	\$33,790	\$176,034	\$80,095	NA
Total community investment		\$1,177,423	\$1,222,587	\$1,869,313	\$5,708,666	\$5,447,468
Management costs	Costs associated with the management and delivery of Stockland's community programs ¹¹	\$1,393,159	\$982,704	\$856,205	\$659,973	\$421,614
Total community contribution		\$7,410,921	\$6,939,998	\$6,038,651	\$10,420,828	\$8,009,494

³ In FY17, community infrastructure was included as asset based contributions. Due to the significant increase in Stockland's community infrastructure, such as inclusive playspaces, quiet rooms and adult change facilities, these have now been called out as a separate item.

⁴ This was reported as a part of asset based contributions in FY17. While the full cost of quiet rooms and adult change facilities have been included, we have only included 20 per cent of the full cost of designing and building the inclusive playspaces.

⁵ Of the \$134,971 total, \$96,329 went to CARE Foundation partners Redkite and Touched by Olivia/Variety NSW.

⁶ This amount decreased in FY18 as we included employee donations in FY17.

⁷ Up to FY17, this amount included the foregone revenue from providing Casual Mall Leasing space to community organisations at a reduced cost. Foregone revenue is now being reported separately as Provision of Space (foregone revenue) to align with London Benchmarking Group's reporting methodology.

⁸ This amount decreased in FY17 as the prior two years included a \$4 million investment in the Stockland CARE Foundation corpus. An ongoing investment of \$200,000 was made in FY17 and FY18 and this contribution will be made annually.

⁹ Does not include partnership contributions.

¹⁰ Up to FY17, this figure included partner and asset fundraising. For FY18 and FY19, this is now reported under Stakeholder Contributions.

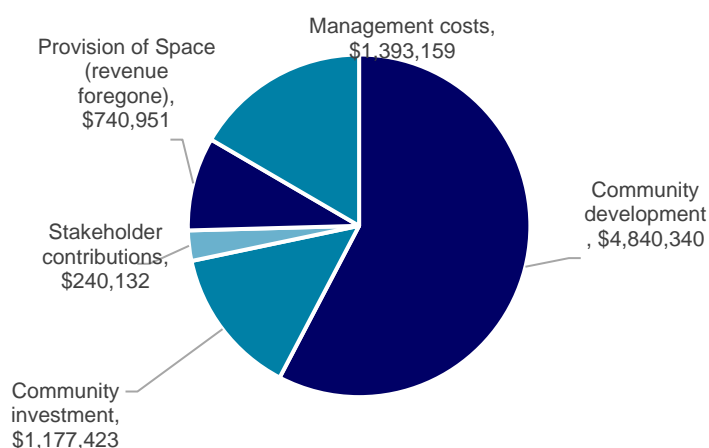
¹¹ Includes average salaries, costs associated with the development, design and delivery of Stockland's sustainability report, costs of running strategic community programs and training for community employees.



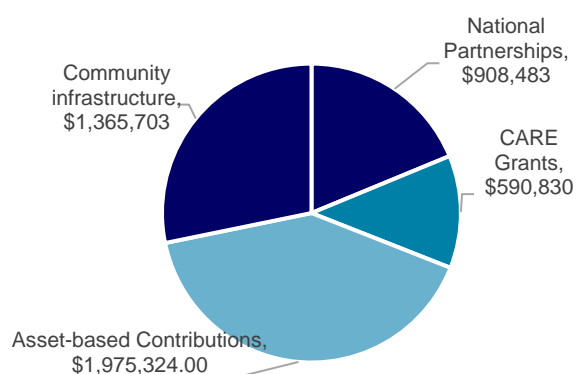
In addition to the items outlined above, we also facilitate community contributions through our stakeholders and through the provision of space, bringing our total community contribution to \$8,392,004.

OTHER CONTRIBUTIONS		FY19	FY18	FY17	FY16	FY15
Stakeholder Contributions	Employee, customer, supplier and contractor donations to CARE Foundation partners and other community organisations	\$240,132	NA	NA	NA	NA
Provision of space	Revenue foregone through the use of Casual Mall Leasing spaces by community organisations	\$740,951	NA	NA	NA	NA
Total community contribution including leverage items		\$8,392,004	\$7,776,317	\$6,038,651	\$10,420,828	\$8,009,494

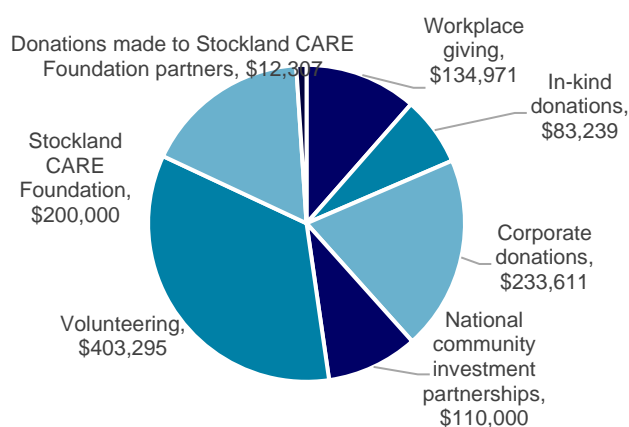
BREAKDOWN OF TOTAL COMMUNITY CONTRIBUTION AT STOCKLAND (TOTAL = \$8,392,004)



TOTAL COMMUNITY DEVELOPMENT SPEND (TOTAL = \$4,840,339)



TOTAL COMMUNITY INVESTMENT SPEND (TOTAL = \$1,177,423)



We continue to use London Benchmarking Group (LBG) to measure and benchmark our community activities. LBG capture all data relating to our community investments and allows us to put a dollar figure on our time, monetary support and in-kind donations to charities and community groups.



Our community partnerships, programs and resources

FOCUS AREA	PARTNER OR PROGRAM NAME	DESCRIPTION
Health and Wellbeing	Bowls Australia	Active lifestyle, learning opportunities and community connection through coaching clinics and masterclasses, along with health and wellness information sessions.
	Jamie's Ministry of Food	Provides healthy eating and good nutrition hands-on education programs and cooking schools through a permanent kitchen at Stockland Wetherill Park, Mobile Kitchen programs, Community Outreach programs, localised cooking demonstrations and Learn Your Fruit and Veg school holiday programs.
	Live Life Get Active	Weekly, community fitness classes provided free of charge to local Stockland residential communities.
	Heart Foundation	Walking groups that promote physical activity, emotional wellbeing and community connection held in and around Stockland retail, residential and retirement living assets.
	parkrun	Events for runners and walkers of all fitness levels at Stockland residential communities.
	Redkite	Provides essential support to children and young people with cancer (up to the age of 24), and their families from the hospital bedside to the family home.
Education	Australian Business and Community Network	Provides Stockland employees with opportunities to provide facilitated mentoring in high needs' schools around Australia.
	Australian Retailers Association	Training program for local community members to deliver retail ready accreditation.
	National Theatre for Children	Student education program focused on sustainability.
	Retail Ready	Retail training program run by the Australian Retailers Association (ARA).
Community Connection	The Big Issue	Provides a diverse range of supported volunteering experiences for Stockland employees to take part in across Australia.
	Conservation Volunteers Australia	Supported volunteering for Stockland employees to take part in conservation programs across Australia.
	Reconciliation Action Plan (RAP)	Our RAP outlines a set of organisation-wide commitments and actions to strengthen our relationships with and understanding of Aboriginal and Torres Strait Islander Peoples, cultures and communities.
	Stockland CARE Grants Program	Provision of one-off financial grants to local community organisations that deliver programs and initiatives in and around Stockland assets in the areas of health, wellbeing and education.
	Touched by Olivia Foundation	Provides engagement and consultation on design to deliver inclusive playspaces within and surrounding our Stockland communities.
	Variety – The Children's Charity NSW	Support children (0-18 years) who are sick, disadvantaged or have special needs. Variety provides support to families and organisations through grants, programs, scholarships and experiences.
	Link & Learn	Provides opportunity for residents in our residential communities to connect with one another through events and activities and learn new skills. Programs are planned to respond to the diversity of each community.

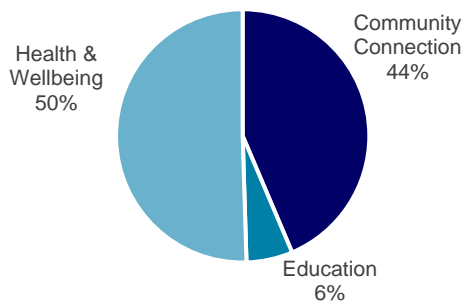


Community development

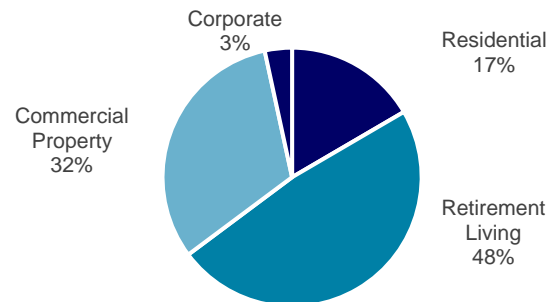
Asset and project initiatives

The following data has been collected as part of each project's community development or sustainability plan. The results provide a comprehensive review of all the community development initiatives successfully implemented at project and asset level throughout FY19. Data is provided for Commercial Property and Communities business units (with Communities broken down into Residential and Retirement Living asset classes). Results are also broken down against our three key community focus areas.

INITIATIVES BY FOCUS AREA (TOTAL = 1,236)



TOTAL INITIATIVES BY BUSINESS UNIT (TOTAL = 1,236)



NUMBER OF COMMUNITY DEVELOPMENT PLANS

	FY19	FY18	FY17	FY16	FY15
Commercial Property	39	37	38	40	34
Communities (Residential)	34	33	37	37	30
Communities (Retirement Living)	64	54	57	14	53

Asset and project based initiatives implemented in FY19

Asset and project-based initiatives are programs, events or other initiatives that are run in partnership with local organisations and causes or financial or in-kind contributions made to an organisation on behalf of Stockland.

	FY19	FY18	FY17	FY16	FY15
Commercial Property	393	391	265	334	294
Communities (Residential)	205	229	185	160	118
Communities (Retirement Living)	596	111	141	67	812
Corporate	42	51	49	Not reported	Not reported

Asset and project based initiatives by focus area

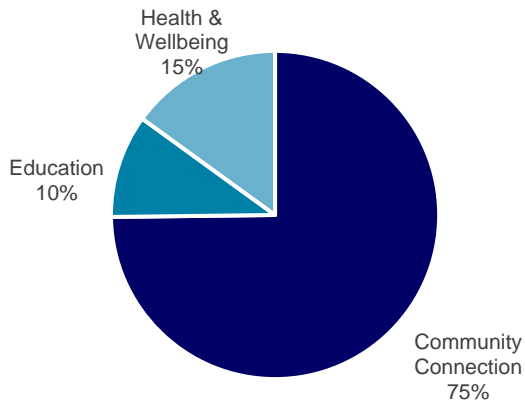
The table below outlines the asset and project based initiatives by community development focus area.

	FY19	FY18	FY17	FY16	FY15
Health and Wellbeing	624	175	206	145	399
Education	73	67	61	61	107
Community Connection	539	540	373	355	718

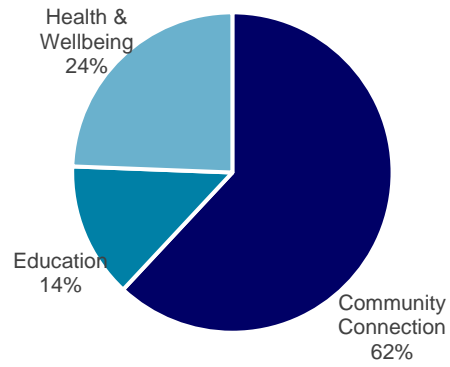


Asset and project based initiatives by focus area and business unit

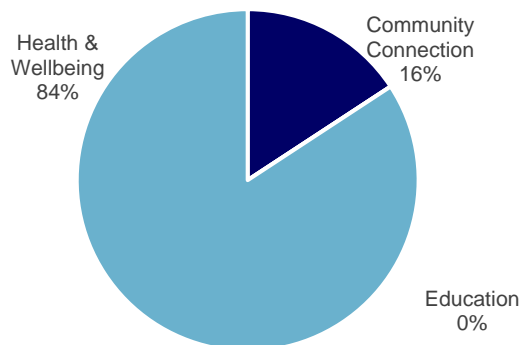
COMMERCIAL PROPERTY INITIATIVES BY FOCUS AREA (TOTAL = 393)



COMMUNITIES (RESIDENTIAL) INITIATIVES BY FOCUS AREA (TOTAL = 205)



COMMUNITIES (RETIREMENT LIVING) INITIATIVES BY FOCUS AREA (TOTAL = 596)





EXAMPLES OF PROGRAMS AND INITIATIVES DELIVERED AT PROJECT AND ASSET LEVEL

HEALTH AND WELLBEING	EDUCATION	COMMUNITY CONNECTION
COMMERCIAL PROPERTY		
<ul style="list-style-type: none"> • 5-star parents/family room • Adult change facilities • Quiet rooms • Accessible & inclusive playspaces • Centre hosted community programs • Community health and wellbeing services • Community room • Cooking classes • Education training for retailers and customers • End of trip facilities • Fresh food/healthy eating program • Safety and accessibility plan • Local community group support (infrastructure) 	<ul style="list-style-type: none"> • Community information sessions • Co-located community facilities • Co-working spaces • Cultural heritage programs • Employment program • Environmental program • Learning facilities • Local community program • Retail education program • School holiday cooking programs • School holiday STEM programs • School/tertiary partnerships • Small business access • Social enterprises • Supply Nation procurement program • Sustainability education programs 	<ul style="list-style-type: none"> • Stockland CARE Grants • Community events/festivals • Community Emergency Assistance Planning • Craft activities for children • Cultural diversity • Entertainment/leisure precinct • Mothers' activities • Place-making initiatives • Playdates for children • Public art • Reconciliation program • Regular customer engagement • Seniors events/ activities • Social engagement facility • Social engagement programs • Youth engagement programs
COMMUNITIES (RESIDENTIAL)		
<ul style="list-style-type: none"> • Adult fitness programs • Children's fitness programs • Cooking classes • Dog training • Community spaces designed for varying ages and levels of ability • Park launch events encouraging use • Integrated pedestrian and cycle network delivery and way-finding 	<ul style="list-style-type: none"> • Resident energy, water, waste saving and wellbeing education • Schools based engagement • Sustainability hubs activation • Community garden education programs • Cycling education programs • Resident education on community safety 	<ul style="list-style-type: none"> • Stockland CARE Grants • Community engagement for design and visioning • Welcome program and events • Social and seasonal events' calendars • Social enterprise cafes • Inclusive and accessible playspaces • Community safety events • Link & Learn activities and events
COMMUNITIES (RETIREMENT LIVING)		
<ul style="list-style-type: none"> • Active and public transport options • Active Living Programs • Community safety programs • Health checks and health issue awareness • Inclusive and accessible spaces • Resident Preventative Health Information • Mental Wellbeing Program • Nutritional information/cooking classes • Pedestrian friendly road design • Provide safe, open spaces • Universally accessible community facilities 	<ul style="list-style-type: none"> • Community hub (library, community centre) • Community learning facilities • Co-share, learning facilities/infrastructure • Cultural heritage • E-book sharing (Kindle, tablet) • Education infrastructure • Environmental awareness/education • Local learning/education program • Local schools partnership/mentoring • Resident energy, water, waste saving and wellbeing education • Skills development/retraining programs • Technology incl social media training 	<ul style="list-style-type: none"> • Stockland CARE Grants • Celebrate and support local community events • Community groups and associations • Community infrastructure • Cultural diversity – RAP • Provide vibrant spaces • Public art • Resident welcome program • Safety program • Social engagement activities • Stockland Exchange • Supply Nation • Support local community groups • Village/community directory



National partnerships

We contributed our time and financial investment of over \$900,000 to our national community partnerships throughout FY19. An overview of our key national partnerships is provided below:

Heart Foundation

FY19 was the ninth year of our partnership with the Heart Foundation nationally.

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> Administration of walking groups at each site. Some Stockland marketing and customer care employees administer and facilitate walking groups \$30,000 annual donation. Focus Area <ul style="list-style-type: none"> Health and Wellbeing Community Connection 	COMMUNITY	<ul style="list-style-type: none"> Total of 57,504 walks completed in FY19 35 active weekly walking groups, through 19 retail centres¹² and 15 retirement communities 48 active Host Organisations (registered organisations) through 24 retail centres and 24 retirement communities 1,469 walkers with 1,225 walking in shopping centres and 244 in retirement villages 365 new participants and 11 new walking groups registered in FY19 Participants completed an average of 37 walks in FY19 (and 172 walks since joining the program) with an average walk duration in the range of 45-60 minutes 	<ul style="list-style-type: none"> Physical activity offers an effective, non-pharmacological, public health intervention for increasing and maintaining quality of life among older adults. Every 1 per cent increase in the proportion of sufficiently active adults could result in 122 fewer premature deaths and 1,764 years of life gained (Heart Foundation research). Walking has mental health benefits with an Australian study showing daily walking can result in a 38 per cent lower risk of dementia in men¹³ Residents and customers stay healthy and build new social connections and support networks. 90 per cent of Stockland walking group participants felt that Heart Foundation Walking had improved their overall health. Based on self-reported data, 90 per cent of Stockland walking group participants met the National Physical Activity guides in the previous week. 	<ul style="list-style-type: none"> Further expansion on the growing network of retail centre and retirement village groups and promotion to the local communities With 35 active walking groups now established, a greater focus will be placed on recruiting walkers to those existing groups Leverage Heart Foundation Walking recruitment campaigns to increase walker numbers Explore interest in the Heart Foundation Walking app and the teams functionality to be launched in late 2019
	BUSINESS	<ul style="list-style-type: none"> Media coverage Walkers volunteer time to assist centres with events Co-branded marketing materials Industry recognition of alignment to partner New retirement villages engaged resulting in increased community involvement across the network 	<ul style="list-style-type: none"> Increased foot traffic in our centres, generating more business for our retailers Increased brand recognition Increased customer and community engagement 	

¹² One retail centre has 2 walking groups

¹³ Simons et al. (2006) 'Lifestyle factors and risk of dementia: Dubbo Study of the elderly' *The Medical Journal of Australia* 184(2): 68-70. Available at <<https://www.mja.com.au/journal/2006/184/2/lifestyle-factors-and-risk-dementia-dubbo-study-elderly>>



Bowls Australia

FY19 was the fourth year of our partnership with Bowls Australia (BA).

