

Our Management Approach to Stakeholder Engagement

A. Purpose

This document sets out our approach to engaging with our numerous and varied stakeholders. It should be read in conjunction with our Stakeholder Engagement Deep Dive (available on our website), where we report on progress against stakeholder engagement priorities on an annual basis. Together, our management approach documents and deep dive reports comprise our sustainability reporting suite, which is prepared in accordance with the GRI Standards¹ and is third-party assured.

Sound stakeholder engagement is important for developing and maintaining strong relationships that enable us to understand our stakeholders' unique needs, perceptions, and concerns.

Across our diverse business, we engage with stakeholders on important life decisions, whether it is deciding where to shop, buying a first home or an investment property, 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 Stakeholder Relations team and our project and asset teams
- employees through various internal communication mechanisms
- customers and community partners through our Commercial Property, Residential, and Retirement Living businesses.



¹ The GRI Standards are global standards for sustainability reporting published by the Global Reporting Initiative (<https://www.globalreporting.org/standards/>). The relevant standard for this management approach document is contained within [GRI 103: Management Approach](#).

B. Management approach

B.1 Stakeholder groups

We have identified seven key stakeholder groups which either have a significant impact on, or are significantly impacted by, our performance.

OUR KEY STAKEHOLDERS	HOW WE ENGAGE
<p>Employees <i>We have 1,690 employees.</i></p>	<p>Our annual Our Voice employee survey measures employee engagement across the organisation. Employees are also provided with opportunities to provide feedback on specific issues throughout the year. Our intranet, stockXchange, is a key source of business news, activities and policies, and is updated each business day.</p> <p>Our annual employee roadshows provide an opportunity for our Executive Committee to interact with employees in each capital city where we operate and provide an update on our strategy and performance. Employees are able to ask questions anonymously or directly to our Executive Committee as part of these roadshows and throughout the year.</p> <p>Our Employee Town Hall meetings provide an opportunity for employees to be briefed on half- and full-year results. The Town Hall meetings are held at Stockland Head Office and are made available to employees across Australia via a live webcast. Employees are encouraged to submit questions to the Executive Committee to be addressed during the meetings. Our Managing Director and CEO also sends an email to all employees outlining the results.</p> <p>For more information on our engagement with employees refer to Our Management Approach to Employee Engagement and Development.</p>
<p>Government and regulators <i>Federal, state and local governments set the regulatory environment in which we operate.</i></p>	<p>We engage regularly with all levels of government in New South Wales, Victoria, Queensland, Western Australia, South Australia and the Australian Capital Territory, both directly and through industry associations. We also engage with the federal government.</p> <p>For more information on our engagement with government and regulators see the Government and Industry Relations update above.</p>
<p>Securityholders and the investment community <i>We have over 52,000 securityholders in Australia and overseas.</i></p>	<p>We provide investor briefings on our strategy and financial results. At our Annual General Meeting, securityholders can engage with our Board of Directors and are updated on our strategy and performance. Our management also meet regularly with institutional investors.</p> <p>For more information on our engagement with securityholders and investors see the Investor Relations update below.</p>
<p>Customers <i>We have daily contact with a diverse range of customers, including commercial, retail and industrial tenants, shoppers in our retail centres, our residential community customers and residents in our retirement living communities.</i></p>	<p>We regularly seek feedback from customers through surveys and research, and we incorporate feedback into our product design and service offerings.</p> <p>Customer Relations Management Systems are in place across all of our businesses to support regular, effective and responsive engagement with our customers.</p> <p>For more information on our engagement with our customers refer to Our Management Approach to Customer Engagement and Experience.</p>
<p>Suppliers <i>We procure services and products from over 3,600 active suppliers with the top 100 suppliers representing approximately 75 per cent of our spend.</i></p>	<p>Spend associated with the development of our assets accounts for approximately 75 per cent of our annual direct procurement spend, with operational and corporate procurement each representing approximately 10 per cent of annual procured spend.</p> <p>We actively monitor and engage with our suppliers. Our strategic suppliers (predominantly involved in the development and construction of our assets) are prequalified to confirm they have the capability and proven ability to meet general and project-specific sustainability and quality requirements. This involves an assessment of the occupational health and safety systems, financial viability, environmental, social and sustainability capabilities of suppliers.</p> <p>For more information on our engagement with suppliers see Our Management Approach to Supply Chain.</p>



OUR KEY STAKEHOLDERS

HOW WE ENGAGE

Communities

The people who reside, work or engage in the areas where we operate.

