

# Human Rights

## 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.<sup>1</sup>

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 document is a component of our FY20 sustainability reporting suite, which is publicly available on our [website](#). Our sustainability reporting is prepared in adherence to the International Integrated Reporting Framework principles of materiality, stakeholder responsiveness, reliability and completeness; in accordance with the GRI Standards<sup>2</sup>(Comprehensive); and is **third party assured**.



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](#).

### Stockland's Sustainability Strategy



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

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

## Our key achievements

- Developed a property industry modern slavery supplier assessment tool in collaboration with the Property Council of Australia (PCA), industry experts and 14 other PCA member groups to strengthen the property industry's approach to human rights and other social and governance considerations within the supply chain.
- Updated and launched our **What Stockland Expects from its Suppliers** policy to include a greater focus on sustainability, including diversity and inclusion, human rights and Indigenous procurement and employment.
- Partnered with the Australian Business Community Network to sponsor eight Indigenous scholarships for high school students, pairing them with Stockland mentors. We have committed to providing a further two scholarships to be announced at the end of 2020.
- Procured over \$2 million of goods and services from Indigenous suppliers during 2020.
- Developed our first project-based Reconciliation Action Plans at Stockland Baringa and Birtinya to support local Indigenous peoples through the development and operation of our shopping centres, in particular through an indigenous employment program.
- Increased our Australian Workplace Equality Index Score to Bronze Status, receiving 116/200 points, a 22% increase on our score from FY19, which reflects the efforts made on our LGBTI+ inclusion and diversity practices.
- Recognised as Employer of Choice for Gender Equality (WEGA) for the sixth year in a row, and ranked sixth on Equileap's Global Top 100 gender-equal companies.
- Continued our commitment to inclusive play in collaboration with Variety, our national community partner, by completing the construction of one new inclusive playspace at our Edgebrook (Vic) project and approving a further two inclusive playspace designs at Willowdale (NSW) and Minta (Vic) for construction in FY21.
- Continued our commitment to accessibility by installing Bindi Maps at several retail town centres including Burleigh Heads (Qld), Rockhampton (Qld) and Traralgon (Vic). Bindi Maps has the potential to revolutionise the shopping experience for the blind or vision-impaired by providing smart phone navigation that guides users with vision impairments to their destinations.
- Delivered 28 per cent of our Residential Medium Density product to LHA (Livable Housing Australia) Silver level design standard.

Ranked

6th

on Equileap's Global Top 100

Improved score

22%

in Australian Workplace Equality Index

Procured goods and services

\$2m

from Indigenous suppliers during 2020

## FY20 targets and progress

### Enrich our value chain

Focus area	Target	FY20 progress	Status	Future priorities
<b>Modern Slavery</b>	Develop Modern Slavery Act (MSA) Statement and continue to work with our supply chain to progress our group-wide response to MSA.	Developed a property industry modern slavery supplier assessment tool in collaboration with the Property Council of Australia.	In progress	Continue to engage with internal and external stakeholders and with industry experts and peers and experts to evolve our response to modern slavery.
		Mapped and assessed Stockland supply chain for modern slavery risk potential.		Complete annual assessment of 100 per cent of Categories A and B suppliers.
		Drafted inaugural Modern Slavery Act Statement.		Require all suppliers to formally acknowledge 'What Stockland Expects of its Suppliers' policy as part of our supplier on-boarding process.
				Establish modern slavery-related key performance indicators for key management personnel and other employees.
				All employees to complete modern slavery awareness training.
				Identify trends across our supplier base to develop collaborative improvement opportunities.
<b>Reconciliation</b>	Draft and commence implementation of our next Innovate Reconciliation Action Plan (RAP) FY20-22.	Reinvigorated the Stockland Reconciliation Working Group led by Executive Sponsor (Group Executive, People & Culture).	In progress	Launch and implement Stockland's second Innovate Reconciliation Action Plan in FY21 to deepen our understanding of shared histories, cultures and achievements and explore ways we can contribute to reconciliation in Australia.
		Collaborated across key internal stakeholders to draft our second Innovate RAP in partnership with Reconciliation Australia.		
		Held a Stockland all-employee virtual event for National Reconciliation Week during COVID-19.		
	Further develop an indigenous employment program on the Sunshine Coast in FY20 in partnership with the Australian Retailers Association and Sunshine Coast Council to facilitate Indigenous employment at our new shopping centres in Baringa and Birtinya.	Conducted two Retail Ready programs targeted at Indigenous participants at Stockland Baringa and Birtinya (Qld).	Achieved	
		Eight people participated in the programs, with five ongoing job placements achieved.		
		An additional two job placements were postponed due to the effects of the COVID-19 restrictions in retail.		