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> \$94,800 contribution Approximately 200 hours contribution from Bowls Australia staff Focus Area <ul style="list-style-type: none"> Health and Wellbeing Community Connection Education 	COMMUNITY	<ul style="list-style-type: none"> Six coaching clinics held by Australian Jackaroo representatives across Victoria and South Australia (Gowanbrae, Waratah Highlands, Selandra Rise, Maybrook, Plenty Valley, Tarneit Skies) Four Men's Health coaching clinics held in Victoria Long Island, Templestowe, Mernda and Highlands Piloted the 'Roll Back the Clock' four week health and wellbeing program at Macarthur Gardens (NSW) Over 200 residents attended planned coaching clinics and 'Roll Back the Clock' program 	<ul style="list-style-type: none"> From the surveys collected at the 2019 Tarneit Skies and Plenty Valley Retirement Village coaching clinics: <ul style="list-style-type: none"> 94 per cent of respondents enjoyed feeling more connected to their friends and community on the day 100 per cent of respondents learned new bowling skills and techniques 100 per cent of respondents would recommend any future Stockland and Bowls Australia events to friends From the surveys collected at the 2019 Men's Health week coaching clinics: <ul style="list-style-type: none"> 100 per cent of respondents enjoyed feeling more connected to their friends and community on the day 94 per cent of respondents would recommend future Stockland and Bowls Australia events to their friends and neighbours 	<ul style="list-style-type: none"> Bowls Australia to hold a minimum of ten coaching clinics at nominated Stockland villages hosted by Australian Jackaroos Bowls Australia to work with Stockland's retail and residential teams to develop bowls activities around Australia Opportunity to increase Stockland's involvement in the 'Roll Back the Clock' program.
	BUSINESS	<ul style="list-style-type: none"> \$180,300 of dedicated media value was achieved at the 2018 Australian Open, the November Bowls Premier League (BPL) 08 and the February 2019 BPL09 Stockland exposure through 'The Bowls Show' dedicated to the 2018 Australian Open event averaged 46,000 live viewers across ten episodes 		



Live Life Get Active

FY19 was the fifth year of our partnership with Live Life Get Active (LLGA).

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> Free outdoor activity camps to promote fitter, healthier and happier communities \$378,287.50 (excl gst) in financial contributions Focus Area <ul style="list-style-type: none"> Health and Wellbeing Community Connection 	COMMUNITY	<ul style="list-style-type: none"> 20 LLGA fitness camps in Stockland communities across NSW, QLD, VIC and WA 8,221 residents participants from the direct and surrounding suburbs engaged 7,080 hours of outdoor activity Engaged residents Members enjoy a different activity mix to provide cardio, toning, mental clarity, flexibility, balance and personal focus 	Participants' health and wellbeing improvements include: <ul style="list-style-type: none"> 7,179 kilograms lost 7,675 centimetres lost from around the waists of members Members participating three times a week over 20 weeks lost 5cm on average from their waists and 3 kilograms Average mood reported of 7/10 compared to 5/10 recorded at commencement of program 	<ul style="list-style-type: none"> LLGA is now reaching out to medical practices and hospitals in the local areas to promote the positive effects of outdoor exercise and Stockland's LLGA offering New camps being investigated for implementation across the country Targeting retirement villages and shopping centres where co located in our residential communities to encourage membership Expansion into Saturday classes
	BUSINESS	<ul style="list-style-type: none"> Media coverage Low-cost, scalable projects run by program professionals nationally Co-branding and promotion of Stockland on a weekly basis at 12 Stockland communities Industry recognition for partnership with LLGA 	<ul style="list-style-type: none"> Increased brand recognition Increased community engagement 	



Jamie's Ministry of Food

FY19 was the sixth year of our partnership with Jamie's Ministry of Food (JMOF).

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> \$315,624 in annual operational support and rental abatement Advocacy for healthy cooking skills and good nutritional behaviour Focus Area <ul style="list-style-type: none"> Health and Wellbeing Education Community Connection 	COMMUNITY	<ul style="list-style-type: none"> 3,631 participants in FY19 across different delivery models 618 participants in 5-7 week cooking program (449 in residential, 145 retail town centres and 24 in retirement living) 60 volunteers and 120 hours/per week donated through JMOF mobile kitchens and outreach Mobile kitchen in Queensland hosted at Stockland Newport and Bundaberg with 361 participants Mobile kitchen in WA hosted at Stockland Sienna Wood with 233 participants A total of 825 children attended a Learn Your Fruit and Veg (LYFV) program, with 550 at Stockland Merrylands (NSW), Stockland Wetherill Park (NSW) and Stockland Shellharbour (NSW) and 275 children at Pallara State School, St Luke's, Baringa State School and Xavier Catholic Primary School in Queensland Conducted a seven week outreach program at Stockland Unity Retirement Village (SA) attended by 24 residents and three prospective residents Conducted a five week outreach program at our Willowdale (NSW) community with 60 participants attending 37 cooking demonstrations held across 37 retirement villages as part of the Stockland Spring Campaign, attended by 1,850 residents Residential summer campaign cooking demonstrations reaching 100 prospective residents 	<ul style="list-style-type: none"> Participants completing a five week course through the JMOF mobile kitchen consume half a serve more vegetables per day and cook more meals from scratch Increased social connectedness, particularly for socially isolated participants and participants with disabilities 	<ul style="list-style-type: none"> Expand Jamie Oliver's Learn Your Fruit and Veg program in our Communities and Retail Town Centre assets Expanding outreach programs in residential and retirement living Continue to raise awareness with employees by running five week courses in Stockland head offices in Sydney, Brisbane and Melbourne
	BUSINESS	<ul style="list-style-type: none"> Media coverage Community and customer events Enhanced brand awareness Engagement with local council, government ministers and health champions 	<ul style="list-style-type: none"> Increased brand recognition Increased community satisfaction in centres Increased foot traffic in centres with some JMOF participants travelling up to 50kms to attend the course Increased stakeholder engagement across the community, businesses, customers and retailers Increased staff engagement through team building events with JMOF 	



Touched by Olivia Foundation

FY19 was the fourth year of the Stockland CARE Foundation's partnership with the Touched by Olivia Foundation (TBO). TBO and Variety (the Children's Charity NSW/ACT) formed a partnership in October 2018 to help accelerate the vision of all communities having access to an inclusive playspace.

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> \$100,000 annual donation from the Stockland CARE Foundation Trust \$96,501 in workplace giving donations, customer and employee fundraising Focus Area <ul style="list-style-type: none"> Health and Wellbeing Community Connection 	COMMUNITY	<ul style="list-style-type: none"> Funding supported TBO resourcing requirements Two Livvi's Places were created and opened in the Stockland communities of Elara and Isle of Newport Two new retail inclusive playspaces were delivered at Stockland Birtinya (Qld) and Stockland Burleigh Heads (Qld) While not yet complete, TBO contributed to the design and development of Livvi's Places at our Willowdale (NSW), Edgebrook (Vic) and Aura (Qld) communities 'Everyone Can Play Guidelines' were launched by the Department of Planning and Environment of NSW. These guidelines will support developers in the planning and design of inclusive playspaces 	<ul style="list-style-type: none"> Improved accessibility and inclusion at our assets Increased social engagement on TBO social channels Enhanced community connectivity and sense of belonging Increased local employment and training opportunities at Livvi's Places 	<ul style="list-style-type: none"> A service based agreement has been entered into by Stockland and Variety NSW/ACT. Stockland will continue to work with Variety to enhance the inclusion of our playspaces and assets Where feasible, residential community playspaces are designed to the principles, with the goal of building one Livvi's Place playspace in each development Provide opportunities for social activations in our Retail Town Centre playspaces Increase accessible and inclusive industry standards through advocacy and showcasing inclusive play Variety NSW/ACT will continue and enhance TBO's model of inclusive play and all future playspaces will be known as Variety Livvi's Place
	BUSINESS	<ul style="list-style-type: none"> Invited Stockland representatives to contribute as a member of the advisory group to the creation of the NSW Government 'Everyone Can Play Guidelines' on inclusive playspaces. Continued to work with Stockland teams to develop internal guidelines for design. NSW Government recognised the value of the partnership with Stockland. 	<ul style="list-style-type: none"> Local and NSW government recognises value of TBO's partnership with Stockland Increased accessibility and appeal of our assets to individuals and/or families with disabilities Increased dwell time in centres with the potential to increase retail spend Increased customer satisfaction 	<ul style="list-style-type: none"> Continue to support the design and creation of inclusive playspaces in 2020 through a new partnership agreement with Variety Ensure playspaces created are aligned with the 'Everyone Can Play Guidelines'



Redkite

FY19 was the fourth year of the Stockland CARE Foundation's partnership with Redkite. Due to the success of the first three years, the partnership has been extended to FY21.

INPUT		OUTPUT	IMPACT ¹⁴	FUTURE
Contribution <ul style="list-style-type: none"> \$100,000 annual donation from the Stockland CARE Foundation Trust \$108,033 in workplace giving donations, customer and employee fundraising \$10,600 in corporate table sales for Redkite's 2019 Corporate Quiz More than 446 volunteer hours from Stockland employees Focus Area <ul style="list-style-type: none"> Health and Wellbeing Community Connection 	COMMUNITY	<ul style="list-style-type: none"> As a result of Stockland's funding, Redkite was able to provide practical and/or emotional support services to 93 families at different stages of their child's cancer journey Of the 93 families that Stockland supported, 75 received financial assistance grants, which help with the 'hidden' costs of cancer, such as fuel, transport, food and accommodation Qualified social workers provided 38 of these families with information, support and/or counselling services Around 26 of the families that Stockland supports received education and/or career support from a professional Education and Career Support Consultant and/or through an education grant Redkite resources (such as diagnosis packs, books and/or other practical resources) were provided to 53 families to help them better manage their cancer experience 	<p>Among all the individuals and families supported:</p> <ul style="list-style-type: none"> 82 per cent felt more equipped to support their family 66 per cent felt more in control of their / their child's care. <p>Among those who received financial assistance grants:</p> <ul style="list-style-type: none"> 86 per cent felt more equipped to manage their situation 80 per cent felt reduced pressure on family relationships <p>Among those who received information, support and/or counselling</p> <ul style="list-style-type: none"> 73 per cent felt less alone 68 per cent had new strategies to help them manage <p>Among those who received education and/or career support:</p> <ul style="list-style-type: none"> 65 per cent were better able to manage the impact cancer had on their education and/or career. <p>Among those who received resources from Redkite</p> <ul style="list-style-type: none"> 60 per cent felt these resources helped them identify strategies to help manage their situation 	<ul style="list-style-type: none"> Continue to raise awareness and funds in Stockland's Retail Town Centre and Communities assets Grow awareness of Redkite's Bequest program across Stockland retirement villages nationally Continue to provide valuable volunteering opportunities across the Stockland team and identify new opportunities for skilled volunteering
	BUSINESS	<ul style="list-style-type: none"> Redkite facilitated awareness and thank you events at 13 Retirement Living Villages nationally Redkite supported CARE day at one residential location Redkite supported family day at 11 retirement villages 	<ul style="list-style-type: none"> Increased employee engagement Increased customer satisfaction 	

¹⁴ This data is based on a survey of Redkite's clients conducted in 2019. Of 1,943 invitations, 457 individuals participated (response rate of 24 per cent).



Conservation Volunteers Australia

FY19 was the fourth year of our partnership with Conservation Volunteers Australia.

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> Annual partnership fee of \$30,000 27 Stockland volunteers Focus Area <ul style="list-style-type: none"> Health and Wellbeing Community Connection 	COMMUNITY	<ul style="list-style-type: none"> 300 square metres of invasive plants removed, including asparagus fern and ochra 25kg of rubbish collected which would have otherwise travelled to the ocean. Mostly plastic pollution, including straws, water bottles and plastic bags. This reduces water pollution, and in particular mitigates the variety of negative impacts associated with plastic pollution, including but not limited to harm caused to wildlife following ingestion and micro-plastic pollution, which are absorbed in the tissues of marine animals and often later consumed by humans. 	<ul style="list-style-type: none"> Improvement of critical habitat for the red-crowned toadlet The toadlet was once widespread in the Sydney bioregion but its range has declined due to loss of habitat from urban development, sensitivity to land and water pollutants (usually via the stormwater system). Like other amphibians, climate change, introduced predators (cats, foxes) and disease are also having a negative impact on the frog population. This project mitigates some of these threats by restoring the quality of habitat available to the species. The red-crowned toadlet has adapted to survive in rocky outcrops surrounded by native vegetation. Weeds such as asparagus fern disrupt the structure of the natural ecosystem to which the frogs have adapted. In a similar way Ochra can grow into a large tree, shading out and killing off all plants underneath, also altering the habitat structure. 	<ul style="list-style-type: none"> Continued support necessary to improve resilience of coastal vegetation communities and conserve the threatened red-crowned toadlet New South Wales National Parks do not have sufficient resources to maintain the ecological integrity of Bradleys Head, so volunteer support is integral
	BUSINESS	<ul style="list-style-type: none"> Team-building activities for our employees Inclusion of Stockland brand on website 	<ul style="list-style-type: none"> Increased brand recognition 	



Australian Business and Community Network

FY19 was the 13th year that we have been a member of the Australian Business and Community Network (ABCN)

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> \$65,000 (excl. GST) membership fee \$28,000 donation to Scholarship Foundation (this funds 2 ABCN scholars and will be awarded in November 2019) \$9,030 catering to support mentoring programs 257 Stockland volunteers (253 mentors and four facilitators) 1,322 volunteer hours Focus Area <ul style="list-style-type: none"> Education 	COMMUNITY	<ul style="list-style-type: none"> 544 students from 35 ABCN schools benefitted from Stockland mentoring Stockland supported nine ABCN Accelerate scholars in NSW, Qld, Vic and WA over a period of three years Two Indigenous students were awarded an ABCN scholarship by Stockland in FY19 	<ul style="list-style-type: none"> 97 per cent of students in the primary school reading program SPARK demonstrated an improvement in their reading skills 98 per cent of students in the one-on-one mentoring program GOALS now realise the importance of setting goals for their future (12 per cent before) 95 per cent of students in the Interview to Impress program understand what to do at a job interview (15 per cent before) 83 per cent of girls in the Focus female leadership program saw themselves as a leader after participation (24 per cent before) 94 per cent of students in the InterACT program for refugees and recently arrived migrants felt more confident speaking English with different people (23 per cent before) 97 per cent of scholars in the Accelerate scholarship program were confident that they will achieve their goals (49 per cent before) 	<ul style="list-style-type: none"> Residents from two Retirement Living villages to take part in a Spark literacy program with local disadvantaged primary schools Stockland mentors to participate in the inaugural ACBN-Aurora NSW Indigenous program, bringing Indigenous students, mentors and elders together with business mentors together for an Innovate program Participation in University of Sydney ABCN partnered study investigating how to maximise employee engagement and development from skilled volunteering programs
	BUSINESS	<ul style="list-style-type: none"> Participation in ABCN member company collaboration to identify learning and development competencies Increased employee engagement and increased confidence in mentoring, coaching and facilitation for Stockland employees Hosted two ABCN member network meetings for collaborative discussions on network impact, developments and continuous improvement. 	<ul style="list-style-type: none"> Brand recognition amongst schools, students and other ABCN member companies. Increased understanding of the property industry amongst students who participate in the program. 	



Big Issue

FY19 was the third year of our partnership with The Big Issue.

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> Annual partnership fee of \$31,000 130 Stockland employees volunteered across a range of activities including vendor breakfasts, soccer matches and magazine packing 320 hours of volunteering time consisting of vendor breakfasts (60 people), street and prison soccer (80 people), The Big Issue packing shift (180 people) Focus Area <ul style="list-style-type: none"> Health and Wellbeing Community Connection 	COMMUNITY	<ul style="list-style-type: none"> 60 staff across Sydney and Melbourne participated in a Women's Subscription Enterprise packing shift which involved participants working alongside homeless and disadvantaged women who pack and mail the magazine fortnightly, enabling them to earn money whilst in a safe environment. Each participant brought along names and addresses from their own network to mail a copy of The Big Issue Magazine to. This experience helps increase subscribers to the Women's Subscription Enterprise whilst educating staff about the issues that these women face 30 Stockland staff volunteered with our Community Street Soccer Program in Sydney, Brisbane and Perth, and the Port Phillip Prison Tournament in Melbourne, helping participants re-engage with the community 40 team members prepared, cooked and served breakfast to magazine street vendors in Melbourne, Perth, Sydney and Brisbane 	<ul style="list-style-type: none"> As a result of the Women's Subscription activity, 320 promotional packs were mailed to the Stockland network which increased awareness of job opportunities for homeless and disadvantaged women and potentially increased revenue through new subscription sign-ups. <i>The Big Issue</i> magazine street vendors provided with a hot, nutritious meal they otherwise may not have been able to afford 	<ul style="list-style-type: none"> Continued partnership and volunteering opportunities
	BUSINESS	<ul style="list-style-type: none"> Team-building activities for our employees Website brand recognition 	<ul style="list-style-type: none"> Increased brand recognition 	



The National Theatre for Children

FY19 was the third year of the partnership with The National Theatre for Children (NTC).