Our engagement with communities includes community and consultation forums, one-on-one meetings with community groups and local leaders, as well as surveys and research.

For more information on our engagement with communities see [Our Management Approach to Community Investment and Development](#).

Media

We interact with journalists across a wide spectrum of local, regional, metropolitan and national print and electronic media outlets.

We regularly engage with the media to provide information about our business that supports clearer and more accurate reporting.

We aim to respond promptly to requests for information about our business activities.

For more information on our engagement with media see the Media Relations update below.

B.2 Stakeholder engagement framework

We have a well-established stakeholder engagement framework that informs our Group strategy together with the strategies of our operating businesses and their assets and development projects. This framework is based on five fundamental principles, endorsed by our Board and Executive Committee, which continue to guide our engagement with a wide variety of stakeholders:

- a proactive, harmonised approach across the business
- early prioritised engagement with stakeholders to help build a clear project vision and identify key milestones
- clear understanding of our stakeholders and their key drivers to build trust beyond the project
- regular communications, recording and reporting
- capturing stakeholder trends across the business to inform our future strategy.

Our Board and Executive Committee receive regular reports with updates on our engagement approach and emerging stakeholder issues or concerns. The Board receives these reports as per their meeting schedule, and the Executive Committee receives these reports monthly.

We have state-wide stakeholder engagement strategies and asset and project-specific stakeholder engagement plans focused on understanding and responding to local issues. We review environmental and social impacts of key development projects and develop sustainability initiatives to enhance project outcomes.

At the start of every project, teams are required to identify key government and community stakeholders, the objectives of their engagement approach and any issues which might impact on the project in the future. Based on this, project-level stakeholder engagement plans are developed based on the updated stakeholder engagement template. This is guided by our five fundamental principles and philosophy of proactive engagement. The development, implementation and monitoring of all plans is overseen by our Stakeholder Relations team, who are also responsible for facilitating the dissemination of lessons, trends and successful initiatives across the business.

The rest of this document focuses on our approach to engaging the investment community, the media, and government stakeholders. Finer detail on our management approaches related to other stakeholder groups are provided in separate documents:

- [Our Management Approach to Employee Engagement, Development](#)
- [Our Management Approach to Customer Engagement and Experience](#)
- [Our Management Approach to Community Investment and Development](#)

We have established responses to the typical issues faced at development sites and in the operation of our assets, including water management, waste, energy and efficiency, climate resilience, biodiversity, stakeholder engagement and health and safety. Further information on these issues and our approaches can be found on our [website](#).

B.3 Investor relations

We have over 52,000 securityholders in Australia and overseas. We aim to keep all securityholders well informed of all major developments and business events that are likely to materially affect our operations and financial standing and the market price of our securities. A copy of our policy on our communication to securityholders is available on our website in accordance with Principle 6 of the ASX Corporate Governance Principles and Recommendations.

We provide securityholders with information through our annual and half year financial reports, our Annual General Meeting and announcements of market-sensitive and other information, including results and Q1 and Q3 updates. These documents are lodged with the Australian Securities Exchange (ASX) and are publicly available on our website at www.stockland.com.au.

To support our retail securityholders having timely access to information we promote the use of electronic communication, providing alerts on major announcements for those with registered emails. We also participate in online interviews with brokers and our major announcements are published on our corporate Twitter account, @Stockland. We also provide a printed half-year and full-year Shareholder Review with our half-year distribution statement and annual Notice of Meeting.

Over the last four years we have sought to streamline our financial accounts and provide more integrated reporting to enhance accessibility for all stakeholders.

All securityholders are encouraged to engage with senior management and our Board of Directors at our Annual General Meeting. Copies of addresses made by the Chairman and Managing Director and the minutes of the Annual General Meeting are also lodged with the ASX and are publicly available on our website. Common agenda items voted on by securityholders at our Annual General Meeting include remuneration, benefits, and director elections.

We also communicate with the investment community via regular group and one-on-one management meetings, presentations by senior management, and by participating in domestic and offshore investor conferences and roadshows. Our market briefings are webcast over the internet.

