

Stakeholder Engagement

FY18

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 FY18 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

- Implemented state-based stakeholder engagement plans reflecting our best practice stakeholder engagement approach across the business.
- Delivered three state training workshops to our employees, involving presentations from key government and industry stakeholders and practical skills training.
- Partnered with government to profile our investment in sustainability 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:

[FY18 priorities and progress](#)

2

[FY18 performance and case studies](#)

2



FY18 priorities and progress

FY18 PRIORITIES	STATUS	FY18 PROGRESS
Deliver stakeholder engagement workshops for employees in NSW and Western Australia with external government stakeholders.	Achieved	We completed workshops in NSW, Western Australia and Queensland, with senior government and industry stakeholders in attendance.
Draft a stakeholder education program for our operational and asset managers.	Achieved	We drafted a manual for stakeholder engagement and delivered it to operational teams for completion and implementation.
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.
- Continue to deliver and update stakeholder engagement plans for all active development projects.
- Review our Government Relations Policy and stakeholder engagement framework to maintain alignment with best practice.

FY18 performance and case studies

Our focus in FY18 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 worked to instil a consistent approach to stakeholder engagement across states and business units. The initiatives included:

- delivery of state-based stakeholder engagement plans, working across all asset classes to provide for an overarching approach to stakeholder engagement that is consistent across our projects and that enables teams to readily identify the variety of relevant stakeholders and their priorities
- delivery and application of a project-level stakeholder engagement plan template benchmarked at industry standards across the business, to enhance our teams' capabilities to prioritise stakeholders, proactively identify interests or concerns and engage accordingly
- introduction of stakeholder engagement as a standing item for consideration by State Executive Groups, providing an opportunity to regularly monitor the delivery of state and project objectives and coordinate upcoming activities
- delivery of stakeholder engagement training workshops to state development, project management and business development teams in Queensland, New South Wales and Western Australia
- collaborating with local government and community stakeholders in the design and delivery of our smart cities program at our Aura community (see 'Delivering smart cities with Sunshine Coast Council' case study)
- partnering with government to profile our investment in community and sustainability initiatives, including events to launch our national retail solar initiative with the Queensland Treasurer at Stockland Cairns and the New South Wales Minister for Energy and Utilities at Stockland Wetherill Park in Western Sydney (see [Carbon and Energy Deep Dive](#)).

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

Delivering smart cities with Sunshine Coast Council

Smart cities help to future proof communities by providing infrastructure that enables improved and more efficient services for residents. During the design of our Baringa community within our Aura (Qld) development, our team engaged with Sunshine Coast Council about its Smart City Program. Understanding the potential for smart cities to contribute to our objective of shaping thriving communities, we worked with Council to understand how Baringa could leverage technology for the benefit of its residents and Council.

We committed \$120,000 toward the Smart City Program, prepared a smart cities masterplan and integrated the delivery of required infrastructure (e.g. pits and pipes for the fibre optic network) with existing construction activities.

The smart cities masterplan includes targeted initiatives considered to be of genuine use to the community and enabling great customer and resident experiences. Initiatives include:

Smart LED street lights - 200 LED street lights have been installed to date. These are International Dark Sky Alliance compliant and reduce light pollution, making it easier for birds and animals to navigate the night sky.

Capacity rubbish bin sensors - street bins get emptied when they are full, reducing the number of trucks on the road and reducing traffic congestion.

Community display - information collected through a number of sensors and devices in the community is displayed to notify the community of relevant information and events.

Weather stations - Real time weather information such as temperature, rainfall, storm warnings, wind speed and direction.

Environmental sensors - a number of factors including air and water quality are measured and monitored.

WiFi stations - free WiFi access for visitors at locations throughout the community.

Bluetooth speakers - free access to Bluetooth speakers within the community's parks.

Electric car charging stations - electric car charge points are provided at several locations.

Electric bike charging stations - free charging stations provided at key community locations.