INPUT		OUTPUT	IMPACT	FUTURE
Contribution <ul style="list-style-type: none"> Free STEAM (Science, Technology, Engineering, Arts, Maths) education program including live-in-school performances, print and digital resources and LEGO® Education WeDo 2.0 robotic kits Participating schools undertake hands-on learning throughout the year culminating with an in-school STEM/Science Expo where students present their end of project Total contribution of \$137,820, consisting of \$5,920 - \$7,000 per primary school for the year-round education including LEGO® Education WeDo 2.0 kits Focus Area <ul style="list-style-type: none"> Education Community Connection 	COMMUNITY	<ul style="list-style-type: none"> 10,881 students from 21 primary schools attend live-in-school educational performance 45 primary school live-in-school performances 523 primary school teachers utilise the education resources 124 LEGO® Education WeDo 2.0 robotic kits provided to schools Four Teacher Professional Development sessions held across Vic, Qld, NSW and WA 5,095 primary school students undertake year-round, hands-on learning with the LEGO® Education WeDo 2.0 robotics kits 23 primary schools undertake an in-school Expo 280 teachers and 1,875 parents, grandparents and siblings attend the expo Nine news media reports 22 school newsletter and social media reports Stockland branded STEAM websites received 1,749 visits, 3,170 page views and 22,767 hits 	<ul style="list-style-type: none"> Nationwide, year-round engagement of students, teachers and parents with STEAM education Teachers rated the overall educational value of the Waste World performance as 6.42 (out of 7) Teachers rated the overall educational value of the LEGO® Education WeDo 2.0 as 6.43 (out of 7) Teachers rated the likelihood students will retain the STEM learning from using the LEGO® Education WeDo 2.0 robotic kits as 6.29 (out of 7) Teachers rated the ability of the LEGO® Education WeDo 2.0 activities to inspire reluctant students as 6.46 (out of 7) 96 per cent of teachers said they would like to see this run again in their school and 100 per cent said this type of program fills a need for their students. 	<ul style="list-style-type: none"> Planning a nationwide Stockland Educational Challenge Event to run through the year and allow for both in-school and non-school community wide engagement NTC is mapping out a monthly educational outreach content feed to allow for continual updates to be shared across the business including video, photo and short form written updates
	BUSINESS	<ul style="list-style-type: none"> Educational websites branded with Stockland's logo with information about Stockland's support and commitment to STEAM education 		



National community development projects

Stockland CARE Grants Program

Our CARE Grants Program (formerly known as Stockland community grants program) provides an easily accessible, structured criteria based platform for our assets and projects to give back to local communities and respond to sponsorship requests. It allows for increased engagement opportunities with local community groups, brand exposure and media coverage.

The CARE grants also allow us to track the impacts of our community investment, with grant winners required to provide updates on progress. In FY19 a total of 267 grants to the value of \$286,000 was invested in local communities surrounding Stockland assets.

Commercial Property

- 429 applications received from local community organisations across 30 shopping centres;
- 100 grants awarded; and
- \$100,000 invested into our local communities.

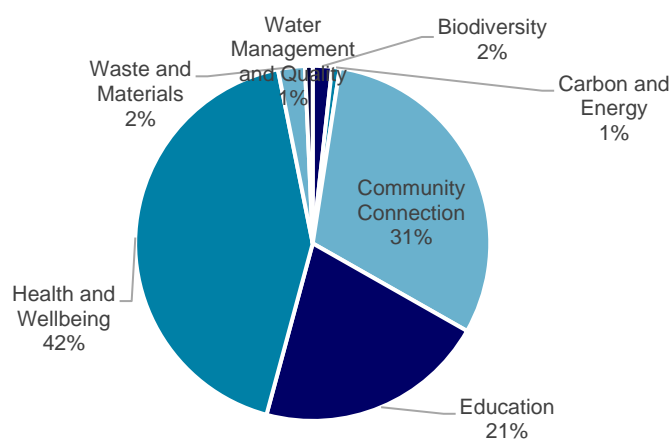
Residential

- 181 applications were received across 23 communities;
- 106 grants were awarded to local community organisations; and
- \$106,000 invested into our local communities.

Retirement Living

- 111 applications received across 50 villages;
- 80 grants awarded to local community organisations; and
- \$80,000 invested into our local communities.

BREAKDOWN OF GRANT WINNERS BY STOCKLAND FOCUS AREA IN THE FY19 CARE GRANTS ROUND





Community engagement

Retirement Living – Residents' Voice

The Residents' Voice survey is a comprehensive survey used to measure resident satisfaction whilst living in a Stockland retirement village. The survey is typically completed annually by over 6,000 residents.

FOCUS AREA	ELEMENT	RESPONSE (% SATISFACTION SCORE)				
		FY19 ¹⁵	FY17	FY16	FY15	FY14
Health and Wellbeing	Physical health	77%	76%	76%	78%	69%
	Emotional wellbeing (health)	83%	82%	82%	84 ¹⁶ %	84%
	Personal relationships/social life of the village	91%	90%	92%	92%	85%
	Feeling safe	93%	92%	92%	93%	93%
	Number of social activities to participate in	85%	83%	83%	84%	80%
	Satisfaction with accessibility features	93%	88%	87%	88%	87%
Education	Satisfaction with the opportunity to try new things and learn	79%	74%	75%	77%	73%
Community Connection	Satisfied with sense of community	87%	85%	86%	87%	86%
	Satisfied with opportunity to connect with others	89%	87%	88%	88%	85%

Residential – Liveability Index survey

In FY19 we received almost 2,000 responses across 29 residential communities to our annual proprietary Liveability Index survey. This research tells us how satisfied our residents are once they have moved into our residential communities, what we are doing well and learnings that we can take forward for future developments. Insights from this research are used to inform strategic planning of each community and our national community design guidelines. For further information on how we use this insight to inform community development, please refer to the [Community Deep Dive](#).

Our liveability research has been an important focus of our customer engagement activities since its inception in 2011. In FY18, with over half of residents completing the survey on a mobile device, we took the opportunity to review the survey and make it more user-friendly. We introduced a five-point scale and restructured the survey meaning that our Liveability Index results prior to FY18 are not directly comparable to results from FY18 onward. Other metrics such as average resident satisfaction and Personal Wellbeing Index scores have not changed and are directly comparable.

The below table provides historical Liveability Index adjusted scores and resident satisfaction scores. Refer to the [Customer Engagement and Experience Deep Dive](#) for a description of our Liveability Index review and changes to targets in FY19.

	FY19	FY18	FY17	FY16	FY15
National Liveability Index Score ¹⁷	74%	NC	83%	84%	84%
Personal Wellbeing	76.3%	77%	79%	80%	80%
Average resident satisfaction across our communities ¹⁸	93%	93%	93%	93%	93%

¹⁵ We did not administer the Residents' Voice survey in FY18 because of changes to the timing of our research program from Autumn to Spring of each year.

¹⁶ The FY15 emotional wellbeing score was incorrectly reported as 91% in the FY15 sustainability reporting.

¹⁷ No direct comparison of Liveability Index Score in FY18 with historical data due to change in survey scale from 11 to 5 points.

¹⁸ Based on percentage rating satisfaction as 6-10 out of 10.



Community investment

WORKPLACE GIVING

	FY19		FY18		FY17		FY16	
	AMOUNT DONATED	CHARITIES SUPPORTED	AMOUNT DONATED	CHARITIES SUPPORTED	AMOUNT DONATED	CHARITIES SUPPORTED	AMOUNT DONATED	CHARITIES SUPPORTED
Employee Donations ¹⁹	\$158,911	143	\$140,156	123	\$127,231	107	\$89,572	102
Corporate Dollar Matching ²⁰	\$134,971		\$138,366		\$123,966		\$87,584	
TOTAL	\$293,881	143	\$278,522	123	\$251,197	107	\$177,156	102

VOLUNTEERING

	FY19			FY18			FY17		
	EMPLOYEES	TOTAL HOURS	PROXY FINANCIAL VALUE ²¹	EMPLOYEES	TOTAL HOURS	PROXY FINANCIAL VALUE ²²	EMPLOYEES	TOTAL HOURS	PROXY FINANCIAL VALUE
Team Volunteering ²³	355	1490	\$131,433	303	1,405	\$123,935	322	1,566	\$84,710
Student Mentoring ²⁴	144	996	\$87,813	154	1,008	\$88,938	140	957	\$52,137
Personal Volunteering ²⁵	247	889	\$78,445	143	282	\$24,840	32	532	\$27,668
CARE Committees ²⁶	61	917	\$80,844	55	730	\$64,371	32	923	\$49,205
Foundation Fortnight ²⁷	90	281	\$24,787	78	911	\$80,359			
TOTAL	624²⁸	4572	\$403,323	480	4,336	\$382,443	459	4,009	\$213,720

EMPLOYEE PARTICIPATION

	FY19	FY18	FY17	FY16	FY15
Workplace Giving Program²⁹	31%	32%	29%	26.0%	19.6%
Volunteering Program³⁰	41%	31%	31%	48.0%	21.0%

¹⁹ Total employee donations made by full-time, part-time and permanent contract Stockland employees through Stockland's Workplace Giving Program.

²⁰ Total amount of matched funds donated by Stockland to various charities through Stockland's Workplace Giving Program.

²¹ Calculated using LBG standard values.

²² Calculated using LBG standard values.

²³ Includes total number of employees and hours that Stockland employees have participated in a team volunteering day with a not-for-profit organisation. Proxy financial values for FY19 are determined by the number of hours multiplied by the average hourly remuneration rate as included in LBG's guidance manual

²⁴ Facilitated student mentoring programs run in partnership with the Australian Business and Community Network (ABCN) and are offered to Stockland employees in FY19 in NSW, WA, Queensland and Victoria.

²⁵ Number of individual employees who took up personal volunteering in FY19 by taking up to 2 days of volunteering leave or using flexible working arrangements. Personal volunteering leave details including the number of hours volunteered and chosen charity must be logged in Stockland's HR system and approved by the individual's manager.

²⁶ Number of individual employees who sat on state based employee Committees to facilitate activation of community and Foundation activities in their local areas.

²⁷ This category refers to Stockland employees volunteering at internal activations for the Stockland CARE Foundation.

²⁸ Note that the total of these activities is higher than the reported 624 as some employees have been involved in more than one type of volunteering activity and we report by total employees involved

²⁹ Total number of individual employees who participated in Stockland's Workplace Giving Program in FY19 as an ongoing or one-off donor as a percentage of total average workforce for FY19.

³⁰ Total number of individual employees who have participated in Stockland's team volunteering program, student mentoring or personal volunteering programs as a percentage of Stockland's total average workforce for FY19.

Environmental Data Pack

FY19

Background notes

As a property owner and developer, acquisitions, divestments and development activity within a given year can significantly impact our environmental performance. The table below provides an overview of the activity profile for each of our businesses and how this affects our environmental data.

	ACTIVITY PROFILE	ENERGY AND EMISSIONS	NATURAL RESOURCES
Group operations	Internal corporate operations.	<p>Unless there are significant changes to the tenancies that we operate from, minor fluctuations generally reflect external factors beyond our control.</p> <p>Scope 1: Vehicle fleet fuel.</p> <p>Scope 2: Purchased electricity.</p> <p>Scope 3: Hire car, airline and rental car travel.</p>	<p>The water, waste and other natural resources are typically managed by the base building that we are tenanting. Where we are a tenant within our own building, these resources are reported under the base building.</p>
Commercial Property	Operating our Retail Town Centre, Workplace and Logistics assets.	<p>Unless there are significant changes to our portfolio, or key infrastructure upgrades/installations, changes generally reflect energy efficiency programs and initiatives.</p> <p>Scope 1: Gas consumption, refrigerants.</p> <p>Scope 2: Purchased electricity.</p> <p>Scope 3: Transmission losses, operational waste.</p>	<p>Unless there are significant changes to our portfolio, changes reflect water efficiency programs and initiatives, tenancy mix, water leakages, or changes to asset management arrangements.</p> <p>Water: Potable water consumption.</p> <p>Waste: Operational waste, development construction waste.</p>
Communities	Development of our projects and communities, predominantly undertaken by our residential and retirement living community contractors.	<p>Increased civil works activity has a direct correlation with increased energy and emissions. In periods where we are actively developing our assets, our emissions profile is higher.</p> <p>Scope 1: Emissions from gas and fuel consumption and explosives reported by our contractors, and our direct gas consumption.</p> <p>Scope 2: Emissions from electricity consumption reported by our contractors, and our purchased electricity.</p> <p>Scope 3: Transmission losses.</p>	<p>Increased civil works activity has a direct correlation with increased water consumption. In periods where we are actively developing our assets, our water consumption, and particularly that of our residential contractors, is higher.</p> <p>Increased finishing works (landscaping and upgrades in our retirement living communities) also contribute to increased water consumption, and retirement living contractors generally undertake these works.</p> <p>Water: Potable and non-potable water consumption reported by our contractors, and our direct water consumption.</p> <p>Waste: Waste generation reported by our contractors.</p> <p>Biodiversity metrics vary and reflect the specific characteristics of our residential community projects.</p>

In this document you will find:

Carbon and energy	2	Waste	13
Biodiversity	9	Asset ratings and certifications	14
Water management and quality	11	Climate and community resilience	21



	ACTIVITY PROFILE	ENERGY AND EMISSIONS	NATURAL RESOURCES
Communities	Operating our retirement living communities.	<p>Unless there are significant changes to our portfolio (e.g. the acquisition of Aevum in FY11 which nearly doubled the size of our Retirement Living business) annual changes generally reflect energy efficiency programs and initiatives, climatic conditions (i.e. milder temperatures reduce energy demand), unit vacancy and development villages opening to residents.</p> <p>Scope 1: Our direct gas consumption (can include our residents' consumption where a village is not sub-metered).</p> <p>Scope 2: Our direct consumption of purchased electricity (can include our residents' consumption where a village is not sub-metered).</p> <p>Scope 3: Transmission losses.</p>	<p>Unless there are significant changes to our portfolio (e.g. the acquisition of Aevum in FY11 which nearly doubled the size of our Retirement Living business) annual changes reflect water efficiency programs and initiatives and development villages opening to residents.</p> <p>Water: Water consumption.</p>

Environmental impacts from transport are not considered material for our organisation. While we report on Scope 3 emissions as it relates to air and ground transport during business hours, we have excluded employee transport to work due to data reporting challenges. Similarly, we have excluded our supply chain's movement of goods and materials on our behalf.

Carbon and energy

Carbon and energy data within this document is to be read in conjunction with our [Carbon and Energy Deep Dive](#) available on our [website](#).

Boundary and methodology

We report our Scope 1 and Scope 2 emissions according to our operational control boundary under the National Greenhouse and Energy Reporting Act 2007 (NGER Act). We voluntarily report select Scope 3 emissions in accordance with the GHG Protocol Corporate Standard. All of our operations are based in Australia.

SCOPE	BOUNDARY
Scope 1	<p>Direct emissions, i.e. emissions from fuels that are combusted on site (including natural gas, diesel and petrol from fleet) as well as refrigerant leakage.</p> <p>Direct emissions reported by contractors where we have operational control (typically residential community projects). Contractors are required to supply their gas and fuel consumption data as part of monthly reporting.</p> <p>Emissions from gas consumption across the Retail Town Centre, Workplace, Logistics, Residential and Retirement Living assets for which we have operational control. For those assets that have missing invoices estimates are provided.</p> <p>Tenant gas usage is not included except where we are the tenant.</p>
Scope 2	<p>Indirect emissions from the consumption of electricity only.</p> <p>Indirect emissions reported by contractors where we have operational control (typically residential community projects). Contractors are required to supply their electricity consumption data as part of monthly reporting.</p> <p>Emissions from base building electricity across the Retail Town Centre, Workplace, Logistics, Residential and Retirement Living assets for which we have operational control. For those assets that have missing invoices estimates are provided.</p> <p>Tenant electricity usage is not included except where we are the tenant.</p>
Scope 3	<p>Other indirect emissions, including hire cars, rental vehicles and airline travel, transmission and production losses from purchased electricity, gas and fleet fuel and operational waste from our Commercial Property portfolio.</p>

Notes:

- Development contractor resource and energy data is provided to us by third party contractors in accordance with NGER Act reporting requirements.
- Logistics data is predominantly related to vacant spaces or minimal external and internal common area lighting. Due to the high volatility of this energy and water consumption, setting meaningful targets becomes difficult. Additionally, there are currently no industry standards and therefore we have decided not to set targets for our Logistics portfolio.



- We have embedded networks within our assets, and the usage of our residents and tenants is removed where the usage is outside of our Operational Control under the NGER Act. In FY19, 24 Retail Town Centres, two Workplace assets, two Logistics assets and 21 retirement living communities have embedded networks.
- In FY20, we will seek to review our approach to carbon accounting giving consideration to our large scale solar projects noting alignment to the GHG Protocol.

Emissions

TOTAL GREENHOUSE GAS EMISSIONS (tCO₂-e)

	FY19	FY18	FY17	FY16	FY15
Stockland group total Scope 1	24,230	25,453	26,884	35,036	26,368
Stockland group total Scope 2	70,545	82,591	87,860	89,881	97,763
Stockland group total Scope 1+2 emissions	94,774	108,044	114,743	124,917	124,131

TOTAL SCOPE 1 EMISSIONS (tCO₂-e)

	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks base building gas	1,231 ¹	1,160	1,010	1,080	999
Logistics centres gas	-	-	-	-	-
Retail Town Centres gas	1,477	1,487	1,451	398 ²	185
Vehicle fleet fuel	86	88	84	86	84
Refrigerants leaked ³	1,149	3,203	3,224	3,091	2,783
Residential sites fuel & gas ⁴	100	69	52	10	15
Residential contractors fuel and gas	19,498	18,666	20,278 ⁵	29,525 ⁶	21,626
Retirement living communities fuel & gas ⁷	688	780	745	487	591
Retirement living contractors fuel, gas	-	- ⁸	393	360	86
Total Scope 1 emissions	24,230	25,453	26,884	35,036	26,368

¹ Increase due to major heating issues at Optus causing the boilers to operate longer and harder

² Gas increase due to the removal of electric duct heaters to efficient central boiler heating system.

³ Excludes Refrigerant R-22 in line with NGERs reporting protocol.

⁴ FY17 onwards includes fuel (for residential site office usage), whereas previous years only consumed gas.

⁵ Construction activities across master planned residential communities transition from civil works in FY16 to residential lots in FY17.

⁶ Figures reflect our activity profile: continuing increased development activity on existing and new sites.

