

## Will 2026 see Stockland's strategic changes payoff?

<b>ASX code</b>	SGP
<b>Meeting date</b>	Monday, 21 October 2024
<b>Type of meeting</b>	Hybrid
<b>Monitor</b>	Allan Goldin and Daniel Estigoy
<b>Pre AGM-meeting</b>	Chair Tom Pockett, Chair of People & Culture Melinda Conrad, Katherine Grace Chief Legal & Risk Officer, Ian Randal GM Investor Relations and Greg Kiddle GM Performance & Reward

### Meeting Statistics

<b>Number of holdings represented by ASA</b>	121
<b>Number of shares represented by ASA</b>	1.421M
<b>Value of shares represented by ASA</b>	\$7.63M
<b>Total number attending meeting</b>	196 – 30 physical security holders, 16 online security holders, 150 guests
<b>Market capitalisation</b>	\$12.8 billion
<b>ASA open proxies voted</b>	ASA voted in favour of all the resolutions except Resolution 7,9 & 10

*An individual involved in the preparation of this AGM report has a shareholding in this company.*

Meeting started as usual with Chair and CEO repeating the Annual Report but expressing excitement about being part of the consortium awarded the major Waterloo Renewal Project. The CEO then restated the 2025 forecast FFO per security guidance is maintained at 32.0–33.0 cents post-tax, excluding any benefit from the acquisition of 12 Masterplanned Communities announced in December 2023.

This forecast continues the downward profit trend. And when the Chair was asked what is going to reverse the result, the answer was when Stockland revamped structural change strategy kicks in and the housing market recovers. The CEO says this problem is a structural one of lack of houses which is exacerbated by the planning controls. However, investors don't seem concerned as the Company is currently trading at a 29% premium to net assets.

In answering questions, the Company said that they didn't conservatively value their assets but those being built and held for sale are in the books at cost. That large fund managers do interact with the Company and take interest in their corporate governance. That Company is constantly looking at their assets, especially the town centres to determine if it is more appropriate to sell them and recycle the funds to areas such as Logistics. That their Master Planned Communities are aimed at ordinary families with a number being first home owners. That over 55 Lease land

developments to not charge exit fees/deferred management charges on sale of the house. And the Chair agreed that in the Annual Report, parts were in too small font.

ASA took issue with both the manner in which the Notice of Meeting did not clearly, upfront show that the CEO LTI Incentive could be 300 times his Fixed Annual Remuneration and also that this was an overly generous incentive. We also voted against the increase in Board size and the resulting increased cap on Non Executive Director fees, as we believed that better succession planning would have allowed new Directors to replace retiring ones under the existing board size. Chair disagreed and said they were actually being proactive not reactive.

The shareholders agreed with the Chair as can be seen in [Stockland AGM voting](#) The only surprise was the large 28.1% vote against Melinda Conrad's re election which was thought to occur because proxy advisor ISS advice recommending a vote against her because of her Directorship of ASX.

#### ASA Disclaimer

*This document has been prepared by the Australian Shareholders Association Limited ABN 40 000 625 669 ("ASA"). It is not a disclosure document, it does not constitute investment or legal advice and it does not take into account any person's particular investment objectives. The statements and information contained in this document are not intended to represent recommendations of a particular course of action to any particular person. Readers should obtain their own independent investment and legal advice in relation to the matters contemplated by this document. To the fullest extent permitted by law, neither ASA nor any of its officers, directors, employees, contractors, agents or related bodies corporate:*

- makes any representations, warranties or guarantees (express or implied) as to the accuracy, reliability, completeness or fitness for purpose of any statements or information contained in this document; or*
- shall have any liability (whether in contract, by reason of negligence or negligent misstatement or otherwise) for any statements or information contained in, or omissions from this document; nor for any person's acts or omissions undertaken or made in reliance of any such statements, information or omissions.*

*This document may contain forward looking statements. Such statements are predictions only and are subject to uncertainties. Given these uncertainties, readers are cautioned not to place reliance on any such statements. Any such statements speak only to the date of issue of this document and ASA disclaims any obligation to disseminate any updates or revisions to any such statements to reflect changed expectations or circumstances.*