



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue for collaborative engagement</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue for collaborative engagement</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p>	
Collaborative engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue for collaborative engagement</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue for collaborative engagement</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p>	
Service provider engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue for collaborative engagement</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue for collaborative engagement</p> <p><input checked="" type="checkbox"/> To influence corporate transition for identifying the need to invest in sustainable business</p>	

# RI TRANSPARENCY REPORT

## 2013/14

Stockland

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

## PRI disclaimer

This document is based on information reported by signatories and responses have not been independently audited by the PRI Secretariat, PRI working groups, or any other third party. While this information is believed to be reliable, no representations or warranties are made as to its accuracy and no responsibility or liability can be accepted for any error or omission.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Private							✓
PR 02	Breakdown of assets by management	🔒	n/a							✓
PR 03	Largest property types	✓	Private							✓
PR 04	Description of approach to RI	🔒	n/a	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓						✓
PR 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 07	Formal commitments to RI	✓	Private				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	🔒	n/a				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

# Stockland

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory only services

OO 02	Mandatory	Peering	General
-------	-----------	---------	---------

OO 02.1 Select the location of your organisation's headquarters.

Australia

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

1

2-5

6-10

>10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

1262

OO 03	Mandatory	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

Yes

No

OO 04	Mandatory	Gateway/Peering	General
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**OO 04.1** | Indicate the year end date for your reporting year.

30/06/2013

**OO 04.2** | Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		11	400	000	000
Currency	AUD				
Assets in USD		10	297	606	969

**OO 04.3** | Indicate the level of detail you would like to provide about your asset class mix.

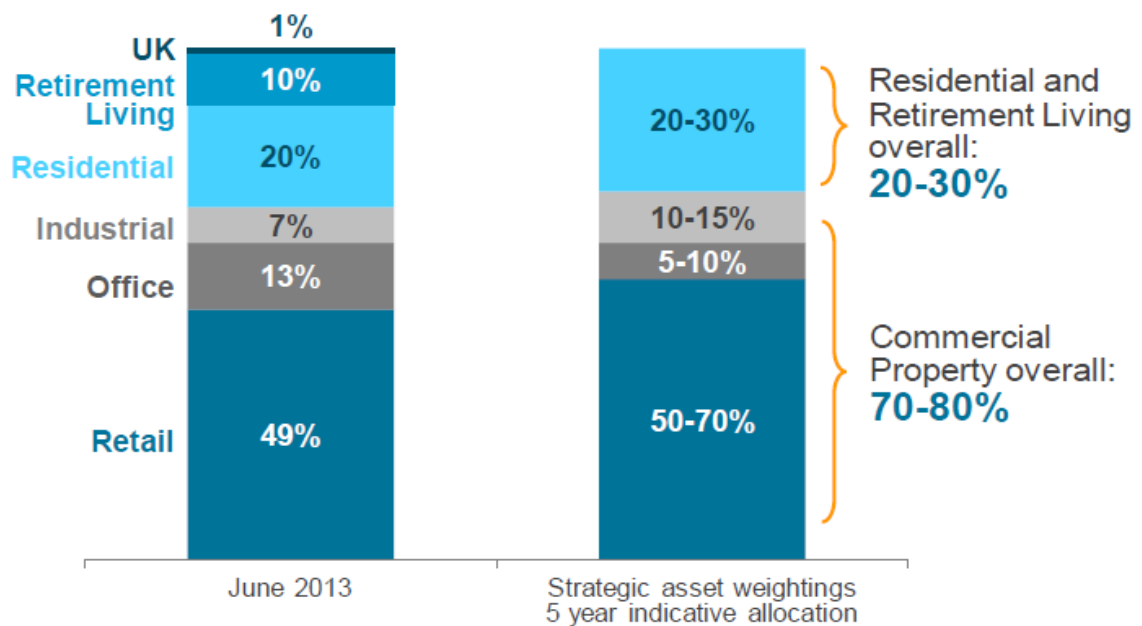
- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 06** | **Mandatory** | **Descriptive** | **General**