⁷ FY19 onwards includes fuel (LPG), whereas previous years only consumed gas.

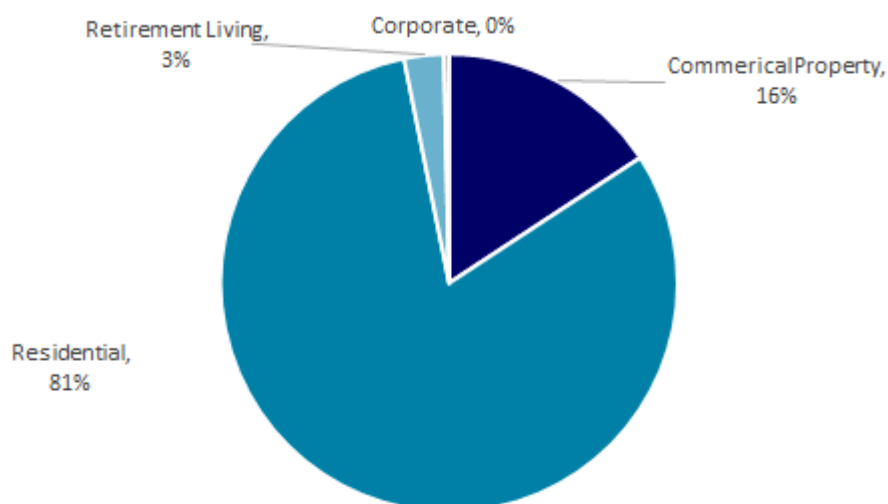
⁸ No development works in our Retirement Living business were considered to be within our operational control boundary from FY18.



Scope 1 emissions by business unit

Communities (Residential) constitutes the largest proportion of our Scope 1 emissions due to contractor construction activity across our developments.

SCOPE 1 EMISSIONS BY BUSINESS UNIT



TOTAL SCOPE 2 EMISSIONS (tCO₂-e)

	FY19	FY18	FY17	FY16	FY15
Corporate tenancies electricity	1,409	1,421	1,418	1,353	1,372
Workplace and Business Parks base building electricity	16,513	17,603	18,350	19,657	22,981
Logistics centres electricity	1,771	4,254	4,321	1,291	2,048
Retail Town Centres electricity	43,250	51,032	54,327	58,839	63,134 ⁹
Residential sites electricity	1,532	1,413	1,413	1,515	1,573
Residential contractors electricity	35 ¹⁰	84	147	299	315
Retirement living communities electricity	6,035	6,785	7,874	6,918	6,323
Retirement living contractors electricity	-	- ¹¹	8	8	16
Total Scope 2 emissions	70,545	82,592¹²	87,860	89,881	97,763

⁹ Retail Town Centre emissions increases in FY15 because of new acquisitions and centre expansions.

¹⁰ Multiple civil works site offices established prior to availability of electricity grid connection.

¹¹ No development works in our Retirement Living business were considered to be within our operational control boundary from FY18.

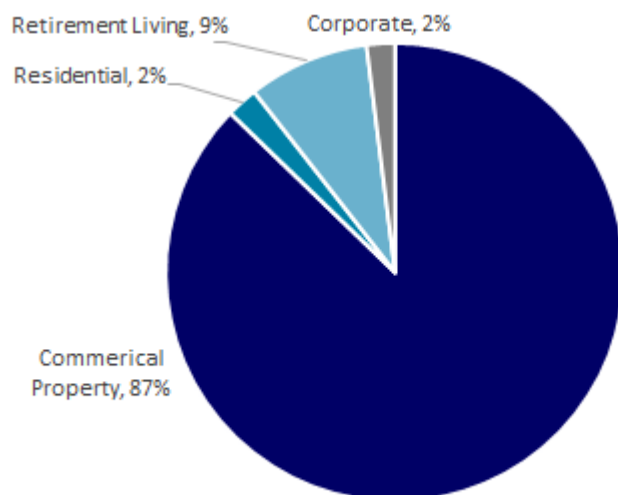
¹² This figure (82,592) varies from the Scope 2 emissions figure provided on page 3 (82,591) because of rounding in this table.



Scope 2 emissions by business unit

Commercial Property constitutes our largest proportion of Scope 2 emissions and remains the focus of our strategic energy efficiency initiatives. See our [Carbon and Energy Deep Dive](#) for further information on initiatives that contributed to our FY19 performance.

SCOPE 2 EMISSIONS BY BUSINESS UNIT



TOTAL SCOPE 3 (tCO₂-e)

	FY19	FY18	FY17	FY16	FY15
Total transmission and production losses (from purchased electricity, gas and fleet fuel)	10,469	13,216	14,675	14,782	17,255
Waste disposal ¹³	13,803	14,892	11,990	20,571	NA
Vehicle hire and hire car travel	38	64	35	42	51
Airline travel	3,262	5,694	4,415	4,233	3,695
Total scope 3 emissions	27,572	33,866	31,115	39,628	21,002

¹³ From FY16 we expanded our boundary to include scope 3 emissions from waste generated at our Commercial Property assets.



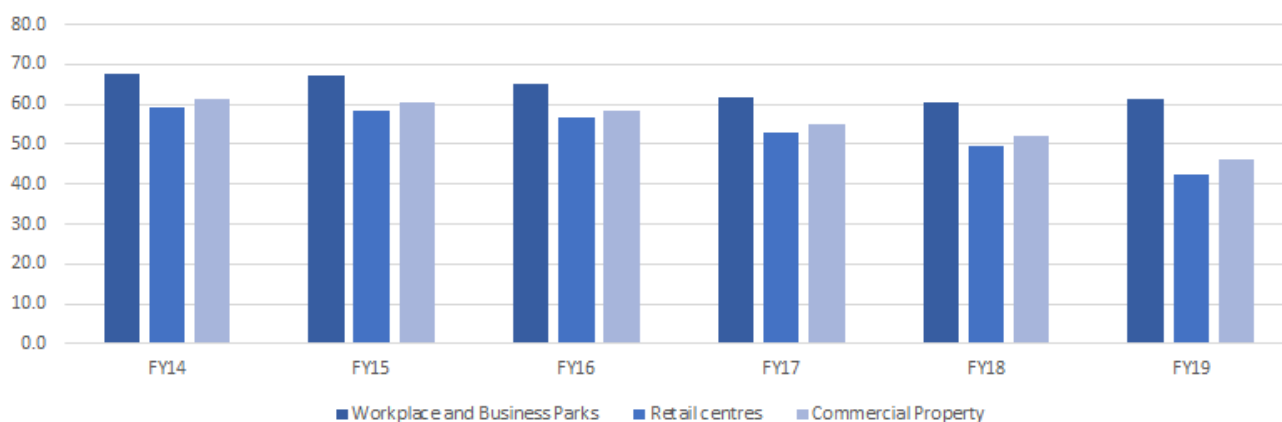
Emissions intensity

We track our emissions on an intensity basis as this helps represent the greenhouse gas emissions from our Commercial Property portfolio in a way that is isolated from the increases and decreases in emissions due to investments, divestments and vacancies. Intensity metrics are based on the standard measures of net lettable area (NLA) or gross lettable area (GLA) in square metres (where appropriate for each asset class). Emissions intensities only apply to stable operating assets such as the Commercial Property portfolio.

GREENHOUSE GAS EMISSIONS INTENSITY (kgCO₂-e/m²)¹⁴

	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks base buildings	61.18	60.41	61.7	64.98	67.32
Floor area (NLA) of buildings in intensity metric (m ²)	290,083	310,586	313,830	320,943 ¹⁵	356,060
% portfolio in intensity metric	100%	100%	100%	100%	100%
Retail Town Centres base buildings	42.25	49.54	52.92	56.58	58.32
Floor area (GLA) of buildings in intensity metric (m ²)	1,057,605	1,056,205	1,054,234	1,047,054	1,014,045
% portfolio in intensity metric	100%	100%	100%	100%	100%
Commercial Property¹⁶	46.32	52.00	54.93	58.55	60.66
Floor area of buildings in intensity metric (m ²)	1,347,716	1,366,882	1,368,011	1,366,279	1,370,119
% portfolio in intensity metric	100%	100%	100%	100%	100%

GREENHOUSE GAS EMISSIONS INTENSITY (kgCO₂-e/m²)



EMISSIONS INTENSITY REDUCTIONS

	ANNUAL INTENSITY CHANGE (%)				
	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks	1%	-2%	-5%	-4%	0%
Retail Town Centres	-14.7%	-6%	-6%	-3%	-2%
Commercial Property	-10.9%	-5%	-6%	-4%	-1%

¹⁴ Based on scope 1 and 2 emissions, excluding all refrigerants.

¹⁵ Area-weighted intensity combination of Workplace and Business Parks assets.

¹⁶ Combined Workplace, Business Parks, and Retail Town Centres.

Other emissions

Stockland's emissions of ozone-depleting substances are minimal and not considered material for reporting.

NO_x and SO_x are material for property companies that operate key generation plants including trigeneration. Stockland has Scope 2 exposure to trigeneration, and is not in control of this plant, so we do not report emissions from generation, as per other energy generation.

Energy consumption

This section details the consumption of specific energy types across the three businesses and group operations. These are the sources of the greenhouse gas emissions reported under scope 1 and 2.

Electricity

PURCHASED ELECTRICITY (kWh)

	FY19	FY18	FY17	FY16	FY15
Corporate tenancies	1,669,975	1,665,878	1,648,037	1,556,157	1,538,236
Workplace and Business Parks base buildings	19,246,269	21,644,622	22,255,609	24,120,329	27,759,472
Logistics centres	2,186,021	5,189,496	5,129,175	1,577,286	2,416,170
Retail Town Centres	52,039,389	60,791,065	64,878,522	69,088,256	72,666,207
Residential sites	1,828,237	1,695,059	1,729,655	1,824,740	1,841,916
Residential contractors	42,228	102,385	180,211	331,110	437,697
Retirement living communities	7,020,219	7,887,931	8,876,288	7,859,963	6,888,485 ¹⁷
Retirement living contractors	-	- ¹⁸	7,438	6,962	16,264
Total	84,032,337	98,976,436	103,242,404	106,364,804	113,564,446

PURCHASED ELECTRICITY INTENSITY (kWh/m²)

	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks base buildings	70.91	69.68	70.96	75.77	77.91
Floor area (NLA) of buildings in intensity metric (m ²) ¹⁹	289,996	310,658	313,700	320,097	356,118
% of portfolio covered in intensity metric	100%	100%	100%	100%	100%
Retail Town Centres	49.15	57.32	61.79	65.98	66.27
Floor area (GLA) of buildings in intensity metric (m ²)	1,057,562	1,056,145	1,050,411	1,047,054	1,014,074
% of portfolio covered in intensity metric	100%	100%	100%	100%	100%
Commercial Property²⁰	53.83	60.13	63.89	68.26	69.30
Floor area of buildings in intensity metric (m ²)	1,347,613	1,366,791	1,364,156	1,365,954	1,370,177
% of portfolio covered in intensity metric	100%	100%	100%	100%	100%

¹⁷ Retirement living data source improvements were implemented in FY15. This included drawing electricity consumption data directly from our embedded electricity networks which permits us to separate resident use from Stockland use at villages where we have embedded networks. This has resulted in a noticeable reduction in reportable energy use for the Retirement Living business. In addition, the retirement living asset divestments and exit from the Aged Care business in FY15 accounted for a further 24 per cent drop in electricity consumed compared to FY14.

¹⁸ No development works in our Retirement Living business were considered to be within our operational control boundary from FY18.

¹⁹ NLA – Net Lettable Area; GLA – Gross Lettable Area.

²⁰ Area weighted intensity combination of Workplace, Business Parks, and Retail Town Centre assets.



PURCHASED ELECTRICITY INTENSITY REDUCTIONS

	ANNUAL INTENSITY CHANGE (%)				
	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks	2%	-2%	-6%	-3%	0%
Retail Town Centres	-14%	-7%	-6%	0%	0%
Commercial Property ²¹	-10%	-6%	-6%	-2%	0%

RENEWABLES GENERATION

	FY19	FY18	FY17	FY16	FY15
Solar generation (kWh) ²²	12,958,224	3,274,463	2,387,168	1,940,689	292,124
Solar capacity installed (at period end) (kW)	16,400	4,360	2,260	1,360	1,360

Fuels

GAS CONSUMPTION (MJ)

	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks base buildings	23,893,430	22,503,346	19,605,661	20,949,926	19,456,794
Logistics centres	0	0	0	0	0
Retail Town Centres	28,656,262	28,850,605	28,164,870 ²³	7,726,710	3,607,633
Residential sites	194,936	184,905	231,633	196,216	261,852
Residential contractors	0	0	0	0	200
Retirement living communities ²⁴	13,291,200	15,137,631	14,448,049 ²⁵	9,451,522	7,177,497
Retirement living contractors	0	0	0	0	0
Total	66,035,827	66,676,487	62,450,212	38,324,374	30,503,976

FUEL CONSUMPTION²⁶

	FY19	FY18	FY17	FY16	FY15
Diesel (L)	7,119,975	6,770,937	7,356,552	10,344,491	7,714,541
Bio diesel (L)	-	2,395	2,070	525,463	566,473
Petrol (L)	102,157	133,092	129,554	169,636	257,135
Ethanol (L)	7,789	8,636	8,451	4,689	2,102
LPG (L)	642	1,375	246	556	26
Oil (L)	25,938	37,291	42,802	71,973	94,981
Grease (kg)	16,350	17,386	32,592	66,070	65,703

²¹ Area-weighted intensity combination of Workplace, Business Parks, and Retail Town Centre assets.

²² Figures relate to total electricity generation from photovoltaic power within financial year.

²³ Increase due to additional meters being found during embedded network assurance exercise.

²⁴ FY19 onwards includes fuel (LPG), whereas previous years only consumed gas.

²⁵ Increase in retirement living village gas consumption primarily associated with villages transitioning from externally managed to internally managed and villages under development transitioning to operational facilities.

²⁶ Comprises corporate fleet fuel, and residential and retirement living developments contractor fuel consumption (where in Stockland operational control).



Biodiversity

Biodiversity data presented in this section is to be read in conjunction with our Biodiversity Deep Dive available on our [website](#).

BIODIVERSITY IMPACT AND MANAGEMENT

	FY19	FY18	FY17	FY16	FY15
PORTFOLIO					
Total projects with masterplan approval ²⁷	29	30	36	31	39
Total land area (ha)	8,751	9,088	10,312	8,637	12,302
BIODIVERSITY IMPACT					
Total projects with areas of significant biodiversity value ²⁸	20	20	25	25	30
Total land area of significant biodiversity value (ha)	1,525	1,410	1,972	1,332	1,736
Total land area of significant biodiversity value to be cleared (ha)	749	576	587	425	63
Total land area to be conserved for biodiversity, including onsite and offsite (ha)	2,410	2,202	1,972	1,750	NA
BIODIVERSITY MANAGEMENT					
Total projects with areas of significant biodiversity value that have a biodiversity management plan	80%	85%	48%	58% ²⁹	100%
Total land area to be regenerated, revegetated, restored or rehabilitated on ground or through offsets (ha)	1,998	1,671	1,567	1,641	1,581 ³⁰
Total projects working with community and non-governmental organisations	2	3	3	6	5

²⁷ Our biodiversity results are representative of our residential projects that have received masterplan approval and/or were active developments as at 30 June 2019.
²⁸ As defined by the relevant state or federal legislation. All of our projects that with significant biodiversity on site are required to develop a biodiversity management plan (see [Biodiversity Deep Dive](#)).

²⁹ This has decreased from FY15 as the previous year's reporting included a commitment to prepare a biodiversity management plan. Since FY15 we have reported on the percentage of those projects that have actually prepared a biodiversity management plan as at 30 June 2018. Note that all of our projects without a biodiversity management plan have made a commitment to develop one and will do so at the appropriate phase of the development.

³⁰ In FY15, this section has been expanded to include land onsite and offsite offsets as this is the key method in balancing the provision of ecological habitats with development activities.

**PROJECTS WITH AREAS OF SIGNIFICANT BIODIVERSITY VALUE**

The below table shows residential communities projects with areas of significant biodiversity value that have an approved masterplan. The change in biodiversity value refers to projects that have been assessed under our biodiversity calculator since it was developed in FY15.

REGION	DEVELOPMENT	LOCATION	TOTAL LAND (HA)	TOTAL BIODIVERSITY AREA APPROX (HA)	CHANGE IN BIODIVERSITY VALUE ³¹
Victoria	Allura	Truganina	140	17.5	
	Cloverton	Kalkallo	1141	300	+18.05
	Edgebrook	Clyde	65.118	1	+8.62
	Grandview	Truganina	138	17.4	
	Highlands	Craigieburn	978.4	43.9	
	Minta	Berwick	116.44	9.82	+3.47
	Mt Atkinson	Truganina	319.4	38.66	+4.11
Western Australia	Amberton	Eglington	198	20	
	Calleya	Banjup	145	13.73	+3.2
	Sienna Wood	Perth	330	7.4	
	Vale (WA)	Aveley	541	50	
New South Wales	Altrove	Sydney	50	1	+2.7
	Willowdale	Leppington	350	100	
Queensland	Augustine Heights	Augustine Heights	183	47	
	Bokarina Beach	Sunshine Coast	30	5	+3.68
	Aura	Caloundra	1595	300	
	Foreshore	Coomera	116	51	+7.02
	Kalina	Springfield	38	38	
	North Shore	Burdell	1031	275	
	Pallara	Brisbane	122.462	32	+27.59

³¹ The biodiversity calculator is only used in projects that are approved from FY15. Projects without a change in biodiversity value were approved prior to FY15.



Water management and quality

Water data in this section is to be read in conjunction with our Water Management Deep Dive available on our [website](#).

Boundary and methodology

We report our water consumption according to our operational control boundary under the NGER Act. Communities water consumption results are provided by collecting and collating water use from invoices. Where invoices are unavailable or extend across financial years, estimates are provided for relevant periods. Water consumption by contractors operating on our development sites is compiled using invoice data and estimates, supplied by contractors through monthly health, safety and environment reports. Data has been reported for 100 per cent of properties this year. These figures are based on a combination of contractor estimates and invoice data. Reported non-potable consumption includes rainwater tanks and bore water.