**Enrich our value chain**

Focus area	Target	FY20 progress	Status	Future priorities
<b>Reconciliation</b>	Continue our partnership with Career Trackers to support employment prospects of Indigenous university students through the provision of three internships in FY20.	Offered three Career Trackers internships.	Achieved	Provide at least one internship via Career Trackers per year.
	Develop a national Indigenous culture and heritage significance pathway to map areas and artefacts of cultural significance at or surrounding our residential communities.	Prepared a cultural heritage development pathway that will enable us to better understand cultural significance and identify opportunities to engage and celebrate Indigenous cultures on our projects.  Developed cultural heritage management plans at projects where we have identified artefacts, including Bokarina Beach (Qld) and Sovereign Pocket (Qld).	Achieved	Identify opportunities to embed the pathway in our development lifecycle and roll out an education module to raise employee awareness.
<b>Accessibility</b>	Target construction of six new inclusive play spaces across our residential and retail portfolio each year	Constructed Central ASD Park at Edgebrook (Vic), due to open in April, however was placed on hold due to COVID-19 restrictions and will open in FY21.  Designed inclusive playspaces for Stockland Shellharbour (NSW), Merrylands (NSW) and Cairns (Qld), however designs have been placed on hold due to COVID-19 restrictions.  Approved designs for Minta (Vic) and Willowdale (NSW) with construction to commence in FY21.	In progress	Finalise current playspace designs for approval and installation following the COVID-19 recovery.  Design all future playspaces in our retail town centres for inclusion to ensure children of all abilities can play.  Deliver at least one inclusive playspace in all residential communities over 1000 lots.
	Collate actions and recommendations from our Retail Town Centre accessibility assessments and commence planning for improvements to customer amenity and risk mitigation.	Reviewed accessibility assessments undertaken to date and identified key risks and opportunities, with some actions underway such as Bindi Maps and sensory mapping of our Retail Town Centres.	In progress	Identify key accessibility risks and opportunities for inclusion in retail centre asset plans.
	Conduct accessibility assessment at an additional four Retail Town Centres during FY20 to ensure our centres meet the needs of shoppers of all abilities.	Conducted an accessibility assessment at Stockland Baldivis (WA) and a sensory mapping assessment at Stockland Merrylands (NSW) to identify areas of high sensory stimulation in the centre in support of customers on the autism spectrum.  An accessibility assessment planned for Stockland Cairns (Qld) was postponed due to COVID-19 restrictions.	In progress	Conduct accessibility assessments at an additional two retail town centres in FY21 to ensure our centres meet the needs of shoppers of all abilities.  Pilot a sensory assessment at two retail town centres to identify areas of high sensory stimulation and improve the customer experience of people who live with autism.