**OO 06.1** | To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as percentage breakdown
- Publish our asset class mix as broad ranges
- Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

### Real estate asset mix



To upload the image click the Save button below

OO 06.2 Additional information. [Optional]

### Overview of Stockland real estate asset mix as at 30 June 2013

*Retail:* We are one of the largest retail property owners, developers and managers in Australia. Our 41 retail centres accommodate more than 3,200 tenants, creating nearly \$6 billion of retail sales per annum.

*Industrial:* Our Industrial portfolio comprises 13 properties with just under one million square metres of building area. These properties are strategically positioned in key locations for logistics, infrastructure and employment.

*Office:* Our Office portfolio comprises 16 properties in key locations with 90 per cent of assets A-Grade and above.

*Residential:* We are the largest residential developer in Australia. The business is focused on delivering a range of masterplanned communities in growth areas across the country.

*Retirement Living:* We are a top three retirement living operator within Australia, with a deep development pipeline and just over 8,000 established units across five states and the Australian Capital Territory.

*UK:* Our wind down of this businesses is on track and no further meaningful profit contribution is expected.

OO 09	Voluntary	Descriptive	General
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**OO 09.1**

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

Stockland was founded in 1952 with a vision to not merely achieve growth and profits but to make a worthwhile contribution to the development of our cities and great country. Pursuing that vision has seen Stockland grow to become one of Australia's leading diversified property groups - owning, developing and managing a large portfolio of shopping centres, industrial and office assets, residential communities, and retirement villages.

Today our vision is to be a great Australian property company that delivers value to all its stakeholders. Our primary objective is to deliver earnings per share growth and total risk-adjusted shareholder returns above the Australian Real Estate Investment Trust (A-REIT) index average, by creating quality property assets and delivering value for our customers. A key part of achieving this vision is our strong commitment to sustainability and creating long term value for Stockland and the community.

We are structured as a stapled security; a combination of a unit in a trust and a share in a company which are traded together on the Australian Securities Exchange. This allows the Group to undertake both property investment (via Stockland Trust) and property management and development (via Stockland Corporation). The structure enables all parts of the business to benefit from our strong balance sheet.

We recognise our responsibilities to the environment and the community and are a leader in sustainable business practices. With the benefit of our diverse property skills, we connect different types of properties in shared locations, to create places that inspire people to connect, to share, to live life, and create communities.

Responsible investment at Stockland is addressed by our commitment to do the right thing as a property owner, manager and developer by managing risk, seeking opportunities and creating long term shared value for all our stakeholders. More specifically, we address responsible investment by considering ESG across all asset investments and management by embedding ESG into our processes and systems. We have an Investment Review Group that brings together a multi-disciplined team to review all investment decisions which includes consideration of environmental, stakeholder, financial, risk and compliance factors. All Stockland employees have balanced scorecards that must include key performance indicators on stakeholder engagement and sustainability.

We have been recognised for our approach to sustainability management and transparency by the S&P Dow Jones Sustainability Indices (DJSI) as the World Real Estate Industry Group Leader for 2013-14 and were also named one of the Global 100 Most Sustainable Corporations in the World at the World Economic Forum in Davos, Switzerland in 2013, for the fourth consecutive year.

### Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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<b>OO 11.1</b>	Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.
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- Property
- None of the above

<b>OO 11.3</b>	Additional information. [Optional]
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Sustainability is integrated and embedded into processes and systems across our business operations and project development lifecycle. This is supported by sustainability policies and a balanced employee scorecard that includes sustainability objectives and key performance indicators. The ESG issues included are reassessed at both a Group and project level through materiality assessments, comprehensive stakeholder engagement, and good practice standards. We also have an Investment Review Group that brings together a multi-disciplined team to review all investment decisions which includes consideration of environmental, stakeholder, financial, risk and compliance factors.