Water consumption

COMMUNITIES WATER CONSUMPTION (kL)

Communities water data varies from year to year due to activities such as filling lakes in large developments and location specific variables such as natural rainfall, project life cycles, market conditions, site management techniques and local landscaping requirements set by councils.

	FY19	FY18	FY17	FY16	FY15
Residential sites	217,578	620,654	546,670	600,623	353,620
Retirement living communities	1,757,203	1,683,353	1,463,459 ³²	58,158	48,500
Contractors – Residential	451,937	392,940	577,592 ³³	1,948,614	1,469,853 ³⁴
Contractors – Retirement Living	- ³⁵	0 ³⁵	573 ³⁶	8,985	49,285
Total	2,426,717	2,696,947	2,588,294	2,616,380³⁷	1,921,258

COMMUNITIES WATER CONSUMPTION – POTABLE AND NON POTABLE (kL)

POTABLE					
	FY19	FY18	FY17	FY16	FY15
Residential sites	71,092	149,872	173,841	171,830	53,233
Retirement living communities	1,757,203	1,683,353	1,463,459	58,158	48,500
Contractors – residential	184,275	113,264	232,585	829,592	644,034
Contractors – retirement living	0 ³⁵	0 ³⁵ Error! Bookmark not defined.	327	8,682	38,897
Total	2,012,570	1,946,489	1,870,212	1,068,262	784,664
NON-POTABLE					
	FY19	FY18	FY17	FY16	FY15
Residential sites	146,486	470,782	372,829	428,793	300,387
Retirement living communities	-	0	0	0	0
Contractors – residential	267,661	279,675	345,007	1,119,022	825,820
Contractors – retirement living	0 ³⁵	0 ³⁵	246	303	10,388

³² A combination of more operational sites and increased data capture in FY17 has translated to an increase in comparison to previous years for Retirement Living.

³³ Large civil works in FY16 for master planned communities have reduced in FY17 across developments such as Aura (Qld), Cloverton (Vic) and Calleya (WA).

³⁴ Residential contractor water data varies from year to year due to activities such as dust suppression, to abnormal usage (filling lakes) in large developments and location specific variables such as natural rainfall, project life cycles, market conditions, site management techniques and local landscaping requirements set by councils. Furthermore, contractors self-report water data, which means we do not review each contractor's data collection processes. In FY15, we completed a comprehensive review of data sets provided to us by contractors, which provided a higher level of accuracy than in previous years.

³⁵ No development works in our Retirement Living business were considered to be within our operational control boundary from FY18.

³⁶ Decrease in Retirement Living contractor consumption due to management of site and reporting by principal contractor.

³⁷ We experienced an increase in both potable and non-potable water consumption due to new residential developments that commenced at the close of FY15 and during FY16.



Total	414,148	750,457	718,082	1,548,118	1,136,594
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COMMERCIAL PROPERTY WATER CONSUMPTION (kL)

	FY19	FY18	FY17	FY16	FY15
Workplace and Logistics	209,924	236,906	228,108	220,704	232,249
Retail Town Centres	1,101,228	1,097,238	1,112,672	1,153,565	1,096,808
Total Commercial Property	1,311,152	1,334,144	1,340,780	1,374,269	1,329,057

Water consumption intensity

Intensity figures in Commercial Property are derived from the total water consumption for each asset class over the year divided by the total floor area. Retail Town Centre and Workplace assets without a full 12 months of data include estimates for the missing months.

COMMERCIAL PROPERTY WATER CONSUMPTION INTENSITY (kL/m²)

	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks	0.62	0.67	0.64	0.65 ³⁸	0.58
Retail Town Centres	1.05	1.04	1.09	1.11	1.1
Total Commercial Property³⁹	0.96	0.96	0.95	1	0.96

COMMERCIAL PROPERTY WATER CONSUMPTION INTENSITY REDUCTIONS

	ANNUAL INTENSITY CHANGE (%)				
	FY19	FY18	FY17	FY16	FY15
Workplace and Business Parks	-7%	5%	-5%	12%	-8%
Retail Town Centres	1%	-5%	-2%	0%	0%
Total Commercial Property	0%	1%	-5%	4%	-2%

³⁸ Water usage increase due to various water leaks and an increase in irrigation due to new landscapes.

³⁹ Consumption Intensity data calculated based on Workplace and Business Parks, and Retail Town Centre consumption figures only. Does not include Logistics.



Waste

Waste data in this section is to be read in conjunction with the Waste and Materials Deep Dive available on our [website](#).

Boundary

We report against the same NGER Act operational control boundary that we use for energy and water. We report on all properties within this boundary, with the exception of some properties where our tenants run their own waste contracts. We also report on a small number of additional properties that fall out of our NGER Act boundary, but where we manage the waste contract for service provision purposes. Data provided by waste contractors is based on estimates (bin volumes converted to tonnes rather than weighed).

Operational waste

OPERATIONAL WASTE (TONNES)

	RETAIL TOWN CENTRES					WORKPLACE AND BUSINESS PARKS				
	FY19	FY18	FY17 ⁴⁰	FY16	FY15	FY19	FY18	FY17 ³⁵	FY16	FY15
Total waste	17,265	17,577	17,351	17,895	16,717	1,007	1,043	1,193	1,182	1,298
Total waste to landfill	10,768	11,730	11,969	10,858	11,537	712	661	739	680	806
Total waste recycled	6,497	5,846	5,382	7,038	5,181	295	383	454	502	491
Diversion from landfill (%)	38	33	31	39	31	29	37	38	42	38
% portfolio reporting	97	97	95	95	95	85	85	85	100	80

Development waste

Commercial Property

Our Commercial Property development construction waste is calculated based on the total number of projects for which we are the developer. Active waste is tracked through the builders, as for these sites the principal contractor has active control.

The data reported relates to our Retail developments as there have been no significant Workplace developments since FY12.

RETAIL TOWN CENTRES DEVELOPMENT WASTE (TONNES)

	FY19	FY18	FY17	FY16	FY15
Total waste	878	4,371	1,396	3,253	6,428
Waste recycled	829	3,910	678	2,684	5,940
Waste to landfill	50	461	718	569	487
Diversion from landfill	94%	89%	49%	83%	92%
Developments included (% by project value)	100%	100%	96%	100%	100%

⁴⁰ FY17 data restated due to contractor reporting error.



Communities

All Communities waste data was provided by contractors operating on our development sites during the reporting period. Data is estimated by contractors and is collected from monthly health, safety and environment reports submitted to us by our contractors for all developments within our operational control.

COMMUNITIES CONTRACTOR WASTE (TONNES)

	FY19	FY18	FY17	FY16	FY15
Total waste	41,093	19,625	41,237	35,424	82,033
Waste diverted from landfill	40,430	18,441	39,923	33,881	78,415
Waste sent to landfill	663	1,184	1,314	1,542	3,617
Diversion from landfill	98%	94%	97%	96%	96%

Asset ratings and certifications

The tables below list ratings and certifications achieved across our portfolio, focusing on Green Star and NABERS⁴¹ rating tools. Information on achievements specific to FY19 are provided in our [Asset Rating and Certification Deep Dive](#). Information on our use of ratings and certifications across our portfolio is provided in [Our Management Approach to Asset Rating and Certification](#).

Green Star – Performance

Green Star – Performance is a voluntary certification that rates building performance in operation.

GREEN STAR – PERFORMANCE, RETAIL TOWN CENTRES

BUILDING NAME	POTABLE WATER (kL/m ² /ANNUM)	GHG EMISSIONS (kg/CO ₂ -e/ANNUM)	POINTS AWARDED	RATING
Stockland Jesmond (NSW)	1.21	58	31.5	3 Star
Stockland Bathurst (NSW)	0.42	37	39	3 Star
Stockland Glendale (NSW)	0.89	14	40	3 Star
Stockland Baulkham Hills (NSW)	1.41	62	33.5	3 Star
Stockland Forster (NSW)	0.6	9	44.5	3 Star
Stockland Nowra (NSW)	0.51	35	40.5	3 Star
Stockland Rockhampton (Qld)	1.62	109	30	3 Star
Stockland Caloundra (Qld)	0.53	45	38.5	3 Star
Stockland Green Hills (NSW)	0 ⁴²	0	24	2 Star
Stockland Shellharbour (NSW)	1.73	68	34	3 Star
Stockland Townsville (Qld)	1.26	112	36.5	3 Star
Stockland Gladstone (Qld)	1.1	33	34.5	3 Star

⁴¹ NABERS is the National Australian Built Environment Rating System (www.nabers.gov.au).

⁴² Water and emissions figures for Stockland Green Hills (NSW) were not provided as part of the Green Star – Performance rating because we did not have a NABERS Water or NABERS Energy rating for this asset at the time of submitting the Green Star – Performance application.



BUILDING NAME	POTABLE WATER (kL/m ² /ANNUM)	GHG EMISSIONS (kg/CO ₂ -e/ANNUM)	POINTS AWARDED	RATING
Stockland Cairns (Qld)	1.25	90	39.5	3 Star
Stockland Burleigh Heads (Qld)	0.58	74	37	3 Star
Stockland Bundaberg (Qld)	0.94	69	35	3 Star
Stockland Bull Creek (WA)	0	25	32	3 Star
Stockland Riverton (WA)	0.98	35	34	3 Star
Stockland Hervey Bay (Qld)	0.69	73	39.5	3 Star
Stockland Point Cook (Vic)	0.79	103	31.5	3 Star
Stockland Traralgon (Vic)	0.58	64	38	3 Star
Stockland The Pines (Vic)	1.01	91	28	2 Star
Stockland Wendouree (Vic)	0.64	45	37.5	3 Star
Stockland Merrylands	1.42	89	32	3 Star
Stockland Wetherill Park	-	93	32.5	3 Star
Stockland Baldivis	1.42	68	26	2 Star

GREEN STAR – PERFORMANCE, WORKPLACE AND BUSINESS PARKS

BUILDING NAME	POTABLE WATER (kL/m ² /ANNUM)	GHG EMISSIONS (kg/CO ₂ -e/ANNUM)	POINTS AWARDED	RATING
110 Walker Street (NSW)	0.872	63	31.5	3 Star
16 Giffnock Avenue (NSW)	0.695	90	28.5	2 Star
2 Victoria Ave (WA)	⁴³	-	18	1 Star
40 Cameron Avenue (ACT)	0.651	75	26	2 Star
601 Pacific Highway (NSW)	0.682	67	31.5	3 Star
66 Waterloo Road (NSW)	0.469	54	34	3 Star
77 Pacific Highway (NSW)	0.560	68	32.5	3 Star
80-88 Jephson Street (Qld)	0.779	133	23	2 Star
Durack Centre (WA)	⁴⁴	62	23	2 Star
Macquarie Technology Centre (NSW)	3.073	155	17	1 Star

⁴³ Water and emissions figures for 2 Victoria Avenue (WA) were not provided as part of the Green Star – Performance rating because we did not have a NABERS Water or NABERS Energy rating for this asset at the time of submitting the Green Star – Performance application.

⁴⁴ Water figures for Durack Centre (WA) were not provided as part of the Green Star – Performance rating because we did not have a NABERS Water rating for this asset at the time of submitting the Green Star – Performance application.



BUILDING NAME	POTABLE WATER (kL/m ² /ANNUM)	GHG EMISSIONS (kg/CO ₂ -e/ANNUM)	POINTS AWARDED	RATING
Optus Centre (NSW)	0.720	84	31.5	3 Star
Satellite Corporate Centre 350 Wellington Road (Vic)	1.04	122	21	2 Star
Satellite Corporate Centre 352 Wellington Road (Vic)	0.546	140	23.5	2 Star
Satellite Corporate Centre 690 Springvale Road (Vic)	0.726	357	15	1 Star
Triniti Business Campus Building T1 (NSW)	0.805	72	37	3 Star
Triniti Business Campus Building T2 (NSW)	0.805	83	36	3 Star
Triniti Business Campus Building T3 (NSW)	0.805	63	38	3 Star
133 Castlereagh Street (NSW)			31	3 Star
222 Pitt Street (NSW)			33.5	3 Star
135 King Street (NSW)			28.5	2 Star

Green Star – Built Form rating tools

Our Green Star ratings achieved using built form rating tools including Green Star – Design & As Built, Green Star – Communities, and Green Star – Interiors, are provided in the table below.⁴⁵

ASSET TYPE	ASSET	DESIGN RATING (STAR)	AS BUILT RATING (STAR)	GREEN STAR TOOL
Retail Town Centre				
	Stockland North Shore (Qld)	4	4	Retail Centre v1
	Stockland Townsville (Qld)	4	4	Retail Centre v1
	Stockland Merrylands (Stages 3 & 4) (NSW)	4	–	Retail Centre v1
	Stockland Shellharbour (NSW)	4	4	Retail Centre v1
	Stockland Hervey Bay (Qld)	4	4	Retail Centre v1
	Stockland Baldivis (WA)	4	4	Retail Centre v1
	Stockland Wetherill Park (NSW)	5	5	Retail Centre v1
	Stockland Harrisdale (WA)	4	4	Retail Centre v1
	Stockland Green Hills (NSW)	5	5	Retail Centre v1
Workplace	Triniti, Building A, 39 Delhi Road, North Ryde, NSW	–	5	Office v2

⁴⁵ The percentage of our portfolio with a Green Star built form rating is 19 per cent for Commercial Property (Green Star – Design & As Built), 14 per cent for Residential (Green Star – Communities), and six per cent for Retirement Living (Green Star – Design and/or As Built).



ASSET TYPE	ASSET	DESIGN RATING (STAR)	AS BUILT RATING (STAR)	GREEN STAR TOOL
	Triniti, Building B, 39 Delhi Road, North Ryde, NSW	–	5	Office v2
	Triniti, Building C, 39 Delhi Road, North Ryde, NSW	–	5	Office v2
	2 Victoria Avenue, Perth, WA	6	5	Office v2
	Sydney Head Office, L22-29, 133 Castlereagh Street, Sydney, NSW	–	6	Interiors v1.1
Communities (Residential)	Aura (formerly Caloundra South) (Qld)	6		Communities Pilot
	Altrove (NSW)	5		Communities
	Willowdale (NSW)	6		Communities
	The Grove (Vic)	5		Communities
	Cloverton (Vic)	6		Communities
	Calleya (WA)	6		Communities
	Newport (Qld)	5		Communities
	Waterlea (formerly Stamford Park) (Vic)	6		Communities
Communities (Retirement Living)	Affinity Clubhouse at Affinity Retirement Village, Baldivis (WA)	5	5	Public Building Pilot
	Newport Retirement Living Village (Qld)	4		Design and As Built v1.1 (Design Review)
	Selandra Rise Retirement Village (Vic)	4	–	Custom
	Mernda Retirement Village (Vic)	4	–	Custom
	Willowdale Retirement Village (NSW)	4	–	Custom

NABERS

We undertake NABERS Energy and NABERS Water ratings on the base building across Retail Town Centre, Workplace and Business Parks assets. NABERS maintains an eligibility requirement specifying that Retail assets under 15,000 square metres cannot be rated. NABERS ratings are completed on a calendar year basis.

NABERS RATINGS – RETAIL TOWN CENTRES

	NABERS ENERGY RATING					NABERS WATER RATING				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
Stockland Cairns (Qld)	4.5	4.5	5.0	4.0	4.5	4.0	4.0	NA	4.0	4.0
Stockland Townsville (Qld)	4.5	4.5	4.0	3.5	3.5	3.5	4.0	4.0	4.0	NA
Stockland Rockhampton (Qld)	4.0	3.5	3.0	3.5	3.5	3.0	2.5	2.5	2.5	3.0
Stockland Gladstone (Qld)	5.0	5.5	5.5	4.5	4.0	4.5	NA	NA	3.0	NA



	NABERS ENERGY RATING					NABERS WATER RATING				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
Stockland Bundaberg (Qld)	4.5	4.0	4.5	5.0	4.0	3.5	4.0	4.5	4.0	NA
Stockland Caloundra (Qld)	5.0	4.5	4.5	4.5	4.5	5.0	5.0	5.0	5.0	5.0
Stockland Hervey Bay (Qld)	5.0	4.5	5.0	4.5	NA	5.0	5.0	4.0	4.5	NA
Stockland Burleigh Heads (Qld)	4.0	4.0	3.5	3.5	3.5	4.5	4.5	4.5	5.0	5.0
Stockland Forster (NSW)	6.0	6.0	6.0	6.0	6.0	4.5	4.5	4.5	4.5	4.5
Stockland Green Hills (NSW)	NA ⁴⁶	NA	NA	3.5	3.5	NA	NA	NA	3.0	3.0
Stockland Jesmond (NSW)	4.5	4.5	4.5	4.5	4.5	1.0	2.0	1.0	2.0	3.0
Stockland Glendale (NSW)	6.0	6.0	6.0	6.0	5.5	4.0	3.5	3.5	3.5	3.0
Stockland Baulkham Hills (NSW)	4.5	4.5	4.0	4.0	3.5	2.0	2.0	1.0	0	0.0
Stockland Wetherill Park (NSW)	3.0	3.0	2.5	NA	NA	2.5	3.0	NA	NA	NA
Stockland Shellharbour (NSW)	5.0	5.0	4.0	4.5	4.5	2.5	1.0	1.5	1.5	0.0
Stockland Nowra (NSW)	4.5	4.5	4.5	4.5	4.5	5.0	4.5	4.5	4.5	4.5
Stockland Traralgon (Vic)	4.0	4.0	4.0	4.0	4.0	5.0	4.5	4.0	4.0	4.0
Stockland Wendouree (Vic)	4.5	4.5	4.0	4.0	4.0	4.5	4.5	4.5	4.5	4.0
Stockland Bull Creek (WA)	4.5	4.5	4.5	4.0	4.5	1.0	NA	NA	NA	NA
Stockland Riverton (WA)	4.5	4.5	4.5	4.5	4.0	2.5	2.0	1.5	NA	NA
Stockland The Pines (Vic)	2.0	2.0	2.0	2.5	NA	3.0	3.0	3.0	3.0	NA
Stockland Point Cook (Vic)	3.0	2.5	1.5	2.5	NA	4.5	4.0	4.0	4.0	NA
Stockland Merrylands (NSW)	4.0	4.0	NA	NA	NA	2.5	2.0	NA	NA	NA
Stockland Baldivis (WA)	3.0	2.5	2.0	NA	NA	1.0	2.0	NA	NA	NA
NABERS Retail Portfolio Average	4.3	4.1	3.9	4.1	4.2	3.5	3.1	3.2	2.8	2.6
NABERS Retail Portfolio Average (By % ownership)	4.3					3.4				

NABERS RATINGS – WORKPLACE AND BUSINESS PARKS⁴⁷

	NABERS ENERGY RATING					NABERS WATER RATING				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
WORKPLACE										
Piccadilly Tower, 133 Castlereagh St, Sydney	5.0	5.0	5.0	5.0	5.0	4.0	4.0	4.5	4.5	4.5
Piccadilly Court, 222 Pitt St, Sydney	5.0	5.0	5.0	5.0	5.0	3.5	4.0	4.0	4.0	4.0

⁴⁶ Green Hills came out of development in FY18 and does not have a full 12 months of operational energy and water data for a NABERS rating in FY19..