**Enrich our value chain**

Focus area	Target	FY20 progress	Status	Future priorities
<b>Accessibility</b>	Extend Bindi Maps to at least two retail town centres in FY20 to enhance the level of support provided for people with vision impairments	Installed Bindi Maps at Stockland Burleigh Heads (Qld), Stockland Rockhampton (Qld) and Stockland Traralgon (Vic).	Achieved	Extend Bindi Maps to at least two additional retail town centres in FY21 to enhance the level of support provided for people with vision impairment shopping in our centres.
	Achieve a minimum LHA Silver standard (design certified) for 20 per cent of our Townhomes by FY20.	Delivered 29 per cent of our Townhomes product to meet LHA Silver standard.	Achieved	Deliver a minimum of five per cent of all new Stockland Townhouse and Completed Homes to LHA Silver standard (and up to 20 per cent where a demand for LHA homes has been identified through internal research).
	Deliver a minimum of two new display homes in all new residential communities to LHA Silver standard by FY20.	Five display villages now include LHA homes from a total of 14 display villages. Two LHA homes were included in the display villages at Altrove (NSW), Willowdale (NSW), Aura (Qld) and North Shore (Qld) and one LHA home was included in the display village at Mt Atkinson (Vic).  We are continuing to work on programs with builders to deliver LHA homes, helping them to see the benefits to their business over the long term.	In progress	Deliver a minimum of one LHA certified home in each display village with fewer than 20 lots, and two homes in display villages with more than 20 lots.
	Offer LHA design options from at least two builders in all new residential communities by FY20.	By the end of FY20, 10 out of our 14 display villages (71%) offer LHA design option.	In progress	
	100% of Retirement Living developments to achieve LHA Silver standard (design certified).	100% of homes at our newly completed Newport Retirement Village (Qld) were delivered to LHA Silver level standard.	Achieved	Continue delivering 100% of Retirement Living developments to achieve LHA Silver standard (design certified).

# FY20 performance and case studies

## Corporate human rights

In FY20 we have continued activities focused on our human rights approach, including consideration of modern slavery legislation. We have participated in industry awareness sessions with the Property Council of Australia and Green Building Council of Australia, as well as industry forums to help develop industry approaches to address human rights.

We have continued to focus on building a diverse and inclusive culture at Stockland during FY20. Further detailed information can be found in the [Employee Engagement, Development, Diversity and Inclusion Deep Dive](#).

Further detailed information on the FY20 implementation of Strengthening Stockland, our organisation culture review and integrated program of work across systems, capability, leadership, processes and structure, can be also found in the [Employee Engagement, Development, Diversity and Inclusion Deep Dive](#).

## Modern Slavery

In FY19 we undertook a Group-wide human rights issues review to better understand the potential challenges facing our business and to build an understanding of issues within the broader property sector. This review identified our supply chain as having the highest potential for human rights risk. This highlighted the need to understand the sourcing practices of our suppliers, to identify high-risk products and geographies, and the intersection between the two.

In April 2019 we established a Modern Slavery Working Group to develop and implement our modern slavery strategy, and to manage our various initiatives and ongoing priorities relating to effectively identifying and managing modern slavery risks and due diligence activities (including managing our reporting obligation). Co-chaired by the General Manager of Group Project Management and Direct Procurement and the Group Risk Officer, the Working Group includes representatives from across the business including Sustainability, Legal, Investor Relations, People and Culture, Risk, Procurement and Operations.

During FY20 the Modern Slavery Working Group:

- collaborated with Property Council of Australia and 14 other PCA member groups to develop a modern slavery supplier assessment tool;
- assessed 100 per cent of Category A suppliers for modern slavery risk within their supply chain;
- directly engaged with 450 suppliers on supply chain and human rights issues;
- updated '[What Stockland Expects from our Suppliers](#)' policy to emphasise human rights expectations; and
- all relevant employees completed tailored modern slavery awareness training.

Using our priority assessment categories, we issued the supplier assessment tool to all our Category A suppliers in FY20 as our primary due diligence approach. Of the 26 suppliers issued with the assessment, 100 per cent undertook the assessment within the tool. All new Category A suppliers are also required to complete the assessment as part of the contract award process. The assessment tool asks suppliers to complete over 100 questions on modern slavery. However, for our first year of assessment, we have focused on those questions regarding awareness of modern slavery and the scope of policies regarding supply chain transparency, and modern slavery and sub-contracting activities. This has helped us establish a baseline for our due diligence and has improved our understanding of how we can support our suppliers and encourage continuous improvement. More information on supplier engagement activities can be found in our [FY20 Supply Chain Deep Dive](#).

The ongoing COVID-19 pandemic is having a devastating human and economic impact across the world. In June 2020, we assessed where and how the pandemic may increase the vulnerability of workers within our supply chain to modern slavery. The assessment indicated that suppliers in the cleaning industry may have significant exposure to increased modern slavery risks as a result of COVID-19. For more details on our approach see our [Modern Slavery Statement](#).