We continue to investigate initiatives to help make it easier to integrate existing infrastructure with new technologies to make it easier for Baringa residents to live smart.



Some key areas of engagement with government and industry in FY18 included:

- contributing to public policy, through dialogue with all levels of government, in relation to the planning and delivery of homes and infrastructure across the urban and regional environments in which we operate
- participating in a range of industry forums and events and holding senior positions on the state and national executives of the Urban Development Institute of Australia and the Property Council of Australia (PCA)
- continuing to take a key role in the development of voluntary tools and standards for the industry, such as National Australian Built Environment Rating System (NABERS) Retail Energy and Water tools, Green Star, and Livable Housing Australia Design Guidelines (see our [Asset Rating and Certification Deep Dive](#))
- working with sector peers through the PCA to take a collaborative approach in creating a more eco-efficient built environment
- responding to state strategic planning frameworks and consultation opportunities in relation to policy, including in relation to housing affordability and infrastructure projects.

Media relations

In FY18, our key areas of media engagement focused on:

- positioning Stockland as an equal-opportunity employer that encourages diversity and inclusion at every level of our organisation

- securing broad coverage of our sustainability credentials, particularly our industry-leading rooftop solar roll out for our Commercial Property business, our Green Star ratings, our inclusive playspaces and our innovation initiatives including Tesla electric vehicle chargers
- successfully communicating the launch of major residential projects with a focus on providing increased supply to assist in affordable housing for Australians, most notably with Mt Atkinson (Vic), Aura Central (Qld) and Altrove (NSW)
- communicating our Residential strategy and demonstrating our progress in broadening our business to incorporate townhomes, completed homes and apartment projects
- communicating our retail development pipeline with a strong focus on creating resilient retail town centres
- communicating our product offering and leadership across the Retirement Living industry through opinion-led articles and consumer media and trade publications
- communicating our active Retirement Living pipeline through major milestone events including the start of work event for Newport Retirement Village (Qld) and opening of the Birtinya Retirement Village (Qld) clubhouse
- strengthening our level and frequency of coverage across major metropolitan broadcast media and continuing to generate positive coverage with the key business and property media.

Throughout FY18, we have also 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 FY18, our investor engagement focused on maintaining clear and transparent reporting to our investors through regular financial reports, operational updates and lodgement of market sensitive information with the Australian Securities Exchange (ASX). We have engaged with investors throughout the year at conferences, roadshows and asset tours. We participated in eight conferences and roadshows in Australia, Asia, Europe, and North America. We met with over 220 investment groups, enhancing our profile in the global market and providing securityholders with direct access to management.

With a view to broadening our investor base and diversifying our sources of capital, we met with 48 new investors and hosted 23 asset tours to deepen investor understanding of our business. Our recent Investor Day provided investors with a strategy update and a tour of our Logistics and Business Parks, Retail Town Centre, Residential, and Retirement Living assets in metropolitan Sydney to reinforce our strategic priorities and demonstrate the active development of the portfolio over the past five years.

In FY18 we continued to encourage our securityholders to receive their communications (reports, distribution notices and announcements) electronically. This enables securityholders to receive timely and secure communication and allows us to invest printing and mailout savings into more accessible digital communication. Over 10 per cent of those investors who were contacted have now opted to receive all their investor communications electronically. Our quarterly updates, annual general meeting, and Investor Day were all webcast live on the internet to allow timely communication to all stakeholders.

We also enhanced our communication of key announcements via social media using Twitter and LinkedIn, with our LinkedIn followers now exceeding 29,800, up 19 per cent from FY17.

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 company to be recognised on the 2017 CDP Climate A List for leadership in climate action.
- Dow Jones Sustainability Index – inclusion on the World Dow Jones Sustainability Index for the eleventh consecutive year, and Silver Class distinction in the RobecoSAM 2018 Sustainability Yearbook.
- Global Real Estate Sustainability Benchmark – 2017 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 [FY18 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](#).