AUSTRALIAN
SHAREHOLDERS'
ASSOCIATION

Australian Shareholders' Association
Suite 31.08, Level 31
52 Martin Place, Sydney NSW 2000
PO Box A398, Sydney South NSW 2001

Stockland appears to be becoming a multi facet property investment and development company

Company/ASX Code	**Stockland Corporation (SGP)**
AGM time and date	**Thursday, 16 October 2025 at 2:30 PM**
Location	LVL 2 Piccadilly Complex,133 Castlereagh St. Sydney
Registry	Computershare
Type of meeting	Hybrid
Monitor	Allan Goldin
Pre-AGM Meeting	Chair Tom Pockett, Melinda Conrad Chair of the People and Culture Committee, Katherine Grace Chief Legal & Risk Officer and Janine Gratez senior IR Manager

Monitor Shareholding: The individual or their associates involved in the preparation of this voting intention has no shareholding in this company.

1. How we intend to vote

No.	Resolution description	
2	Election of Director Chris Lawton	For
3	Election of Director Penny Winn	Against
4	Approval of Remuneration Report	For
5	Approval of Performance Rights to Managing Director	For

2. Summary of Questions raised with Company.

- Can the projected major investments, many into new areas be funded without raising capital or substantially increasing debt?
- Why is a CEO's Long-Term Incentive (LTI) worth 300% of his Fixed Annual Remuneration (FAR)?
- What is the rationale behind the appointment of one of the new Director's. What new skills does he add?
- What impact should a director's role in other companies influence an appointment in a third Company.
- Good financial results but statutory profit's increase can be put down mainly to a change in the fair value of investments.
- Why is Waypoint a stepping stone for Stockland?

As seen from the included Table Stockland had solid financial improvement, admittedly from a few years of under performance

Stockland is now projecting, as well as increasing revenue from their traditional business, a substantial movement into new areas.

From the CEO publicly declaring no interest in Apartments just 15 months ago saying it was not feasible. Stockland now wants to be a major player as shown by:

- Successful tender for Waterloo Estates Apartment complex.
- Failed but attempted to convert North Sydney Affinity place into a huge apartment complex.
- Is well advanced in a planned 52 story-500 unit building in St. Leonards plus 144 units in Roseberry and converting the Jetstar building in Melbourne into apartments.

The last time Stockland finished an apartment building was pre-Covid. The current apartments are all being built to sell but others could be Built to Rent (BTR).

- Although logistics currently provides 20% of FFO a new 50/50 partnership to develop a major logistics operation at the old Kogarah golf course near Sydney Airport, when completed, this single project end value, will be equal to the entire asset value of today's logistics portfolio.
- From having virtually no involvement in the growth area of Data Centres the recently announced 50/ 50 partnership, with EdgeConneX, a leading global data centre provider backed by EQT Infrastructure, to develop, own, and operate a portfolio of Australian data centres. Is signalling a substantial interest in this fast-growing area.
- The majority of the $1.7 billion Workplace portfolio is being prepared for repositioning including mixed use opportunities. It will not be surprising to see some of those office buildings if in the right location and able to acquire adequate power to be converted new edge data centres.

Stockland has demonstrated the ability to source institutional capital with $2.9bn of third-party equity raised since FY22. At the same time there has been major capital recycling with $3.6bn of Town Centres, Workplace, Logistics and Retirement having been sold to provide capital for new ventures. Stockland has the intention to continue selling assets to utilise the funds in other more productive measures.

It has now been decided that distributions will be reduced to 60-80% of FFO as opposed to the current 75-85%. In theory returns should remain the same to securityholders as FFO is projected to be substantially higher. However, this reduction in distribution is also a source of more funds that can be utilised in new developments.

However, the question is will all this be enough as the size of future developments is much bigger than anything Stockland has undertaken in the past. The Company has repeatedly stated that there will not be a shortfall in funds, as the new projects are capital efficient with staged payments that are spread over several years and in some instances are subject to conditions. None of the projects require any material near-term capital.

The 2025 carrying value of debt is $5,174bn compared to $4,730bn in 2024. Of this $920M of debt is maturing this year. The Chair says this is not a concern and a greater level of debt is very sustainable.

As can be seen from the comprehensive 5-year financial performance table on page 79 of the Annual Report Stockland has had a good year after a number of poor ones. Although the statutory profit improved by $520M most of that ($430M) was because of a change of the fair value on investment.

The 12 Master Plan Communities (MPC) purchased from Lendlease has been performing ahead of acquisition assumptions, delivering FY25 settlement volumes above expectations and with new releases from the portfolio being met with strong customer demand.

Happily, the Group observed a notable improvement in MPC trading conditions in the Victorian market in the final quarter of FY25, which has continued into early FY26. The Victorian market represents Stockland's largest MPC exposure and has lagged other markets in recent periods.