- mapped and assessed Stockland supply chain for modern slavery risk potential, categorising our suppliers into four priority assessment groups;

## Reconciliation

In preparation for the launch of our new Innovate Reconciliation Action Plan (RAP) in early FY21, Stockland has taken the time to review, rebuild and re-energise our approach to reconciliation, including:

- Reinvigoration of the Reconciliation Working Group (RWG) including the internal appointment of an Executive sponsor and an external advisor, as well as ensuring all areas of the business are represented.
- Working closely with Reconciliation Australia and extensive cross-business collaboration in the final stages of drafting our new Innovate Reconciliation Action Plan as we work towards our goal of being able to launch a Stretch RAP in FY23.
- Renewal of our Supply Nation membership, with a RWG sub-committee working on opportunities to maximise this partnership in the future.
- Developed our first project-based Reconciliation Action Plans at Stockland Baringa and Birtinya (Qld) to support local Indigenous peoples through the development and operation of our shopping centres.
- Successful launch of our first national online Reconciliation Week event hosted by our CEO, with over 400 employees in attendance.

## Accessibility and inclusion

Our Accessibility and Inclusion Strategy was developed to respond to the needs of people living with disabilities within and around 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. An accessibility assessment was completed during FY20 at Stockland Baldyvis (WA) and a second assessment was scheduled to be undertaken at Stockland Cairns (Qld), however this was cancelled due to COVID-19 restrictions.

A key initiative in FY20 was the extension of the rollout of Bindi Maps, an application-based way-finding system that uses beacon technology to assist people who live with vision impairment to find their way around our retail centres. Following successful first time installation at Stockland Wetherill Park (NSW) in FY19, we installed Bindi Maps in three additional retail town centres at Burleigh Heads (Qld), Traralgon (Vic) and Rockhampton (Qld).

We have continued to progress the roll-out of inclusive playspaces in our Retail Town Centres by developing designs for several locations, however COVID-19 has seen some projects deferred. Designs are advanced for Stockland Shellharbour (NSW) and Stockland Merrylands (NSW), with an independent review undertaken by Variety, our national community partner. Construction is expected to commence in FY21.

### Communities

Within our Communities businesses, we completed an inclusive playspace at Edgebrook (Vic) and approved designs for inclusive playspaces at our Willowdale (NSW) and Minta (Vic) residential communities in partnership with our community partner Variety. The opening of Edgebrook Central Park has been delayed due to COVID restrictions and will open in FY21.

Twenty-one per cent of our Stockland-designed residential and Retirement Living built form product is certified Silver level LHA design standard. During FY20 we delivered 29 per cent of our residential Medium Density product to Silver level LHA design standards, and five of our display villages included LHA Silver level display homes. We also offer LHA designs in 10 of our display villages through our builder partners, enabling customers to choose from a range of accessible homes. Display villages offering LHA design include Altrove (NSW), Willowdale (NSW), Elara (NSW), Calleya (WA), Aura (Qld), Foreshore (Qld), Kalina (Qld), North Shore (Qld), Mt Atkinson (Vic), Vale (WA).

We have engaged with Stockland employees and builder partners to understand the challenges and level of interest in delivering LHA homes. We plan to conduct further research to better understand the market for LHA homes and assess how we best work with disability organisations and the National Disability Insurance Scheme to deliver accessible housing. We will then look at how we work with stakeholders to raise awareness of the value and opportunity provided by LHA product in the market.



## Collective bargaining

We support the right to exercise freedom of association and collective bargaining. In FY20 approximately four 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 and 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 14 substantiated breaches of our Code of Conduct in FY20, one breach of the Fraud and Corruption Policy and one breach of the Anti-Discrimination and Harassment Policy. These breaches resulted in five terminations of employment and nine formal warnings.
- **Privacy** – There were two sets of notifiable data breaches reported to the regulator, Office of the Australian Information Commissioner (OAIC). The regulator confirmed in both instances it was satisfied with Stockland's response to the breaches and closed the matters.
- **Grievances** – There were no formal grievances raised in FY20.
- **Whistleblower** – During FY20 we received two anonymous concerns raised via our whistleblower channel on Stockland's website and another three anonymous concerns on our internal "Tell Me" channel. Three additional concerns were raised, one anonymously through correspondence to members of the Executive Committee, another by an escalation from an employee and one via an anonymous call to our Customer Contact Centre. These matters were all investigated and closed, with appropriate actions taken.



