

21 October 2024

# Annual General Meeting of Stockland Corporation Limited and Meeting of Unit Holders of Stockland Trust

Attached are copies of the addresses to be given at today's Annual General Meeting of Stockland Corporation Limited and Meeting of Unitholders of Stockland Trust by:

1. Mr Tom Pockett, Chairman of today's meetings
2. Mr Tarun Gupta, Managing Director and CEO

Also attached is the proxy position as at proxy close.

## Ends

This announcement is authorised for release to the market by Ms Katherine Grace, Stockland's Company Secretary.

### Investor enquiries

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### Stockland (ASX:SGP)

We are a leading creator and curator of connected communities with people at the heart of the places we create. For more than 70 years, we have built a proud legacy, helping more Australians achieve the dream of home ownership, and enabling the future of work and retail. Today, we continue to build on our history as one of Australia's largest diversified property groups to elevate the social value of our places, and create a tangible sense of human connection, belonging and community for our customers. We own, fund, develop and manage one of Australia's largest portfolios of residential and land lease communities, retail town centres, and workplace and logistics assets. Our approach is distinctive, bringing a unique combination of development expertise, scale, deep customer insight, and diverse talent - with care in everything we do. We are committed to contributing to the economic prosperity of Australia and the wellbeing of our communities and our planet.

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## Chairman's Address

Annual General Meeting 2024

### **TOM POCKETT – CHAIRMAN OF THE 2024 ANNUAL GENERAL MEETINGS, STOCKLAND**

Good afternoon, everyone, and welcome to the Stockland 2024 Annual General Meetings.

My name is Tom Pockett and I Chair the Boards of your company.

As a quorum is present, I now formally declare the Annual General Meetings open.

Voting on Resolutions 2 to 12 in the Notice of Meetings is now open via the online Lumi platform.

I'll now introduce your Board of Directors.

Tarun Gupta, who was appointed Managing Director and CEO in June 2021.

Melinda Conrad, appointed in May 2018 and Chair of the People and Culture Committee and Nominations Committee. Melinda is standing for re-election at today's meetings.

Christine O'Reilly, appointed in August 2018 and Chair of the Risk Committee and a member of the Audit Committee. Christine is not seeking re-election today and will retire from the Board at the conclusion of the meeting. I'll share more on Christine's contribution shortly.

Kate McKenzie, appointed in December 2019 and a member of the Audit Committee, Sustainability Committee and Nominations Committee.

Andrew Stevens, appointed in July 2017 and Chair of the Sustainability Committee and a member of both the Risk and People and Culture Committees.

Stephen Newton, appointed in June 2016 and Chair of the Audit Committee and a member of the Risk Committee.

Laurence Brindle, appointed in November 2020 and a member of the Audit Committee and Nominations Committee. Laurence is standing for re-election at today's meetings.

Adam Tindall, appointed in July 2021 and a member of the Audit Committee, People and Culture Committee and the Sustainability Committee. Adam is also standing for re-election at today's meetings.

Bob Johnston, appointed on 1 October 2024. Bob is standing for election at today's meetings and I'm delighted to welcome Bob to his first Stockland AGM. I am pleased to welcome Bob to the Board. Bob has more than 30 years of experience in the property sector in Australia and internationally.

Katherine Grace, who you have already met today is Stockland's Chief Legal and Risk Officer and Company Secretary, appointed in August 2014.

Also in attendance is Jane Reilly who represents our auditors, PwC.

And finally, members of the Stockland Leadership Team are also here today.

As you will be aware from the Notice of Meetings, there are eleven resolutions for your approval today.

We will provide an opportunity for discussion and to answer any questions you might have when we deal with each of the formal agenda items. I encourage you to vote in advance of, or during, each resolution to ensure you have sufficient time.

I will now make some general comments about the previous financial year. Tarun will then provide an update on business operations, strategy and the outlook ahead.

FY24 was a year of solid financial performance and continued strong execution of our strategic priorities. This included reshaping the portfolio via the acquisition of five Land Lease Communities and 12 Masterplanned Communities.

We executed on three capital partnerships which we expect to contribute meaningfully to earnings over time, and further evolved our operating model to enhance our end-to-end delivery.

We were also very pleased to be named preferred proponent, alongside our consortium partners, to deliver the Waterloo Renewal Project with Homes NSW. This project will be one of Australia's largest and most significant inner city renewal initiatives, delivering much needed housing supply.

From a financial perspective our statutory profit was \$305 million compared with \$440 million in FY23. The statutory result for FY24 included \$(310) million of net commercial property devaluations, reflecting a softening of market capitalisation rates.

On a pre-tax basis, Funds From Operations, FFO, was \$843 million or 35.4 cents per security. This was at the top end of our guidance range.

The full year total distribution was 24.6 cents per security. This represented a payout ratio of 75 per cent of post-tax FFO which was at the lower end of the target range of 75 – 85%.