⁴⁷ 63 per cent of our Commercial Property portfolio (including Retail Town Centre, Workplace and Logistics) is covered by one or more NABERS ratings.



	NABERS ENERGY RATING					NABERS WATER RATING				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
135 King St, Sydney	5.0	4.5	4.0	4.0	4.0	3.5	3.5	3.0	3.0	3.0
110 Walker St, North Sydney	5.0	5.0	5.0	4.5	4.0	3.5	3.0	3.0	3.5	3.0
601 Pacific Hwy, St Leonards	5.0	5.0	5.0	5.0	4.5	3.0	3.0	4.0	4.0	4.5
80-88 Jephson Street, Toowong	0.0	0.0	2.5	2.0	4.0	3.5	4.0	4.0	4.0	4.0
Durack Centre, 263 Adelaide Terrace, Perth	4.5	4.5	4.5	5.0	5.0	4.5	NA	NA	3.5	4.0
2 Victoria Avenue, Perth	4.0	0.0	NA	5.0	5.0	3.5	0.0	NA	4.0	3.0
NABERS Workplace Portfolio Average	4.6	4.5	4.6	4.5		3.6	3.5	3.9	3.7	
NABERS Workplace Portfolio Average (By % ownership)	4.5					3.6				
BUSINESS PARKS										
Optus Centre, 1 Lyon Park Road, North Ryde	4.5	4.5	5.0	5.0	4.5	NA ⁴⁸	4.0	3.5	3.5	3.5
Triniti, Building A, 39 Delhi Road, North Ryde ⁴⁹	5.0 ⁵⁰	4.5	4.5	5.0	5.5	4.0	3.5	3.5	5.0	4.5
Triniti, Building B, 39 Delhi Road, North Ryde	5.0	4.5	4.5	5.0	5.0	4.0	3.5	3.5	4.0	4.0
Triniti, Building C, 39 Delhi Road, North Ryde	5.0	5.0	5.0	5.0	5.0	4.0	3.5	3.5	3.5	3.5
66 Waterloo Road, North Ryde	5.5	5.5	5.0	5.0	4.5	4.0	4.0	4.5	4.5	3.5
16 Giffnock Ave, North Ryde	4.0	4.0	4.0	3.5	3.0	3.5	3.5	3.5	3.5	3.5
11-17 Khartoum Road, North Ryde	3.0	2.0	2.0	4.0	3.5	0.0	0.0	0	NA	NA
350 Wellington Rd, Mulgrave ⁵¹	2.0	3.0	NA	3.0	NA	0.0	0.0	NA	NA	NA
352 Wellington Rd, Mulgrave	3.0	3.0	3.0	3.5	NA	3.5	3.5	3.5	NA	NA
690 Springvale Rd, Mulgrave	2.5	2.0	NA	1.5	NA	4.0	2.5	NA	NA	NA
NABERS Business Parks Portfolio Average	4.3	4.2	4.7	4.9	4.6	3.2	3.5	3.4	3.6	3.7
NABERS Business Parks Portfolio Average (By % ownership)	4.3					3.2				
NABERS Workplace and Business Parks Combined Portfolio Average	4.4	4.3	4.7	4.7		3.4	3.5	3.6	3.6	

⁴⁸ No water rating possible for Optus due to issues with water utility data

⁴⁹ The water rating for Triniti (NSW) is a single rating for the whole campus.

⁵⁰ The energy rating for Triniti (NSW) is a single rating for the whole complex

⁵¹ The 2015 rating included Green Power – without Green Power the rating would be 2.5 stars.



	NABERS ENERGY RATING					NABERS WATER RATING				
	2018	2017	2016	2015	2014	2018	2017	2016	2015	2014
NABERS Workplace and Business Parks Combined Portfolio Average (By % ownership)	4.4					3.4				
LOGISTICS										
11 Viola Place Brisbane Airport	4.0	4.5	NA	NA	NA	NA	NA	NA	NA	NA

NABERS ratings – Stockland Corporate Office

We are a CitySwitch⁵² signatory for our corporate offices in Sydney, Melbourne and Perth. We complete a NABERS Tenancy rating each calendar year for our corporate offices, as outlined below.

NABERS RATINGS – STOCKLAND CORPORATE OFFICES

	TENANCY RATING				
	2018	2017	2016	2015	2014
Sydney Head Office, L22-29, 133 Castlereagh Street	4.0	4.0	4.0	4.5	4.5
Melbourne Head Office, L7, 452 Flinders Street	4.0	3.5	3.5	3.5	3.5
Perth Head Office, L12, 263 Adelaide Terrace	4.5	3.5	3.5	3.5	3.0
Brisbane Head Office, L4, 99 Melbourne Street	4.5	4.5	NA	NA	NA

⁵² CitySwitch supports commercial office tenants to improve office energy and waste efficiency (www.cityswitch.net.au).



Climate and Community Resilience

The tables below summarise the individual climate and community resilience scores for our retail town centres, residential communities and retirement living communities. Note that our community resilience scorecard was launched in FY16 and so there are no community resilience scores available for assets assessed earlier than FY16.

Resilience scores range from 1 (low vulnerability, more resilience) through 9 (high vulnerability, less resilience). [Our Management Approach to Climate Resilience](#) provides more detail on our climate and community resilience assessment methods.

CLIMATE AND COMMUNITY RESILIENCE SCORES BY ASSET

LOCATION	YEAR	CLIMATE RESILIENCE RATING	COMMUNITY RESILIENCE RATING
COMMERCIAL PROPERTY			
Stockland Cairns (Qld)	FY12	6.30	–
	FY17	5.81	–
Stockland Rockhampton (Qld)	FY14	6.13	–
	FY17	5.84	–
Stockland Hervey Bay (Qld)	FY12	6.00	–
	FY17	5.29	–
Stockland Townsville (Qld)	FY14	5.72	
	FY17	5.20	
	FY18	5.00	5.71
Townsville Kmart (Qld)	FY14	5.85	–
	FY17	5.20	–
Stockland Gladstone (Qld)	FY12	5.84	–
	FY17	5.29	–
Stockland North Shore (Qld)	FY14	5.69	–
	FY17	5.49	–
Stockland Bull Creek (WA)	FY14	5.50	–
Stockland Wetherill Park (NSW)	FY13	5.41	–
Point Cook Town Centre (Vic)	FY13	5.30	–
Stockland Green Hills (NSW)	FY13	5.27	5.18
Stockland Wendouree (Vic)	FY14	4.69	–
Stockland Traralgon (Vic)	FY14	4.59	–
	FY18	-	5.18
Stockland Forster (NSW)	FY15	4.48	–



LOCATION	YEAR	CLIMATE RESILIENCE RATING	COMMUNITY RESILIENCE RATING
Stockland Bundaberg (Qld)	FY16	5.69	–
	FY18	-	5.99
Stockland Bathurst (NSW)	FY15	4.23	–
Stockland Nowra (NSW)	FY16	4.21	–
	FY18	4.90	5.05
Durack Centre (WA)	FY12	5.90	–
2 Victoria Avenue (WA)	FY12	5.80	–
601 Pacific Highway (NSW)	FY18	4.52	-
Trinity Business Campus (NSW)	FY18	5.37	-
32 Toll Drive (VIC)	FY18	4.83	-
Yennora Distribution Centre	FY19	4.93	-
Hendra Distribution Centre	FY19	5.42	-
Port Adelaide Distribution Centre	FY19	6.04	-
Stockland Shellharbour	FY19	5.07	4.82
Stockland Caloundra	FY19	5.96	5.44
Stockland Cleveland	FY19	5.67	4.52
Stockland Burleigh Heads	FY19	5.75	4.79
Commercial Property Average (Climate Resilience)		5.47	5.19
COMMUNITIES (RESIDENTIAL)			
Elara (NSW)	FY15	5.2	–
Aura (Qld)	FY15	5.4	–
Willowdale (NSW)	FY16	5.4	5.7
Cloverton (Vic)	FY16	5.6	5.6
The Grove (Vic)	FY16	5.6	5.9
Altrove (NSW)	FY16	5.8	4.7
Newport (Qld)	FY16	5.5	4.7
Calleya (WA)	FY16	5.3	4.9
Birtinya (Qld)	FY17	5.7	5.9
Foreshore (Qld)	FY17	6.3	6.4
Toowong (Qld)	FY17	5.6	5.0



LOCATION	YEAR	CLIMATE RESILIENCE RATING	COMMUNITY RESILIENCE RATING
North Shore (Qld)	FY17	5.8	5.9
Pallara (Qld)	FY17	5.6	6.1
Sienna Wood (WA)	FY17	6.2	6.5
Waterlea (Vic)	FY17	5.0	4.7

ASSESSMENTS FROM FY18 ONWARDS		RESILIENCE RATING ⁵³	
Braybrook (Vic)	FY18	5.7	
Kalina (Qld)	FY18	5.7	
Paradise Waters (Qld)	FY18	5.5	
Mt Atkinson (Vic)	FY18	5.4	
Altona North (Vic)	FY18	5.0	
Minta Farm (Vic)	FY18	5.7	
Edgebrook (Vic)	FY18	5.9	
Hope Island (QLD)	FY19	4.6	
Paradise Waters (QLD)	FY19	6.6	
Promenade (QLD)	FY19	7.1	
Glendalough (WA)	FY19	5.5	
Wellard (WA)	FY19	7.8	
Communities (Residential) Average		5.9	5.5
COMMUNITIES (RETIREMENT LIVING)			
Highlands (Vic)	FY13	4.8	–
The Village Swansea (NSW)	FY13	6.1	–
	FY17	5.8	5.0
Farrington Grove (Qld)	FY16	4.6	–
	FY17	4.8	5.2
The Cove (NSW)	FY16	6.6	4.8
Maybrook (NSW)	FY16	5.4	5.0
Patterson Lakes (Vic)	FY16	5.7	4.6
Salford Waters (Qld)	FY16	5.4	4.0

⁵³ From FY18, as part of our evolving approach to resilience assessment, our climate and community resilience ratings were combined to deliver an integrated resilience rating for our Communities portfolio.



Hillsview (SA)	FY16	5.8	5.1
Walnut Grove (SA)	FY16	5.8	4.9
Gillin Park (Qld)	FY17	5.2	5.5
Pine Lake (Qld)	FY17	5.4	4.9
Birtinya, Oceanside (Qld)	FY17	5.3	6.0
Calleya (WA)	FY17	5.6	5.0
Cardinal Freeman (NSW)	FY17	4.8	4.7
The Pines (Vic)	FY17	5.0	5.3
Oak Grange (Vic)	FY17	4.8	5.4
Newport (Qld)	FY17	5.6	4.7
ASSESSMENTS FROM FY18 ONWARDS		RESILIENCE RATING⁵⁴	
Bellevue Gardens (NSW)	FY18	5.7	-
Golden Ponds (NSW)	FY18	5.9	-
Wamberal Gardens (NSW)	FY18	5.4	-
Lourdes (NSW) ⁵⁵	FY19	6.6	-
Belcarra (QLD)	FY19	6.6	-
Affinity (WA)	FY19	5.9	-
Communities (Retirement Living) Average		5.6	5.0

⁵⁴ From FY18, as part of our evolving approach to resilience assessment, our climate and community resilience ratings were combined to deliver an integrated resilience rating for our Communities portfolio.

⁵⁵ Assessments in FY19 were completed using the new Group Resilience Assessment Tool Framework

People Data Pack

FY19

Background notes

We report our people data holistically, given our consistent approach to managing our people across our business units. All of our operations are based in Australia.

Percentage figures provided in this data pack may not sum to exactly 100 per cent because of rounding.

Our workforce

WORKFORCE BY EMPLOYMENT STATUS

STATUS	FY19	FY18	FY17	FY16	FY15
Full Time	1,278	1,301	1,192	1,135	1,121
• Permanent ¹	1,191	1,219	1,122	1,073	1,058
• Fixed Term ²	87	82	70	62	63
Part Time	313	333	331	308	295
• Permanent	297	314	316	298	282
• Fixed Term	16	19	15	10	13
Casual ³	47	56	55	55	46
Total Headcount ⁴	1,638	1,690	1,578	1,498	1,462
FTE⁵	1,463	1,561	1,472	1,386	1,345

¹ Permanent employees are employed by Stockland on a full time (38 hours per week) or part time basis (less than 38 hours per week).

² Fixed term employees are employed by Stockland for a fixed term (their employment has an agreed end date).

³ Casual employees are paid on an hourly basis.

⁴ Total headcount includes permanent employees, fixed term employees and casual employees. It excludes Board members, temps, special contractors, vendors. FY14 figures have been adjusted to reflect the sale of the Opal Aged Care business so as to make year on year figures comparable.

⁵ FTE (Full Time Equivalent) adjusts headcount for hours worked. It is calculated by dividing an employee's working hours by the standard full time working hours (38). The FTE measure excludes casual employees.

In this document you will find:

Our workforce	1	Diversity and inclusion	9
Employee engagement	3	Health and safety	11
Human capital development	8		



WORKFORCE BY REGION

STATE/TERRITORY	FY19	FY18	FY17	FY16	FY15
New South Wales	886	921	843	821	826
Queensland	301	323	307	275	283
Victoria	281	279	264	240	229
Western Australia	95	95	94	97	98
South Australia	70	67	66	62 ⁶	22
Australian Capital Territory	5	5	4	3	4
Total	1,638	1,690	1,578	1,498	1,462

WORKFORCE BY GENDER

FY19					
STATUS	FEMALE	FEMALE %	MALE	MALE %	TOTAL
Full Time Permanent	616	52%	575	48%	1,191
Part Time Permanent	257	87%	40	13%	297
Fixed Term	61	59%	42	41%	103
Casual	40	85%	7	15%	47
Total	974	59%	664	41%	1,638

WORKFORCE BY AGE CATEGORY

FY19				
AGE	FEMALE	MALE	TOTAL	TOTAL %
<25	62	29	91	6%
25 - <35	301	157	458	28%
35 - <45	283	191	474	29%
45 - <55	185	158	343	21%
55 - <65	122	107	229	14%
>65	21	22	43	3%
Total	974	664	1,638	100%

Our governance bodies are outlined in the [Governance and Risk Deep Dive](#), however we do not provide a breakdown of our governance bodies by age or minority group.

⁶ Stockland acquired eight retirement living villages in South Australia in July 2016.



MEDIAN AGE OF WORKFORCE

YEAR	MEDIAN AGE
FY19	40
FY18	40
FY17	39
FY16	39
FY15	39

Remuneration

The remuneration ratio for our highest paid employee to median employee salary is provided in the table below. Our Remuneration Report is contained within the Annual Report. We do not report on the ratio of standard entry level wage compared to minimum wage. Our operations are based in Australia and all employees are paid above the Australian minimum wage. For those employees with a relevant Award, we review their remuneration on an annual basis to provide for remuneration above the minimum rate in their Award.

REMUNERATION RATIO – MANAGING DIRECTOR/EMPLOYEE⁷

REMUNERATION MEASURE	FY18 ⁸	FY17	FY16	FY15
Managing Director's annual total compensation ÷ employee median annual total compensation	39	46	48	44
% increase in Managing Director's annual total compensation ÷ employee's median % increase	-5.38	1.08	-0.26	1.50

Employee engagement

We measure employee engagement annually through the Our Voice employee survey, independently administered by survey provider Willis Towers Watson. Selected survey results are provided in the table below, followed by metrics on absenteeism, new hires, turnover, and parental leave.

OUR VOICE EMPLOYEE ENGAGEMENT SURVEY

SURVEY QUESTION/METRIC	FY19	FY18	FY17
Employee engagement			
Employee engagement score	81 per cent 4 points above Australian National Norm	83 per cent	82 per cent
Employees indicating they fully support the values for which Stockland stands	96 per cent 4 points above Australian National Norm	96 per cent	96 per cent
Employees who believe strongly in the goals and objectives of Stockland	92 per cent 7 points above Australian National Norm	92 per cent	91 per cent
Employees willing to work beyond what is required to help Stockland succeed	93 per cent 1 point above Australian National Norm	95 per cent	95 per cent

⁷ Annual total compensation for each year is calculated as Fixed Pay FTE (as at 30 June of end of performance year) + STI FTE (awarded for relevant performance year) + LTI (allocated at start of performance year), for employees who participated in the Remuneration Review plus sales employees paid on a commission basis.

⁸ The FY19 remuneration measure of Manager Director annual total compensation to employee median annual total compensation was not available at time of publication, thus will be published in a subsequent release of the People Data Pack.