The government discussion to free up the environmental protection and biodiversity approvals will provide a sizeable boost to Stockland which has 20,000 housing lots awaiting assessment under the current regulations.

The Managing Director /CEO is required to build and maintain a minimum holding of Stockland securities equivalent to at least two times fixed pay. This is not going to be difficult when looking at the supersize bonus he earned this year.

Financial performance

(As at FYE)	**2025**	**2024**	**2023**	**2022**	**2021**
NPAT ($m)	826	295	440	1381	1105
FFO ($m)	808	786	847	851	788
Share price ($)	5.36	4.17	4.03	3.61	4.66
Dividend (cents)	25.2	24.6	26.2	26.6	24.6
Simple TSR*(%)	34.8	9.5	19.4	(17.2)	48.5
EPS (cents)	34.6	12.4	18.5	57.9	46.4
FFO/security (cents)	33.9	35.4	37.1	35.7	33.1
CEO total remuneration, actual ($m)	9.25	5.35 **	3.24***	3.29	5.39

*Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

**Reflects first full year of Mr. Gupta's CEO fixed remuneration and includes sign on payments of $650,000.

*** 2021 CEO remuneration includes contractual termination payment of 6 months' fixed pay for Mr Steinert

Governance and culture

The concept that Non-Executive Directors have to hold a minimum of 40,000 shares. Which means that the even although the Chair has purchased in excess of the minimum, with his 50,000 shares based on the price used for Stockland actual remuneration calculation is shareholding was worth $268,000 or 54% of his one-year remuneration. Happily, we can report that a recent board meeting agreed to moving toward the now standard NED's holding the equivalent of 1 years fixed remuneration in equity.

Key board or senior management changes

In FY25 Gill Rees was appointed as Chief People & Stakeholder Engagement Officer. In August Josh McHutchison joined as Chief Financial Officer. The ongoing Board renewal process saw the appointment of Bob Johnston and the still to be elected Chris Lawton and Penny Winn.

Sustainability

A very comprehensive sustainability report from page 35 -40 some areas covered include:

- Stockland incorporate ESG objectives into remuneration scorecard including delivery of decarbonisation targets. Progress against these objectives is tracked by the Stockland Leadership Team and Board on a routine basis.
- Net zero emissions targets; Net zero scope 1 & 2 in 2025; Most material scope 3 emissions intensity halved by 2030; Net zero scope 1, 2 & 3 by 2050.
- Scope 1 (gas, fuels and refrigerants) and scope 2 (grid electricity) emissions are where Stockland has direct control via investment, procurement or building design. In FY25, the absolute scope 1 & 2 emissions went down 9% compared with FY24. This was largely due to divestments made in FY24 and an increase in rooftop solar consumption in Town Centre portfolio. On track to meet our 2025 commitment through partnership with Energy Bay to abate scope 2 emissions
- FY25 performance Waste diversion rates: Development contractors; Commercial buildings 92.6% consistent with FY24; Community civil works 98% consistent with FY242 Operational; Workplaces 79% (down from 81% in FY24); Town Centres 40% (down from 41% in FY24).
- In FY25, Stockland's workplace building in MPark, NSW was awarded a 6 Star Green Star Design and AsBuilt v1.3 rating from the Green Building Council of Australia (GBCA).
- Developed an industry-leading approach to embedding social considerations in investment decisions across business. Social IQ1 is a proprietary tool that is changing how Stockland approach development.
- As part of Social IQ, all data included in reporting has an identifiable community benefit from both mandatory and voluntary business activity in alignment with the globally recognised Business for Societal Impact (B4SI) framework.
- Stockland have made good progress toward the 2030 target creating $500.3 million of social value since FY243. The most significant value contributions were from the delivery of social infrastructure and education facilities across our communities.

ASA focus issues (not discussed above or under remuneration report or re-election of directors)

- Stockland has a full Hybrid meeting, which is excellent.

- The very important question must be asked, why are Companies not more transparent in the capabilities and skills of their exiting Directors, on what gaps need to be filled and how new appointees can fill those gaps. For instance why in the case of Mr, Lawton was it not clearly stated that with Mr, Newton coming off the board this year and Mr. Pocket and Mr, Stevens next year, there was a requirement for a charted accountant with real estate experience to become head of the Audit committee and Mr. Lawton is a perfect match for that role.
- Why not be clear with security holders about who is representing them on the board and why.
- Waypoint REIT is a 3billion REIT who solely owns fuel and convenience retail properties. An area that Stockland is not involved in. Waypoint has only 4 NEDs on its board yet 3 of Stockland Directors are currently or have been on this board. Also, it is eliminated as a comparison for RTSR when much larger non direct competitors are allowed in. Why?