The continued execution of our strategy has been well received by our investors. We are currently trading at a 29% premium to our net tangible assets and our total securityholder return over the last 15 months to the end of September has been 44%.

Last year we announced a refreshed ESG Strategy, that sets out our ambitions across the four pillars of decarbonisation, circularity, social impact and climate resilience.

These pillars are supported by ambitious business targets including Net Zero emissions for Scope 1 and 2 in 2025; halving our most material Scope 3 emissions by 2030; and targeting Net Zero emissions for Scope 1, 2 and 3 by 2050. In addition, our social value aspiration is to generate more than \$1 billion of social value by 2030.

In FY24, we established a number of strategic partnerships to drive down emissions through practical initiatives such as large scale, onsite renewable energy generation; access to lower-carbon concrete across our development pipeline; and the imminent rollout of fast and ultra-fast electric vehicle charging bays across our Town Centres.

Turning now to the resolutions for today's meetings.

Resolutions 2 to 5 relate to the election and re-election of Non-executive Directors.

You will have the opportunity to hear from each of the nominated Directors later in the meeting.

Resolutions 6 to 8 relate to remuneration.

Resolution 9 seeks approval to increase the maximum fee pool for Non-executive Directors to provide flexibility for Board succession and resolution 10 seeks to increase the number of directors on the Board to effectively manage our Board transition during this period of change and growth at Stockland.

Resolutions 10, 11 and 12 are special resolutions and will be discussed later in the meeting.

We released the proxy results for all the resolutions ahead of the meeting and these are now shown on screen. As can be seen all resolutions have solid support.

I would like to take the opportunity to thank my Board colleagues and the executive team for their leadership throughout the year. I would particularly like to acknowledge the contribution of Christine O'Reilly. Christine has been a highly valued member of the Board, and an excellent Chair of the Risk Committee and member of the Audit Committee. Thank you, Christine, and we wish you all the very best for your new role.

On behalf of the Board, I would also like to thank the broader Stockland team for their ongoing dedication and commitment.

And to our securityholders, my thanks to you for your ongoing support and investment in Stockland.

I will now hand over to Tarun.

## Managing Director & CEO's Address

Annual General Meeting 2024

### TARUN GUPTA – MANAGING DIRECTOR AND CEO, STOCKLAND

Thanks, Tom and good afternoon everyone.

I acknowledge the traditional owners of the land on which we meet and pay my respects to elders past and present.

As Tom noted, FY24 was a year of solid operational performance and strong execution of our strategy.

In December 2023 we announced the acquisition of 12 high quality, actively trading MPC projects via the establishment of the Stockland Supalai Residential Communities Partnership.

The acquisition represents a step-change in reshaping our portfolio and accelerates the execution of our strategy by increasing capital allocation toward the residential sector, scaling our capital partnerships and generating new sources of recurring income.

We recently received clearance for the transaction from the ACCC, subject to the divestment of our Forest Reach project in the Illawarra region.

The team is currently working through the remaining consents which include FIRB approval. When these are finalised, we will provide an update on our FY25 guidance.

In addition to the partnership with Supalai, we were also pleased to welcome Invesco Real Estate to our platform and extend our relationship with Mitsubishi Estate Asia during the year. Scaling our capital partnerships remains a key focus for us.

This year also saw the evolution of our operating model and the re-alignment of our business under two operating segments, Investment Management and Development.

Supporting the change, we welcomed Kylie O'Connor to Stockland in the role of CEO Investment Management, while Andrew Whitson was appointed to the role of CEO Development.

The re-alignment positions us to capitalise on opportunities and reinforces the value we create in origination, development and investment management, driving the next stage of our growth.

For FY24 we delivered a financial result at the top end of our guidance range.

This represented a 4.5% decline compared with FY23, primarily reflecting a higher weighted average cost of debt, the impact of non-core asset disposals during FY23 and FY24, and lower contributions from our commercial development activities, offset by increased FFO from our investment management portfolio and residential development.

In accordance with our strategy to reweight our capital and earnings mix toward our targeted growth areas, the contribution from the Logistics portfolio was up by 21%, our Land Lease Development business delivered 15% higher FFO, and we have positioned our capital partnering platform to deliver growing fee income over time.

FFO from the Investment Management segment was \$630 million, up 4.5%.

This reflected comparable growth of 3.5% from the ~\$10 billion portfolio, contributions from completed logistics and workplace developments, as well as ongoing fee income from our partnerships.

While driving a targeted increase in our exposure to the residential sector, we also reshaped the investment management portfolio through the disciplined conversion of our development pipeline and the disposal of approximately \$690 million of non-core Town Centre assets.

The Development segment contributed FFO of \$412 million, compared with \$445 million in FY23.

Performance was underpinned by strong settlement volumes and development operating profit margins across both the MPC and LLC businesses. This was offset by a decline in commercial development profits and related management income, reflecting a lower level of activity on behalf of third parties.