*Development*

Our project development lifecycle is known as D-Life. It is the process executives follow to help manage development opportunities from concept stage, through to planning and delivery. This process is common to the Commercial Property, Residential and Retirement Living businesses and assists teams to add value to Stockland assets.

Each stage of the D-Life process requires the delivery of specific sustainability objectives in order to pass the defined approval gates. These objectives and associated initiatives are outlined in our business-specific sustainability policies which are used as reference throughout the D-Life Process. These policies are aligned with our sustainability strategy and focus areas, tailored to the particular characteristics of each of our businesses, and aim to ensure consistency in our sustainability approach across all our developments.

*Operations*

We have an annual approach for the planning and management of our operating assets. We do this by establishing Asset Plans for assets in Retirement Living and Commercial Property which are aligned with our sustainability strategy. They set the planning, budget and forecasting, are updated annually and incorporate strategic sustainability initiatives and objectives.

<b>OO 12</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 12.1</b>	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.
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**Core modules**

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers**

Direct - Other asset classes with dedicated modules
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- Property

**Closing module**

- Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

# Stockland

## Reported Information

## Public version

## Overarching Approach

## PRI disclaimer

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**OA 01.1** Indicate if you have a responsible investment policy.

- Yes
- No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes
- No

**OA 01.3** Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

Responsible investment at Stockland is addressed by our commitment to do the right thing as a property owner, manager and developer by managing risk, seeking opportunities and creating long term shared value for all our stakeholders. More specifically, we address responsible investment by considering ESG across all asset investments and management by embedding ESG into our processes and systems. These systems and processes are supported by our sustainability strategy and focus areas as well as our business unit sustainability policies.

We have an Investment Review Group that brings together a multi-disciplined team to review all investment decisions which includes consideration of environmental, stakeholder, financial, risk and compliance factors. All Stockland employees have balanced scorecards that must include key performance indicators on stakeholder engagement and sustainability. The ESG issues included are reassess at both a Group and project level through materiality assessments, comprehensive stakeholder engagement, and good practice standards.

OA 02	Mandatory	Core Assessed	PRI 6
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**OA 02.3** Indicate if your other policies or guidance documents related to responsible investment are publicly available.

- Yes
  - Yes, all
  - Yes, some

**OA 02.4** List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Stockland Sustainability - Strategic Approach	<a href="http://www.stockland.com.au/sustainability/2013/strategic-approach.htm">http://www.stockland.com.au/sustainability/2013/strategic-approach.htm</a>
Climate Change Position Statement	<a href="http://www.stockland.com.au/assets/about-stockland/climate-position-final.pdf">http://www.stockland.com.au/assets/about-stockland/climate-position-final.pdf</a>
Governance policies and Board Charters	<a href="http://investor.stockland.com.au/phoenix.zhtml?c=173099&amp;p=irol-govhighlights">http://investor.stockland.com.au/phoenix.zhtml?c=173099&amp;p=irol-govhighlights</a>

No

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input checked="" type="checkbox"/> Other, specify Stakeholder engagement & government relations policy <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

OA 04.2

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

Stockland has an Investment Review Group that brings together a multi-disciplined team to review all investment decisions which includes consideration of environmental, stakeholder, financial, risk and compliance factors.

We also have a well-established stakeholder engagement framework which 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 in 2010, 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 with corporate circuit breaking if required; and
- Capturing stakeholder trends across the business to inform our future strategy.

Our Executive Committee and the Board receive monthly reports which updates on our engagement approach and emerging stakeholder issues or concerns. Stakeholder Relations is also represented on the Investment Review Group.

No

## Objectives and strategies

OA 05

Mandatory

Gateway/Core Assessed

General

OA 05.1

Indicate if your organisation sets objectives for its responsible investment activities.