Corporate responsibility and sustainability				
Corporate responsibility and sustainability score	87 per cent 8 points above Australian National Norm	89 per cent	88 per cent	
Employees who believe that we do a good job integrating sustainability into our projects and activities	86 per cent	88 per cent	86 per cent	
Employees who believe that we do a good job integrating sustainability into our products and services	84 per cent	86 per cent	84 per cent	
Diversity and Inclusion				
Diversity and Inclusion score	86 per cent 6 points above Australian National Norm	86 per cent	87 per cent	
Employees considering that Stockland supports equal opportunity for all employees.	86 per cent 15 points above Australian National Norm	86 per cent	86 per cent	
Employees considering men and women have the same opportunities to advance	75 per cent	81 per cent	83 per cent	
Employees considering the working environment to be accepting of disabilities or psychological/physical impairment	87 per cent	87 per cent	86 per cent	
Employees who believe Stockland is accepting of varied cultural background or lifestyles	95 per cent 5 points above Australian National Norm	94 per cent	93 per cent	
Health and safety				
Health and safety score	6 points above Australian National Norm	93 per cent	92 per cent	
Employees indicating their work area is a safe place to work	95 per cent 5 points above Australian National Norm	96 per cent	96 per cent	
Employees believing we provide adequate OH&S systems, resources, and training	92 per cent	92 per cent	90 per cent	
Employees considering prompt and effective action is taken when unsafe conditions are brought to management attention	91 per cent 8 points above Australian National Norm	90 per cent	90 per cent	
Leadership				
Overall leadership score	67 per cent 4 points below Australian National Norm	73 per cent	73 per cent	
Employees have a clear sense of direction from the Leadership Team	75 per cent	81 per cent	80 per cent	

ABSENTEEISM⁹

	FY19	FY18	FY17	FY16	FY15
Absent Days per FTE	4.5	4.7	4.7	4.9	4.9

⁹ Absenteeism reflects the amount of personal/carer's leave taken in the last 12 months. It is calculated by dividing [Total Days Of Personal/Carer's Leave In The Last 12 Months] By [12-Month Average FTE]. Absenteeism includes permanent, extended leave and fixed term employees only.



NEW HIRES BY AGE GROUP

FY19	<25	25 - <35	35 - <45	45 - <55	55 - <65	>65
Number	47	119	75	54	38	5
Per cent	14%	35%	22%	16%	11%	1%

NEW HIRES BY GENDER

FY19	MALE	FEMALE
Number	129	209
Per cent	38%	62%

TURNOVER¹⁰

	FY19	FY18	FY17	FY16	FY15
Employee initiated turnover ¹¹	16.2% (247)	14.1% (214)	15.1% (220)	14.9% (216)	13.8% (193)
• Employee initiated turnover for employees with Strong performance or above ¹²	12.9% (119)	10.9% (97)	10.6% (104)	11.8% ¹³ (143)	12.2% ¹⁴ (150)
Stockland initiated turnover ¹⁵	3.7% (56)	2.4% (37)	2.4% (35)	5.6% ¹⁶ (81)	3.0% (42)
Total	19.8% (303)	16.5% (251)	17.5% (255)	20.5% (297)	16.8% (235)

¹⁰ Turnover presents the proportion of the Stockland workforce that has exited in the last 12 months. It is calculated by dividing [Total Number Of Exits In The Last 12 Months] by [12-Month Average Headcount]. All turnover data (including headcount) excludes those employed on a casual or fixed term basis. The first number represents this turnover. From FY15 onwards, Stockland reports on the number of exits (the second number in parentheses).

¹¹ Employee-initiated turnover includes resignations and retirements.

¹² Stockland uses a four-point rating scale for performance. This metric assesses turnover for the two highest performance ratings. Employee-initiated turnover employees with Strong Performance or Above is calculated by dividing [Total Number Of Exits In The Last 12 Months With A Strong Performance Or Above Rating] by [Employees With A Strong Performance Or Above Rating].

¹³ FY16 Employee Initiated for employees with Strong Performance or Above is calculated by dividing [Total Number Of Exits In The Last 12 Months With A Strong Performance Or Above Rating] by [Employees With A Strong Performance Or Above Rating As At 30 June 2016].

¹⁴ FY15 Employee Initiated For Strong Performance or Above is calculated by dividing [Total Number Of Exits In The Last 12 Months With A Strong Performance Or Above Rating] by [Employees With A Strong Performance Or Above Rating As At 30 June 2015].

¹⁵ Stockland initiated turnover includes redundancy or termination by Stockland (e.g. terminated during probation or for cause).

¹⁶ Stockland initiated turnover increased in the second half of FY16 as a result of redundancies that were a part of Project Support. Project Support was an initiative to create an outsourced team (Stockland Support Centre) to undertake activities to allow Stockland to better focus on the needs of our customers. The Project Support redundancies make up 3% of Stockland initiated turnover.

**TURNOVER BY TENURE GROUP¹⁷**

TENURE GROUP	FY19	FY17	FY16	FY15	FY14
<1 Year	16.3% (38)	14.6% (38)	20.1% (46)	22.5% (50)	18.8% (40)
1 - <3 Years	28.6% (121)	20.9% (84)	19.8% (78)	21.5% (83)	20.0% (71)
3 - <5 Years	21.2% (56)	15.9% (42)	19.4% (47)	19.7% (50)	16.4% (43)
5 - <10 Years	14.0% (47)	16.0% (55)	16.8% (64)	20.3% (82)	14.8% (59)
>10 Years	15.2% (41)	12.5% (32)	9.3% (20)	17.5% (32)	14.0% (22)

TURNOVER BY AGE GROUP¹⁸

AGE GROUP	FY19	FY18	FY17	FY16	FY15
<25	26.0% (17)	13.6% (9)	6.7% (4)	22.8% (11)	14.6% (7)
25 - <35	22.5% (100)	16.4% (75)	24.6% (107)	19.4% (87)	19.4% (87)
35 - <45	19.4% (88)	17.6% (79)	14.6% (65)	19.2% (88)	14.2% (63)
45 - <55	20.3% (66)	17.4% (58)	14.2% (45)	22.5% (68)	14.0% (38)
55 - <65	13.9% (28)	13.1% (24)	15.6% (27)	21.6% (36)	17.5% (27)
>65	10.6% (4)	17.0% (6)	24.5% (7)	25.6% (7)	41.4% (13)

¹⁷ Turnover (%) by tenure group is calculated by dividing [Total Number Of Exits In The Last 12 Months Of Particular Tenure Group] by [12-Month Average Headcount Of Particular Tenure Group].

¹⁸ Turnover (%) by age group is calculated by dividing [Total Number Of Exits In The Last 12 Months Of Selected Age Group] by [12-Month Average Headcount Of Particular Age Group].

TURNOVER BY GENDER¹⁹

GENDER	TURNOVER	FY19	FY18 ²⁰	FY17	FY16	FY15
Male	Total	19.5% (123)	16.3% (103)	19.3% (117)	19.2% (117)	19.2% (111)
	Employee initiated turnover	15.4% (97)	13.3% (84)	16.0% (97)	14.1% (86)	16.4% (94)
	• Employee initiated turnover for employees with Strong performance or above	12.4% (50)	10.7% (42)	10.6% (42)	10.4% (54)	14.6% (72)
	Stockland initiated turnover	4.1% (26)	3.0% (19)	3.3% (20)	5.1% (31)	2.8% (17)
Female	Total	20.1% (180)	16.6% (148)	16.2% (138)	21.4% (180)	15.2% (124)
	Employee initiated turnover	16.7% (150)	14.6% (130)	14.4% (123)	15.5% (130)	12.1% (99)
	• Employee initiated turnover for employees with Strong performance or above	13.2% (69)	10.7% (55)	12.2% (70)	12.8% (89)	10.7% (78)
	Stockland Initiated turnover	3.3% (30)	2.0% (18)	1.8% (15)	5.9% (50)	3.1% (25)

PARENTAL LEAVE RETURN RATE WITHIN 12 MONTHS²¹

GENDER	TOTAL LEAVE	RETURNS	FY19 RETURN RATE	FY18	FY17	FY16
Male	28	21	75.0%	90.0%	94.1%	94.4%
Female	91	81	89.0%	91.5%	80.4%	79.2%
Overall	119	102	85.7%	91.0%	82.3%	84.1%

¹⁹ Turnover (%) by gender is calculated by dividing [Total Number Of Exits In The Last 12 Months Of Particular Gender] by [12-Month Average Headcount Of Particular Gender].

²⁰ FY18 Employee initiated turnover for employees with Strong performance or above percentage figures have been updated using the calculation method consistent with FY19, FY17, FY16 and FY15. The calculation is the number of voluntary, strong performer leavers divided by the number of strong performers at the start of the year.

²¹ Parental leave return rates look at the return rates of employees who have returned from parental leave in FY16 and FY17 and either remain employed (returns) or exited during FY17 either within 6 months or 12 months of return.



Human capital development

LEARNING

	FY19	FY18	FY17	FY16	FY15
Training days per employee ²²	1.6	2.0 ²³	2.5	3.1	2.5

TRAINING DAYS PER EMPLOYEE BY EMPLOYEE CATEGORY AND GENDER

FY19		
EMPLOYEE CATEGORY	FEMALE	MALE
Executive Committee	4.7	4.9
General Manager	4.9	4.6
Senior Manager	4.3	4.2
Manager	1.5	1.6
Professional/Technical	1.3	1.2
Employee	1.1	1.2
Total	1.4	1.7

We have a number of core mandatory training programs that all new employees must undertake to comply with our obligations under our Human Rights Policy. All employees are then required to refresh this training every 18 months. This training includes modules on Equal Opportunity in Employment, Sexual Harassment in the Workplace and Workplace Bullying. Other mandatory training includes Compliance at Stockland, Cyber Security Awareness, Privacy at Stockland and Personal Information Data Breach Awareness. During FY19 the total hours of employee training for these items was 3,496 hours. Failure to complete required training impacts employee performance ratings as well as eligibility for and payment of incentives – including long term, short term, and/or sales bonuses (for those who qualify).

DEVELOPMENT

FY19	% ELIGIBLE EMPLOYEES ²⁴
Performance review	100
Career development plan	77

²² Training days per employee is calculated by dividing [Total Number Of Training Hours/7.8] by [12-Month Average Headcount].

²³ Training days per employee has declined slightly in FY18 because of a more efficient use of time for classroom offerings (by leveraging pre-work undertaken prior to recorded training) and more use of webinar-style learning as opposed to face to face workshops.

²⁴ Eligible employees are permanent employees who have worked for Stockland for at least three months.



Diversity and inclusion

WORKFORCE BY CULTURAL BACKGROUND²⁵

CULTURE	FY19	FY18 ²⁶	FY17 ²⁷	FY16 ²⁸	FY15 ²⁹
Australian	62.3%	62.3%	56.2%	62.5%	56.2%
Aboriginal and Torres Strait Islander	0.8%	0.7%	0.4%	0.0%	0.4%
European ³⁰	18.0%	19.0%	25.4%	22.8%	25.4%
Asian ³¹	10.9%	8.9%	9.3%	8.7%	9.3%
Maori and New Zealand	1.8%	1.8%	2.4%	2.3%	2.4%
Middle Eastern	1.2%	1.3%	0.8%	0.0%	0.8%
South African	0.8%	0.9%	1.0%	1.2%	1.0%
North American	n/a	0.9%	0.6%	0.0%	0.6%
Other	4.2%	4.3%	4.0%	2.5%	4.0%

WOMEN IN MANAGEMENT³²

JOB BAND	FY19		FY18		FY17		FY16		FY15	
	TOTAL	% WOMEN	TOTAL	% WOMEN	TOTAL	% WOMEN	TOTAL	% WOMEN	TOTAL	% WOMEN
Management	557	45.8%	574	45.1%	555	45.9%	536	44.6%	515	44.7%
• Executive ³³	8	50.0%	11	27.3%	9	11.1%	9	11.0%	9	11.0%
• Senior Management ³⁴	136	41.2%	146	39.7%	152	38.8%	151	36.0%	138	36.0%
• Manager	413	47.2%	417	47.5%	394	49.5%	376	49.0%	368	49.0%
Employee	1,034	65.7%	1,116	66.3%	1,065	66.9%	1,010	67.0%	1,012	66.0%
Stockland	1,591	58.7%	1,690	59.3%	1,620	59.7%	1,546	60.0%	1,527	59.0%

²⁵ Data presented as a percentage of respondents who chose to disclose their cultural background to the Our Voice survey, Stockland's employee engagement survey. Some employees choose not to disclose their cultural background. Responses to this survey are completely confidential – Stockland has no access to individual data points.

²⁶ 94% of respondents chose to disclose their cultural background in FY18.

²⁷ 91% of respondents chose to disclose their cultural background in FY17.

²⁸ 83% of respondents chose to disclose their cultural background in FY16.

²⁹ 91% of respondents chose to disclose their cultural background in FY15. In FY15, the response options for the cultural association question were reviewed. The review highlighted the opportunity to provide clearer options and descriptors. The response options are now structured by region with several country examples. The structure is based on the UN regional groupings. This change has contributed to a significant change in cultural background distribution from FY14 to FY15.

³⁰ Includes north-west, central, southern, eastern, British, Irish and Scottish.

³¹ Includes south-east, north-east, southern and central.

³² Workforce by gender includes permanent employees, fixed term employees, and employees on extended leave. It excludes casual employees, Board members, special contractors, temps and vendors.

³³ Executive is Stockland's Executive Committee.

³⁴ Includes General Manager and Senior Manager job bands.

WOMEN IN MANAGEMENT BY BUSINESS³⁵

BUSINESS	FY19	FY18	FY17	FY16	FY15
Stockland	45.8%	45.1%	45.9%	44.6%	44.7%
Commercial Property	37.3%	33.9%	36.5%	33.7%	32.4%
Corporate	49.3%	51.0%	52.3%	50.0%	56.6%
Residential (to be deleted)	n/a	32.1%	25.3%	21.0%	23.4%
Retirement Living (to be deleted)	n/a	50.5%	56.2%	62.4%	56.5%
Stockland Communities	45.5%	42.3%	41.3%	41.9%	39.0%

AVERAGE FIXED REMUNERATION RATIO BY JOB BAND³⁶

JOB BAND	FY19	FY18	FY17	FY16	FY15
Executive	0.64	0.71	0.64	0.59	0.60
Senior Management ³⁷	0.87	0.85	0.86	0.85	0.93
Management	0.84	0.85	0.84	0.83	0.85
Employee/Professional Technical	0.87	0.86	0.86	0.86	0.86
Stockland ³⁸	0.71	0.68	0.66	0.64	0.66

We generally do not capture data on the number of people hired from the local communities in which we operate, given our spread of assets across Australia.

GENDER PAY EQUITY RATIO³⁹

We believe the methodology of measuring pay equity is limited if based solely on average fixed pay by job band as it ignores different market values placed on different jobs. We believe a better and more accurate process is that we assess gender pay equity by considering an individual's positioning against the relevant market benchmark. This analysis is shown below in the gender pay equity ratio table.

	FY19	FY18	FY17	FY16	FY15
Stockland	98.5%	98.3%	98.6%	97.4%	97.2%

³⁵ Includes Executive Committee, General Manager, Senior Manager and Manager job bands.

³⁶ Average fixed remuneration ratio looks at the ratio of the average female fixed pay to the average male fixed pay by job band.

³⁷ Senior Management includes Senior Manager and General Manager job bands.

³⁸ The ratio is a function of total pay and employee number by gender.

³⁹ The gender pay equity ratio is calculated by dividing the female compa-ratio by the male compa-ratio for employees. Compa-ratio represents the ratio of employees' Fixed Pay to the median of the applicable benchmark. For example, if an employee's Fixed Pay is \$120,000 and the market mid-point is \$100,000, the compa-ratio versus the median of the applicable benchmark is 120% (\$120,000 / \$100,000). An employee's position against the applicable benchmark will vary based on relative experience and skills. If a female has a compa-ratio of 102% and a male has a compa-ratio of 104%, then the gender pay equity ratio would be 98%. A gender pay equity ratio that is less than 100% suggests that males are better positioned against market in comparison to females, whereas a gender pay equity ratio that is 100% or higher suggests that females are equally or better positioned against market in comparison to males. The ratio excludes Stockland Executive Committee.



Health and safety

	FY19	FY18	FY17	FY16	FY15
Total average workforce ⁴⁰	1,639	1,689	1,578	1,507	1,438 ⁴¹
Total hours worked (million)	3.08	3.08	2.83	2.75	2.53
Number of lost time injuries (LTI) ^{42/43}	10	5	5	11	12
Lost time injury frequency rate (LTIFR) ⁴⁴	3.2	1.6	1.8	4.0	4.7
Number of injuries requiring medical treatment (MTI) ⁴⁵	19	25	24 ⁴⁶	12	14
Medical treatment injury frequency rate (MTIFR) ⁴⁷	6.2	8.1	8.5	4.4	5.5
Frequency rate (LTI and MTI) ⁴⁸	9.4	9.7	10.2	8.4	10.2
Occupational diseases instances	0	0	0	0	0
Fatalities	0	0	0	0	0
Lost days ⁴⁹	80 ⁵⁰	426 ⁵¹	599	599	267
Average lost day rate ⁵²	6.5	5.8	16.6	27.1	22.2
Development ⁵³ contractor LTIFR	6.7*	6.1	NA	NA	NA
Development contractor fatalities	0	0	0	0	0

⁴⁰ Total average workforce uses monthly employee totals rather than the end of financial year figure used in Our People metrics.

⁴¹ Total average workforce in FY15 reduced as a result of the sale of the Aged Care business in FY14.

⁴² Includes injuries incurred as a result of a work related incident. Does not include commuting/recess injuries.

⁴³ An injury resulting in the loss of one or more shifts. Not including injuries requiring first aid treatment only.

⁴⁴ Number of LTIs / total hours worked from July 2017 to June 2018 x 1,000,000 hours.

⁴⁵ An injury resulting in the injured person receiving further treatment from a medical practitioner i.e. GP, physio, hospitalisation etc. Not including lost time injuries.

⁴⁶ Although MTIs have increased in FY17, it has corresponded with a decrease in LTIs over the same period. The same trend can be observed in FY18. This result can be attributed to various health and safety initiatives implemented throughout these years including return to work initiatives aimed at mitigating lost time. More information on these initiatives is in our Health and Safety progress report.

⁴⁷ Number of MTIs / total hours worked from July 2017 to June 2018 x 1,000,000 hours.

⁴⁸ Number of LTIs + MTIs / total hours worked from July 2017 to June 2018 x 1,000,000 hours.