We remain confident in the underlying demand drivers for Australian residential real estate and have positioned ourselves for a significant increase in production rates. This includes the launch of 15 new MPC and LLC communities during FY24 and a further eight new communities expected to launch during FY25 from our existing pipeline, in addition to the 12 new MPC assets we are close to finalising the acquisition of.

This increased level of project activation provides us with a high degree of flexibility around the timing of stage releases to meet demand. And importantly, it allows us to increase the supply of affordably priced housing options at a time when overall market supply is constrained.

We finished the financial year in a strong capital position, with gearing of 24.1% which provides the Group with significant capacity for investment in our strategic priorities.

Our ESG Strategy is focused on making a positive impact through the delivery of innovative and commercially sustainable solutions.

Late last year, we announced our innovative partnership with Energy Bay to achieve 100% renewable energy across our portfolio and net zero scope 2 emissions by 2025.

We also made strong progress in sourcing lower-carbon materials for our development pipeline.

Throughout the year, we also made meaningful progress towards achieving our targets for social value creation, implementing our Stretch Reconciliation Action Plan, and identifying and mitigating climate risks across our portfolio.

From a people perspective, despite a period of evolution, growth and change for the business, we achieved an employee engagement score of 87%, eight points higher than the Australian norm.

As highlighted in our first quarter '25 update released today, the positive strategic momentum of FY24 continued into the new financial year.

In August, alongside our consortium partners Link Wentworth, City West Housing and Birribee Housing, we were confirmed as the preferred proponent to deliver the Waterloo Renewal Project with Homes NSW.

This project is expected to be one of Australia's largest and most significant inner city renewal initiatives, delivering a sustainable mixed tenure community of more than 3,000 apartments, including 50% social and affordable housing.

Subject to obtaining relevant planning and approvals, the project is expected to be delivered over multiple stages with anticipated commencement in 2027.

Operationally, we delivered a solid result for the quarter.

The Investment Management portfolio continues to perform well. Our Town Centres are benefiting from a high-weighting to essentials-based categories, and we have recorded strong rental uplifts across our Logistics assets.

In the Development segment the MPC business achieved 1,121 sales, in line with our expectations. The LLC business achieved net sales of 135 homes, reflecting positive customer response to new project launches.

Looking ahead, the high quality and diversity of our portfolio continues to underpin its performance.

As we continue to expand our capital partnership platform, we're focused on driving returns for the partnerships and creating new sources of high-quality recurring fee income for the Group.

While economic and real estate market conditions remain uncertain, we have seen continued improvement in market conditions for our MPC business in most states and we have positioned the business to take advantage of an eventual recovery of the Victorian market.

Demand for our LLC product has remained resilient, and we expect this business to be a significant driver of growth for us in future periods.

Overall, the business is tracking in line with our expectations for FY25.

I'll conclude by thanking the Stockland team for their contribution to this year's results, and by thanking you – our security holders, for your ongoing support.

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## Proxy position as at Proxy close

Resolution details		Instructions given to validly appointed proxies (as at proxy close)			
Resolution	Resolution Type	For	Against	Proxy's Discretion	Abstain
2. Re-election of Adam Tindall as a Director	Ordinary	1,816,668,607 98.78%	13,427,528 0.73%	9,018,427 0.49%	420,445
3. Election of Robert Johnston as a Director	Ordinary	1,829,121,278 99.46%	949,630 0.05%	8,978,917 0.49%	485,662
4. Re-election of Laurence Brindle as a Director	Ordinary	1,700,505,124 92.53%	128,386,877 6.98%	9,019,565 0.49%	1,623,921
5. Re-election of Melinda Conrad as a Director	Ordinary	1,308,438,303 71.26%	518,669,927 28.25%	8,987,725 0.49%	3,439,533
6. Approval of Remuneration Report	Ordinary	1,753,115,618 95.84%	67,217,855 3.67%	8,845,860 0.49%	10,274,228
7. Grant of Performance Rights to Managing Director	Ordinary	1,790,323,563 97.36%	39,559,369 2.16%	8,853,295 0.48%	717,334
8. Renewal of Termination Framework	Ordinary	1,823,780,366 99.30%	3,953,634 0.21%	8,884,725 0.49%	2,764,247
9. Increase in the maximum fee cap payable to Non-Executive Directors	Ordinary	1,823,412,469 99.14%	6,686,101 0.37%	8,869,092 0.49%	485,899
10. Amendments to the Company Constitution	Special	1,824,157,127 99.22%	5,313,368 0.29 %	9,038,633 0.49%	1,026,092
11. Renewal of proportional takeover provisions	Special	1,812,755,150 98.59%	17,025,266 0.92%	8,996,599 0.49%	758,472
12. Approval of financial assistance under section 260B(2) for acquiring 12 masterplanned communities.	Special	1,827,138,900 99.45%	1,194,693 0.06%	8,995,866 0.49%	2,206,028

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