In addition, the Chairman undertakes regular engagement with our major investors and proxy advisors, including the Australian Shareholders' Association. This provides a useful forum for both the Board and our investors to remain informed on current market views, commercial developments and industry trends.

B.4 Government and industry relations

We pride ourselves on a high level of professional engagement with all levels of government. We actively engage with governments, public servants, regulators and our industry bodies in relation to policy and specific projects.

This engagement is guided by a Board-endorsed government relations policy. The policy is updated annually and communicated through a range of channels, including face-to-face briefings, the intranet and our website.

Our policy is to make no donations to politicians or political parties at any level of government. This policy has been in place since 1 July 2008. We expect that all of our projects are judged solely on their merits and it is important to us that our community stakeholders share this view.

We actively monitor legislative and regulatory change directly through our businesses and our Stakeholder Relations team, as well as via key industry bodies. We are an active member of Business Council of Australia, GBCA, National Association of Women in Construction, PCA, Shopping Centre Council of Australia, and Urban Development Institute of Australia, and they continue to be our primary representative bodies at both federal and state levels. We also engage with the Investor Group on Climate Change and participate as an Organisational Stakeholder in the Global Reporting Initiative.

B.5 Media relations

We take a proactive media engagement approach, and regularly engage with media outlets at a national, state, regional and local level to communicate the strategic objectives of our business. We proactively engage with the media to communicate and respond to the issues that are important to our stakeholders, including our customers and the broader community surrounding our assets

We distribute all major ASX announcements relating to major capital transactions, strategic partnerships and quarterly financial updates directly to media, and we have a dedicated in-house team available 24/7 to respond to all media inquiries. We also host detailed briefings with business and property journalists as an integral part of our half- and full-year reporting cycles. We frequently host and participate in media events, industry speaking engagements and interviews to broker important news and updates about our business.

As part of our approach to community consultation, we also supply key facts relating to proposed or active developments to the appropriate media outlets for dissemination and consideration by the respective local communities in which we operate.

C. Review and evaluation of the management approach

We review and evaluate our progress against our stakeholder engagement commitments and priorities as part of our annual [Stakeholder Engagement Deep Dive](#). In this reporting, we include:

- a status update and description of progress against our priorities
- the identification of future priorities
- highlights of initiatives implemented over the reporting period
- case studies that explore key achievements, usually at particular locations.

We review and refresh our stakeholder engagement planning on a monthly basis through the maintenance of our Priority Projects Radar, where we capture and report on high-priority projects across the country from a stakeholder perspective. This tool enables us to monitor our projects, assess the effectiveness of engagement measures and in turn share effective practices and key learnings with the business. It also allows us to monitor feedback from a range of stakeholders representing government, public service, business partners, industry and the community on a regular basis.

Stakeholder engagement plans facilitate the transition of key relationships from our planning managers to our development and asset managers. They also enable consistency and continuity in our engagement approach as teams change and people move to different projects.

At a project level, regular review of stakeholder objectives is undertaken through monthly project meetings and through lessons learnt discussions at state and interstate levels to share best practice throughout the business. These are detailed in project stakeholder plans.

Media engagement is evaluated through monthly media analysis and reporting based on daily media monitoring. These services are provided by an external third party.

We commission an independent survey to measure and monitor institutional investor confidence in Stockland every six months. This study is conducted by an external third party.

D. Responsibilities

The table below describes key roles and responsibilities relating to delivery of our approach to stakeholder engagement. Stakeholder engagement is considered a fundamental and integral part of everyone's role at Stockland, and is one of the four core categories underpinning our Balanced Scorecard approach. As such, there are clear stakeholder engagement objectives, accountabilities, KPIs and capabilities defined for every role in the company.

ROLE	RESPONSIBILITIES
Group Executive – Strategy and Stakeholder Relations	Responsibility for stakeholder engagement at a Group level Reports directly to the Managing Director and CEO
General Manager – Stakeholder Relations	Management of internal communications as well as the media and government relations functions within the organisation Reports directly to Group Executive – Strategy, Stakeholder Relations and Research
National Manager – Investor Relations	Management of investor relations and corporate communications

E. Version control

REVISION	DATE	OWNER(S)	CHANGES
1	September 2018	General Manager Stakeholder Relations	