Yes

OA 05.2

Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year
- Less than once per year

**OA 05.3**

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
  - Biannually
  - Annually
  - Every two years or less
  - It is not reviewed
- No

**OA 05.4**

Additional information. [Optional]

Stockland publishes an Annual Review and Sustainability Reporting website that include ESG objectives and targets. These are reported and reviewed internally biannually and reported externally annually. These objectives are assured under AA1000 Assurance Standard and objectives are included in employee balanced scorecards.

## Governance and human resources

**OA 08**

**Mandatory**

**Gateway/Core Assessed**

**General**

**OA 08.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

### Roles present in your organisation

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify  
**Chief Operating Officer**



- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify
- Other role, specify

## Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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**OA 10.1**

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

Yes

**OA 10.2**

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

**Select all that apply**

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change

Your organisation's role in the initiative during the reporting period  
(see definitions)

- Basic
- Moderate
- Advanced
  
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)

Your organisation's role in the initiative during the reporting period  
(see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Stockland is on the Property Working Group of the Investor Group on Climate Change.

- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Responsible Investment
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify  
Green Building Council of Australia; Property Council of Australia.

**Your organisation's role in the initiative during the reporting year (see definitions)**

- Basic
- Moderate
- Advanced

**Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]**

Stockland is a member of the Green Building Council of Australia and the Property Council of Australia. Through these industry bodies we advance the development of green building and community rating tools, industry best practice, support their advocacy for a more sustainable built environment, and improve the communication of the benefits of green building to the investment community.

- Other collaborative organisation/initiative, specify

Global Reporting Initiative Organisational Stakeholder; International Integrated Reporting Business Pilot Program; Australian Business Reporting Leaders Forum

**Your organisation's role in the initiative during the reporting year (see definitions)**

- Basic
- Moderate
- Advanced

**Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]**

Stockland is part of the International Integrated Reporting Pilot for Business, we are an Organisational Stakeholder with the Global Reporting Initiative, and participate in the Australian Business Reporting Leaders Forum. These initiatives support our goal of better communicating ESG risks and opportunities through reporting.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

No

OA 11	Mandatory	Core Assessed	PRI 4
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**OA 11.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.**

Yes

**OA 11.2**

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

No

**OA 11.3**

Additional information. [Optional]

Stockland is a sponsor of the Cambridge Sustainability Leadership Program to assist leaders in understanding the strategic implications of key social and environmental trends which are increasingly posing both risks and opportunities for sustainable growth and organisational resilience. Stockland is also part of the International Integrated Reporting Pilot for Business, we are an Organisational Stakeholder with the Global Reporting Initiative, and participate in the Australian Business Reporting Leaders Forum. These initiatives support our goal of better communicating ESG risks and opportunities through reporting. We often speak at events on reporting and sustainability to share our experience and challenges in these areas and encourage better transparency, disclosure and performance.

## Innovation

OA 18	Voluntary	Descriptive	General
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***Climate change adaptation***

We have a Group climate adaptation strategy that articulates our overall approach to climate change and sets out our response to addressing vulnerability and resilience in exposed regions. Following the launch of this strategy in FY11, we worked in collaboration with Manidis Roberts to develop a methodology to determine the vulnerability and resilience of our assets to climate change. The methodology defined key vulnerability and resilience criteria, with a particular focus on location and design, structure, operation and maintenance, utilities and services, and stakeholders.

<http://www.stockland.com.au/sustainability/2013/energy-and-climate-change.htm>

***Liveability Index***

During FY13 we undertook and collated 11 Liveability surveys from over 1600 residents in our communities as part of our Liveability Program. The Liveability Program a multi-faceted approach which enables pro-active engagement, market research and satisfaction monitoring across our communities.

Based on survey results, the Stockland National Liveability Index has been finalised demonstrating how satisfied our residents are with the liveability of their communities.

The key liveability themes include:

- Affordable living
- Economic prosperity
- Lifelong learning
- Access and connectivity
- Wellbeing and healthy living
- Sense of belonging and engagement

Results from our liveability research have been communicated to our residents and are being used to refine our community development plans and planning guidance for future masterplanned communities.