## CASE STUDY

### HELPING OUR CUSTOMERS NAVIGATE A PATH TO INDEPENDENCE AND FREEDOM

In an Australian first, Bindi Maps, a simple and affordable way-finding smartphone app, was launched at Stockland Wetherill Park (NSW) in April 2019 to enable our vision-impaired customers to independently and accurately navigate their way around the centre.

Stockland has always been focused on accessibility in our Retail Town Centres and actively seeks ways improve the customer experience for people who live with disability. Mobility, orientation and navigation of retail spaces present real challenges for many people who visit our centres, particularly people with vision impairment.

While exploring opportunities to use technology to improve the customer experience, we were introduced to technology start-up, Bindi Maps, an innovative mobile app that precisely locates a person in an indoor space and guides them to their destination. Using Bluetooth beacons installed on the ceiling throughout a shopping centre, Bindi Maps interacts with a smartphone to give helpful voice commands, identifying the easiest routes to stores, vertical transport, customer care and amenities within one metre of accuracy. For the vision-impaired, this technology provides independence and mobility.

Following testing and positive user feedback during a Big Day Out activation involving people with vision impairment, Bindi Maps has been in operation at Stockland Wetherill Park since April 2019. This was the first major Australian shopping centre to install Bindi Maps, and we have since launched it at our centres in Burleigh Heads and Rockhampton in Qld and at Traralgon in Vic, with plans to roll it out across the portfolio in the future.



*Bindi Maps user Ben testing the new wayfinding technology for the first time at Stockland Wetherill Park.*

## CASE STUDY

### MODERN SLAVERY LENS PROVIDES GREATER VISIBILITY INTO CLEANING SERVICES



Across Australia, at our assets, there are over 350 cleaners, in Stockland-branded uniforms, working for cleaning service suppliers.

Our risk assessment has highlighted the cleaning services sector as high risk for modern slavery. This is due to the complexity of its contracting relationships, franchising and sub-contracting practices. We have been proactively managing the risk associated with outsourcing labour-intensive and low-skilled work to third parties such as cleaning for many years, and have a long-term strategy focused on enabling safe, fair and equitable working conditions.

We have engaged industry consultants to conduct specialised due diligence processes to determine if our cleaning services contractors are suitable partners for Stockland. The due diligence approach includes the assessment of supplier documentation, conversations with the service contractor employees and key management personnel, and site visits. These reviews have been conducted on multiple occasions and occur alongside the PCA assessment process.

With the onset of the COVID-19 pandemic, it is possible that the risk profile of the cleaning services sector may have increased in some instances. Cleaning has been deemed an essential service under the COVID-19 lockdown and the demand for cleaning services has rapidly increased, and remains high, as a result. Accordingly, there may be increased pressure on already vulnerable workers to provide services under very difficult working conditions, thus increasing their risk of exploitation.

In response, we are continuing to reinforce our requirement to comply with Stockland's sub-contracting standards and Supplier Code of Conduct throughout the pandemic. During this time, we have also gained a greater appreciation for how contractors are managing modern slavery during a period of heightened risk. For example, it has given us the opportunity to: consider approaches to updating work practices and reporting processes; assess training of personnel; and secure critical supplies such as cleaning chemicals and personal protective equipment.

Whilst our due diligence activities are ongoing, the process has provided greater transparency throughout our supply chain as we identify opportunities to work with our contractors to address specific risks. Pleasingly, we have also found several of our larger contractors are conducting their own due diligence activities for their sub-contractors and suppliers.

We also have more visibility into how our contractors are approaching payroll compliance. Amidst the current media attention placed upon non-compliance, several contractors have demonstrated an increased awareness of the restrictions imposed through the cleaning award, focusing on areas of concern such as award rates paid, superannuation entitlements and hours worked by employees.