⁴⁹ Lost days recorded in the year irrespective of the year the injury occurred.

⁵⁰ Includes 15 lost days attributed to a longstanding injury from a previous financial year.

⁵¹ Includes 397 lost days attributed to two longstanding injuries from previous financial years.

⁵² Number of Lost Days / number of respective LTIs reported in FY19. Does not include lost days accruing from LTIs of previous years.

⁵³ Development is defined as greenfield/brownfield construction of new buildings and substantial structural works on existing buildings. Mainly where we have engaged a head/main contractor to manage the project and other contractors/sub-contractors.



BREAKDOWN BY GENDER AND REGION

	MEN	WOMEN	NSW	ACT	QLD	VIC	WA	SA
FY19								
Number of lost time injuries	8	2	5	0	1	1	0	3
Number of lost days ⁵⁴	61	4	27	0	1	19	0	18
FY18								
Number of lost time injuries	3	2	2	1	1	0	1	0
Number of lost days ⁵⁵	18	11	15	3	7	0	4	0
FY17								
Number of lost time injuries	2	3	2	0	2	1	0	0
Number of lost days ⁵⁶	524	75	215	0	20	364	0	0
FY16								
Number of lost time injuries	9	2	5	0	2	3	0	1
Number of lost days ⁵⁷	557	42	306	0	36	249	0	8
FY15								
Number of lost time injuries	9	3	7	0	2	3	0	–
Number of lost days ⁵⁸	231	36	249	0	13	5	0	–

⁵⁴ FY19 metrics include 15 lost days related to one lost time injuries (longstanding) reported in prior years but continued to lose time in FY19.

⁵⁵ FY18 metrics include 397 lost days related to two lost time injuries (longstanding) reported in prior years but continued to lose time in FY18.

⁵⁶ FY17 metrics include 516 lost days related to three lost time injuries (all longstanding) reported in prior years but continued to lose time in FY17.

⁵⁷ FY16 metrics include 301 lost days related to three lost time injuries (two of which are longstanding) reported in a prior year but continued to lose time in FY16.

⁵⁸ FY15 metrics include 105 lost days related to the re-aggravation of a lost time injury reported in a prior year but continued to lose time in FY15.

GRI Index – FY19

Stockland's sustainability reporting has been prepared in accordance with the GRI Standards (Comprehensive). This report also serves as the UN Global Compact (UNGC) Communication on Progress. This index relates to our FY19 sustainability reporting and provides a guide on where information can be found as it relates to GRI and UNGC reporting requirements.

Our FY19 sustainability reporting is available on our [website](#).

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
GRI 102: General Disclosures				
102-01	Name of the organization	Annual Report		N/A
102-02	Activities, brands, products, and services	Annual Report		N/A
102-03	Location of headquarters	Stockland website, Contact Us		N/A
102-04	Location of operations	Annual Report		N/A
102-05	Ownership and legal form	Annual Report		N/A
102-06	Markets served	Annual Report		N/A
102-07	Scale of the organization	People Data Pack Annual Report		N/A
102-08	Information on employees and other workers	People Data Pack	Principle 6	N/A
102-09	Supply chain	Supply Chain Deep Dive		N/A
102-10	Significant changes to the organization and its supply chain	In FY19 Stockland integrated its Retirement Living and Residential businesses into one umbrella, Communities. This resulted in the appointment of the Group Executive and CEO Residential role, to Group Executive and CEO, Stockland Communities. It also resulted in the departure of Group Executive and CEO, Retirement Living. In addition, as part of such changes to drive operational efficiencies, the Chief Operating Officer role, and Group Executive, Strategy and Stakeholder Relations role, were made redundant. During FY19, Stockland also appointed a new Chief Executive of People and Culture.		N/A
102-11	Precautionary Principle or approach	Our Management Approach to Governance and Risk Our Management Approach to Climate Resilience	Principle 7	Climate change impacts our assets, operations and the broader community Climate Resilience

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
102-12	External initiatives	Annual Report	UNGC commitment	N/A
102-13	Membership of associations	Our Management Approach to Stakeholder Engagement		N/A
102-14	Statement from senior decision-maker	Annual Report	Statement of continuing support	N/A
102-15	Key impacts, risks, and opportunities	Annual Report		NA
102-16	Values, principles, standards, and norms of behaviour	Annual Report	Principle 10	N/A
102-17	Mechanisms for advice and concerns about ethics	Our Management Approach to Governance and Risk Our Management Approach to Human Rights	Principle 10	N/A
102-18	Governance structure	Annual Report, Governance		N/A
102-19	Delegating authority	Annual Report, Governance		N/A
102-20	Executive-level responsibility for economic, environmental, and social topics	Our Management Approach to Governance and Risk		N/A
102-21	Consulting stakeholders on economic, environmental, and social topics	Our Management Approach to Governance and Risk Our Management Approach to Stakeholder Engagement		N/A
102-22	Composition of the highest governance body and its committees	Annual Report, Governance		N/A
102-23	Chair of the highest governance body	Annual Report, Governance		N/A
102-24	Nominating and selecting the highest governance body	Annual Report, Governance		N/A
102-25	Conflicts of interest	Our Management Approach to Governance and Risk		N/A
102-26	Role of highest governance body in setting purpose, values, and strategy	Our Management Approach to Governance and Risk Governance and Risk Deep Dive		N/A
102-27	Collective knowledge of highest governance body	Annual Report, Governance		N/A

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
102-28	Evaluating the highest governance body's performance	Annual Report, Governance		N/A
102-29	Identifying and managing economic, environmental, and social impacts	Our Management Approach to Governance and Risk		N/A
102-30	Effectiveness of risk management processes	Our Management Approach to Governance and Risk Governance and Risk Deep Dive		N/A
102-31	Review of economic, environmental, and social topics	Our Management Approach to Governance and Risk Governance and Risk Deep Dive		N/A
102-32	Highest governance body's role in sustainability reporting	Our Management Approach to Governance and Risk		N/A
102-33	Communicating critical concerns	Our Management Approach to Governance and Risk Our Management Approach to Human Rights		N/A
102-34	Nature and total number of critical concerns	Governance and Risk Deep Dive Human Rights Deep Dive		N/A
102-35	Remuneration policies	Annual Report, Remuneration		N/A
102-36	Process for determining remuneration	Annual Report, Remuneration		N/A
102-37	Stakeholders' involvement in remuneration	Our Management Approach to Stakeholder Engagement		N/A
102-38	Annual total compensation ratio	People Data Pack		N/A
102-39	Percentage increase in annual total compensation ratio	People Data Pack		N/A
102-40	List of stakeholder groups	Our Management Approach to Stakeholder Engagement Stakeholder Engagement Deep Dive		N/A
102-41	Collective bargaining agreements	Human Rights Deep Dive	Principle 3	N/A
102-42	Identifying and selecting stakeholders	Our Management Approach to Stakeholder Engagement Stakeholder Engagement Deep Dive		N/A
102-43	Approach to stakeholder engagement	Our Management Approach to Stakeholder Engagement Our Management Approach to Customer Engagement and Experience		Customer engagement Ability to harness digital business opportunities to remain competitive

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
102-44	Key topics and concerns raised	Reporting Approach		N/A
102-45	Entities included in the consolidated financial statements	Annual Report		N/A
102-46	Defining report content and topic boundaries	Reporting Approach		N/A
102-47	List of material topics	Reporting Approach		N/A
102-48	Restatements of information	Any restatements are indicated using footnotes in the report.		N/A
102-49	Changes in reporting	Reporting Approach		N/A
102-50	Reporting period	Reporting Approach		N/A
102-51	Date of most recent report	Reporting Approach		N/A
102-52	Reporting cycle	Reporting Approach		N/A
102-53	Contact point for questions regarding the report	Reporting Approach		N/A
102-54	Claims of reporting in accordance with the GRI Standards	Reporting Approach		N/A
102-55	GRI content index	GRI Index		N/A
102-56	External assurance	Reporting Approach		N/A
GRI 103: Management Approach				
103-1	Explanation of the material topic and its Boundary	Reporting Approach Annual Report		N/A
103-2	The management approach and its components	Management approach documents for enduring themes available on our website at www.stockland.com.au/sustainabilitydownloads		N/A
103-3	Evaluation of the management approach	As per 103-2 above		N/A
GRI 200: Economic				
201-1	Direct economic value generated and distributed	Annual Report Community Deep Dive		Community

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
201-2	Financial implications and other risks and opportunities due to climate change	Annual Report, Climate-related Financial Disclosures Our Management Approach to Climate Resilience	Principle 7	Climate change impacts our assets, operations and the broader community Climate Resilience
201-3	Defined benefit plan obligations and other retirement plans	Stockland does not offer defined benefit plans.		Employee engagement and development
201-4	Financial assistance received from government	Stockland does not receive financial assistance from government.		Stakeholder engagement
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	People Data Pack		N/A
202-2	Proportion of senior management hired from the local community	People Data Pack		N/A
203-1	Infrastructure investments and services supported	Community Data Pack		Community
203-2	Significant indirect economic impacts	Community Deep Dive Community Data Pack		Community
204-1	Proportion of spending on local suppliers	Supply Chain Deep Dive		Supply chain
205-1	Operations assessed for risks related to corruption	Human Rights Deep Dive Governance and Risk Deep Dive	Principle 10	Human rights
205-2	Communication and training about anti-corruption policies and procedures	Governance and Risk Deep Dive	Principle 10	Human rights
205-3	Confirmed incidents of corruption and actions taken	Human Rights Deep Dive	Principle 10	Human rights
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions for anti-competitive behaviour, anti-trust, or monopoly practices in FY19.		Human rights
GRI 300: Environmental				
301-1	Materials used by weight or volume	Waste and Materials Deep Dive	Principle 7 Principle 8	Waste and materials
301-2	Recycled input materials used	Waste and Materials Deep Dive	Principle 8	Waste and materials
301-3	Reclaimed products and their packaging materials	Not relevant for our organisation.	Principle 8	N/A

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
302-1	Energy consumption within the organization	Carbon and Energy Deep Dive Environmental Data Pack	Principle 7	Carbon and energy
302-2	Energy consumption outside of the organization	Carbon and Energy Deep Dive Environmental Data Pack	Principle 8	Carbon and energy
302-3	Energy intensity	Carbon and Energy Deep Dive Environmental Data Pack	Principle 8	Carbon and energy
302-4	Reduction of energy consumption	Carbon and Energy Deep Dive Environmental Data Pack	Principle 8 Principle 9	Carbon and energy
302-5	Reductions in energy requirements of products and services	Carbon and Energy Deep Dive Asset Rating and Certification Deep Dive	Principle 8	Carbon and energy
303-1	Water withdrawal by source	Environmental Data Pack	Principle 7 Principle 8	Water Management
303-2	Water sources significantly affected by withdrawal of water	Water Management Deep Dive	Principle 8	Water Management
303-3	Water recycled and reused	Water Management Deep Dive	Principle 8	Water Management
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environmental Data Pack Biodiversity Deep Dive	Principle 8	Biodiversity
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity Deep Dive	Principle 8	Biodiversity
304-3	Habitats protected or restored	Biodiversity Deep Dive	Principle 8	Biodiversity
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity Deep Dive	Principle 8	Biodiversity
305-1	Direct (Scope 1) GHG emissions	Carbon and Energy Deep Dive Environmental Data Pack	Principle 7 Principle 8	Carbon and energy
305-2	Energy indirect (Scope 2) GHG emissions	Carbon and Energy Deep Dive Environmental Data Pack	Principle 7 Principle 8	Carbon and energy
305-3	Other indirect (Scope 3) GHG emissions	Carbon and Energy Deep Dive Environmental Data Pack	Principle 7 Principle 8	Carbon and energy

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
305-4	GHG emissions intensity	Carbon and Energy Deep Dive Environmental Data Pack	Principle 8	Carbon and energy
305-5	Reduction of GHG emissions	Carbon and Energy Deep Dive Environmental Data Pack	Principle 8 Principle 9	Carbon and energy
305-6	Emissions of ozone-depleting substances (ODS)	Carbon and Energy Deep Dive Environmental Data Pack	Principle 7 Principle 8	Carbon and energy
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Carbon and Energy Deep Dive Environmental Data Pack	Principle 7 Principle 8	Carbon and energy
306-1	Water discharge by quality and destination	Water Management Deep Dive	Principle 8	Water Management
306-2	Waste by type and disposal method	Environmental Data Pack Waste and Materials Deep Dive	Principle 8	Waste and materials
306-3	Significant spills	There we no significant spills to report in FY19.	Principle 8	Waste and materials
306-4	Transport of hazardous waste	Our Management Approach to Waste and Materials	Principle 8	Waste and materials
306-5	Water bodies affected by water discharges and/or runoff	Water Management Deep Dive	Principle 8	Waste and materials
307-1	Non-compliance with environmental laws and regulations	No fines or sanctions related to non-compliance with environmental laws and regulations in FY19.	Principle 8	Regulatory and policy changes impact our business and customers
308-1	New suppliers that were screened using environmental criteria	Our Management Approach to Supply Chain Supply Chain Deep Dive	Principle 8	Supply chain
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Deep Dive	Principle 8	Supply chain
GRI 400: Social				
401-1	New employee hires and employee turnover	People Data Pack Employee Engagement, Development, Diversity and Inclusion Deep Dive	Principle 6	Employee engagement and development
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People Data Pack Employee Engagement, Development, Diversity and Inclusion Deep Dive		Employee engagement and development

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
401-3	Parental leave	People Data Pack Employee Engagement, Development, Diversity and Inclusion Deep Dive	Principle 6	Employee engagement and development
402-1	Minimum notice periods regarding operational changes	Employee Engagement, Development, Diversity and Inclusion Deep Dive	Principle 3	Employee engagement and development
403-1	Workers representation in formal joint management-worker health and safety committees	Operational and development teams across the business are required to address work health and safety (WHS) as a standard agenda item on business meetings, replacing the need for formal WHS Committees. However, it is noted that as per regulations, committees must be established if requested by workers.		Health and safety
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Health and Safety Deep Dive People Data Pack		Health and safety
403-3	Workers with high incidence or high risk of diseases related to their occupation	Health and Safety Deep Dive People Data Pack		Health and safety
403-4	Health and safety topics covered in formal agreements with trade unions	Human Rights Deep Dive		Health and safety
404-1	Average hours of training per year per employee	Employee Engagement, Development, Diversity and Inclusion Deep Dive People Data Pack	Principle 6	Employee engagement and development
404-2	Programs for upgrading employee skills and transition assistance programs	Our Management Approach to Employee Engagement and Development Employee Engagement, Development, Diversity and Inclusion Deep Dive		Employee engagement and development
404-3	Percentage of employees receiving regular performance and career development reviews	People Data Pack	Principle 6	Employee engagement and development
405-1	Diversity of governance bodies and employees	Annual Report People Data Pack	Principle 6	Diversity and inclusion
405-2	Ratio of basic salary and remuneration of women to men	People Data Pack	Principle 6	Diversity and inclusion
406-1	Incidents of discrimination and corrective actions taken	Human Rights Deep Dive	Principle 6	Human rights
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights Deep Dive	Principle 2 Principle 3	Human rights

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
408-1	Operations and suppliers at significant risk for incidents of child labour	Supply Chain Deep Dive	Principle 1 Principle 2 Principle 5	Human rights
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Supply Chain Deep Dive	Principle 1 Principle 4 Principle 2	Human rights
410-1	Security personnel trained in human rights policies or procedures	Human Rights Deep Dive	Principle 1 Principle 2	Human rights
411-1	Incidents of violations involving rights of indigenous peoples	Human Rights Deep Dive	Principle 1	Human rights
412-1	Operations that have been subject to human rights reviews or impact assessments	Human Rights Deep Dive	Principle 1	Human rights
412-2	Employee training on human rights policies or procedures	Human Rights Deep Dive	Principles 1-6	Human rights
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	All significant investments were made in Australian property. These investments did not signal the need for human rights screening.	Principles 1-6	Human rights
413-1	Operations with local community engagement, impact assessments, and development programs	Stakeholder Engagement Deep Dive Community Deep Dive		Community
413-2	Operations with significant actual and potential negative impacts on local communities	Stakeholder Engagement Deep Dive	Principle 1	Community
414-1	New suppliers that were screened using social criteria	Our Management Approach to Supply Chain Our Management Approach to Human Rights	Principles 1-6	Supply chain Human rights
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Deep Dive Human Rights Deep Dive	Principle 2	Supply chain Human rights
415-1	Political contributions	Our Management Approach to Stakeholder Engagement	Principle 10	Stakeholder engagement
416-1	Assessment of the health and safety impacts of product and service categories	Health and Safety Deep Dive		Health and safety Security risks and unexpected market events impact business continuity and community resilience

	DISCLOSURE	LOCATION OR COMMENT	UNGC	RELEVANT MATERIAL MATTER OR ENDURING THEME
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Stockland initiated a voluntary recall of a soft reindeer toy gifted to customers during the Christmas period. Although certified to an international safety standard, it was identified that the reindeers nose could detach, presenting a choking hazard. Through the ACCC, the product was officially recalled, including product destruction certification and numerous public notifications.		Health and safety Increasing expectation on organisations from the community
417-1	Requirements for product and service information and labeling	Not relevant for our organisation.		N/A
417-2	Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling in FY19.		Regulatory and policy changes impact our business and customers
417-3	Incidents of non-compliance concerning marketing communications	Stockland had one incident in February 2019 whereby a marketing SMS campaign sent text messages to 307 mobile numbers, outside of the usual process that ensures messages are only sent to consumers who have opted in to receive marketing material from Stockland. One recipient complained to the Australian Communications and Media Authority (ACMA). No action was taken by ACMA. Stockland provided additional training to the marketing team, to reinforce the requirement to follow marketing procedures.		Regulatory and policy changes impact our business and customers
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Human Rights Deep Dive		Health and safety Increasing expectation on organisations from the community
419-1	Non-compliance with laws and regulations in the social and economic area	No incidents of non-compliance with laws and regulations in the social and economic area in FY19.		Governance and risk Regulatory and policy changes impact our business and customers