<http://www.stockland.com.au/sustainability/2013/liveable-communities.htm>

***Green Star tool development - Green Star Thought Leader***

We currently have the highest number of Green Star rated shopping centres in Australia. We have an impressive list of Green Star ratings across multiple asset types. This year we achieved Australia's first Green Star rating for a retirement village community centre and a whole retirement living village. We also participated in the development and beta testing of Green Star Performance with Stockland Green Hills being nominated for involvement in the Pilot rating. The Green Star Performance tool will help to more effectively benchmark and monitor the operating performance of our retail assets. We are piloting the Green Star Communities tool and have recently committed to being a Green Star 2014 Thought Leader and are excited by the opportunity to support the Green Building Council of Australia in the update of the Green Star rating tools.

[http://www.stockland.com.au/assets/investor-centre/Sustainable\\_development\\_Annual\\_Review\\_2013.pdf](http://www.stockland.com.au/assets/investor-centre/Sustainable_development_Annual_Review_2013.pdf)

## Assurance of responses

OA 19	Voluntary	Additional Assessed	General
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**OA 19.1** Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.

Yes

**OA 19.2** Indicate who has reviewed, validated and/or assured your reported information.

- Reviewed by Board, CEO, CIO or Investment Committee
- Validated by internal audit or compliance function
- Assured by an external independent provider, specify name

Net Balance Sustainability Assurance - Type 2 assurance in accordance with the AA1000AS 2008  
PriceWaterhouseCoopers - ASAE 3410 Assurance Engagements on Greenhouse Gas Statements

**OA 19.3** Describe the steps you have taken to review, validate and/or assure the content of your reported information.

### ***Net Balance Assurance***

Stockland Corporation Limited commissioned Net Balance Management Group Pty Ltd to provide independent assurance of the sustainability content of the Annual Review and Stockland's annual sustainability reporting - online. The Reports present Stockland's sustainability performance over the period 1 July 2012 to 30 June 2013.

The assurance engagement was undertaken in accordance with the AA1000 AS (2008) assurance standard (AA1000AS). The standard provides a way of evaluating whether an organisation is responsible for its management, performance and reporting on sustainability issues. This is undertaken by evaluating the organisation's adherence to the AA1000 AccountAbility Principles (2008), and by reviewing the accuracy and quality of disclosed sustainability performance information.

### ***PriceWaterhouseCoopers Assurance***

PwC was engaged by Stockland Corporation Limited to perform an independent assurance engagement in respect of greenhouse gas emissions reported in Stockland's 2013 Sustainability Report for the period 1 July 2012 to 30 June 2013.

No

# Stockland

## Reported Information

### Public version

#### Direct - Property

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

PR 05	Mandatory	Core Assessed	PRI 1-6
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**PR 05.1** Indicate if your organisation has a Responsible Property Investment (RPI) policy.

Yes

**PR 05.2** Provide a URL if your RPI policy is publicly available. [Optional]

<http://www.stockland.com.au/sustainability/2013/strategic-approach.htm>

No

## Fundraising of property funds

PR 06	Mandatory	Core Assessed	PRI 1,4,6
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**PR 06.1** Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

Yes

**PR 06.2** Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases
- Approach to ESG issues in post-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases

**PR 06.3** Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]

Stockland produces a sustainability report and annual review that are publically available for all investors on our investor centre.

No



## Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
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PR 08.1

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

Yes

PR 08.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]

We address responsible investment by considering ESG across all asset investments and management by embedding ESG into our processes and systems. We have an Investment Review Group that brings together a multi-disciplined team to review all investment decisions which includes consideration of environmental, stakeholder, financial, risk and compliance factors. All Stockland employees have balanced scorecards that must include key performance indicators on stakeholder engagement and sustainability.