4. Rationale for Voting Intentions

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Resolution 2 Election of Director Chris Lawton- FOR

Mr Lawton has over 40 years' experience in professional services, including 25 years as an audit partner with EY during which he focused on the real estate sector. Mr Lawton also spent time in the USA supporting organisations with international real estate portfolios spanning North America, Japan and Europe. Mr Lawton also serves as a Director of Waypoint REIT Limited.

Now that it has been explained to us that a chartered accountant with real estate experience was required to become the Chair of the audit committee ASA will now cast their undirected proxies in his favour and not hold it against him that he the 3rd current or former Waypoint director on the board.

Resolution 3 Election of Director Penny Winn -Against

Ms Winn has over 30 years of experience in retail with a focus on supply chain, digital strategy and business transformation in senior management roles in Australia and overseas. These roles included responsible for leading the Logistics and Information Technology divisions, Online Retailing and the Customer Engagement teams.

Ms Winn is a professional company director and is currently a Director of Super Retail Group Limited and Endeavour Group Limited.

It is good to see a director who actually has hands on operational experience. We were greatly concerned how a member of both the Endeavour and the Super Retail Board, unfortunately recent examples of poor corporate governance should be rewarded with another board appointment.

Realization that she joined the Endeavour Board after most of its recent problems with the exception of the Executive Chair leaving because of disagreements with the rest of the board. Modified that concern somewhat.

However, in the case of the Super Retail Board although she joined just as the complaints from the senior legal and governance people about the CEO reached the Board. She was, therefore, still new when the Board and CEO arranged a very hurried external investigation of the complaint, which didn't even take evidence from the senior executives who made the complaint...

However, at that stage Ms Winn was a highly experienced director who could have been expected to question the process. She was on the Super Retail board during the 20 months in which the company pursued legal action that resulted in significant costs for shareholders and reputational damage. This raises the question of whether directors at the time applied sufficient scrutiny to the process.

Accordingly, ASA cannot vote its undirected proxies in favour of a director with this record.

Resolution 4 Approval of Remuneration Report - FOR

The bare bones of the structure are acceptable; STI has 60% awarded on financial metrics and 40% on non-financial metrics. Half of the incentive is paid in cash and the other half in equities which is deferred over two years. There is good information as to the rational for awarding the bonus both in the non-financial and the financial hurdles. The concern is with the hurdles themselves and the award quantum. Believing that FY25 could be another year when the market conditions were not strong, the financial hurdles were not increased, which means the CEO ended up with a STI bonus equivalent to 125% of his Fixed Annual Remuneration (FAR) for what was a good year but by no means a great one.

LTI is measured over a 3-year period; 60% is based on the Company's Relative Total Shareholder Return (RTSR) compared to a group of peer REITs. The other 40% is based on Actual Total Shareholder Return (ATSR). At face value, with the exception of a minimum of 4 years to be considered long-term, this is acceptable.

However, the companies removed from the comparator list are some of the best performing REITs. The threshold for ATSR is 8% which is practical, but we question whether it is the appropriate threshold that justifies a bonus. The potential quantum of the LTI is a concern and is discussed in the next resolution. While we consider the framework passable, hurdles are not particularly high and although we have a concern. ASA will vote our undirected proxies in favour for this year.

Resolution 5 Approval of Performance Rights to the Managing Director - FOR

As we have stated in the last resolution, we have two major concerns and one minor one about this award. The minor one is that the actual TSR threshold target is 8% which is too low. As an example, the 2026 TSR could even be minus and the 2024 bonus measured over year 2024, 2025 and 2026 would be granted.

The major concerns are firstly the fact that the LTI benefit to the CEO can be 300% of his fixed remuneration which we think is too high. Secondly the main criteria for the LTI award are performance against the top ASX listed REITs but there appears to be the exclusion of traditionally high performing REITs for inclusion in favour of others. We question the rationale for these exclusions and inclusions.

Although we still question the methodology of excluding some competitor companies while leaving in others who have the same characteristics, and we still wonder if the ATSR threshold is too low. ASA accepts that the concept of the CEO and senior executives being on a relatively low FAR with super-size long term bonuses seems to be getting results. So, ASA will this year vote our undirected proxies in favour of this award and hopefully see if this structure continues to motivate success,

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Appendix 1
Remuneration framework detail

CEO rem. Framework for FYXX	Target* $m	% of Total	Max. Opportunity $m	% of Total
Fixed Remuneration	1.5	25%	1.5	18.2%
STI - Cash	.750	12.5%	1.125	13.6%
STI - Equity	.750	12.5%	1.125	13.6%
LTI	3	50%	4.5	54.6%
Total	6.0	100.0%	8.25	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. *Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration frameworks set a maximum opportunity amount, but not all.