Our project lifecycle is known as D-Life. It is the process executives follow to help manage investment and development opportunities from concept stage, through to planning and delivery. This process is common to the Commercial Property, Residential and Retirement Living businesses and assists teams to add value to Stockland assets.

Each stage of the D-Life process requires the delivery of specific sustainability objectives in order to pass the defined approval gates. These objectives and associated initiatives are outlined in our business-specific sustainability policies which are used as reference throughout the D-Life Process. These policies are aligned with our sustainability strategy and focus areas, tailored to the particular characteristics of each of our businesses, and aim to ensure consistency in our sustainability approach across all our developments.

For more information <http://www.stockland.com.au/sustainability/2013/strategic-approach.htm>

No

PR 10	Mandatory	Core Assessed	PRI 1,3
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PR 10.1

Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.

### ESG issues

Environmental

List up to three typical examples of environmental issues

Climate change risk assessment including sea level rise, bushfire risk and extreme weather events.

Contamination and remediation

Biodiversity

Social

List up to three typical examples of social issues

Indigenous and cultural heritage assessments  
Community infrastructure assessments  
Liveability index assessment

Governance

List up to three typical examples of governance issues

Stakeholder engagement  
Acquisition criteria assessment  
Risk management processes

## Post-investment (monitoring and active ownership)

### Overview

PR 14

Mandatory

Gateway

PRI 2

PR 14.1

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

Yes

PR 14.2

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and refurbishments
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

No

### Property monitoring and management

PR 15

Mandatory

Core Assessed

PRI 2,3

**PR 15.1** Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

**PR 15.2** Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

**ESG issues**

- Environmental

List up to three example targets per issue

Energy efficiency targets for operational assets and ratings for developments.  
 Water efficiency targets for operational assets and fixture requirements for developments.  
 Waste conversion targets for operational and development assets.

- Social

List up to three example targets per issue

Community development plans for all assets.  
 Livable Housing (accessible) design targets for Retirement Living assets.  
 Customer satisfaction targets for all assets.

- Governance

List up to three example targets per issue

Stakeholder engagement plans for all assets.  
 Green Star accreditation/certification  
 Reporting against policy requirements

- We do not set and/or monitor against targets

**Property developments and refurbishments**

PR 17	Mandatory	Core Assessed	PRI 2
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**PR 17.1**

Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.

- >90% of active developments and refurbishments
- 51-90% of active developments and refurbishments
- 10-50% of active developments and refurbishments
- <10% of active developments and refurbishments
- N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

**PR 17.2**

Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.

- Minimum environmental site selection requirements
- Minimum environmental site development requirements
- Sustainable construction materials
- Minimum water efficiency requirements
- Minimum energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Construction contractors comply with sustainability guidelines
- Other, specify

## Occupier engagement

**PR 18**

**Mandatory**

**Core Assessed**

**PRI 2**

**PR 18.1**

Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.

- >90% of occupiers
- 51-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

**PR 18.2**

Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation
- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Other, specify

## Communication

**PR 23**

**Mandatory**

**Core Assessed**

**PRI 6**

**PR 23.1**

Indicate if your organisation proactively discloses ESG information on your property investments.

- Disclose publicly

provide URL

<http://www.stockland.com.au/about/sustainability.htm>

provide URL

<http://www.stockland.com.au/reports/2013/index.htm>

**PR 23.2**

Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (GRESS)
- Other property reporting standards, specify  
NABERS, Green Star
- No property specific reporting standards are used

**PR 23.3**

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- Yes

**PR  
23.4**

Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ESG information on how you select property investments
- ESG information on how you monitor and manage property investments
- Information on your property investments' ESG performance
- Other, specify

**PR  
23.5**

Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- Quarterly or more frequently
  - Semi annually
  - Annually
  - Every two years or less frequently
  - Ad-hoc, specify
- No
- Disclose to clients/beneficiaries only
  - No proactive disclosure to the public or to clients/beneficiaries