



FY25 Environmental Management Approach

Contents

This document details how Stockland responds to, manages and evaluates the following matters:

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ESG Management Approaches

Stockland publishes three management approaches covering the environmental, social and governance matters listed below.

Environmental Management Approach	Social Management Approach	Governance Management Approach
Decarbonisation and climate resilience	People and culture	Governance and risk management
Water management and quality	Health, safety and wellbeing	Stakeholder engagement
Biodiversity	Customer engagement	
Resources and materials	Social impact	
Asset ratings and certification	Supply chain engagement	
	Human rights	

Stockland ESG reporting suite

Our ESG Management Approaches should be read in conjunction with the FY25 Integrated Annual Report and ESG Data Pack. Together, these documents comprise our annual ESG reporting suite, which EY has undertaken limited assurance on and adheres to the International Integrated Reporting Framework principles of materiality, stakeholder responsiveness, and reliability and completeness, the GRI Standards (Core)¹, and the Real Estate SASB Standards².

ESG Management Approaches - how we respond to, manage and evaluate our material ESG matters.

Integrated Annual Report - information about Stockland, our strategy, our integrated financial and non-financial performance, risk management, corporate governance, remuneration and our financial statements.

ESG Data Pack - comprehensive ESG data sets supporting our Integrated Annual Report, progress against year end targets, GRI and SASB references.

¹ The GRI Standards are global standards for sustainability reporting <https://www.globalreporting.org/standards/>.

² The Real Estate SASB (Sustainability Accounting Standards Board) Standards are industry-specific standards to assist companies in disclosing financially material, useful sustainability information to investors ([SASB Standards](#)).

1. Decarbonisation and climate resilience

1.1. Overview and management approach

Stockland's **Climate Transition Action Plan 2023** sets out our approach to identifying, assessing and managing climate-related risks and opportunities. The Climate Transition Action Plan (the Plan) has been developed in alignment with the Taskforce on Climate-related Financial Disclosure recommendations and includes details on our:

- Carbon footprint (scope 1, 2 and 3 emissions)
- Decarbonisation pathway including targets
- Approach to climate resilience
- Climate risk management and governance
- Scenario analysis used to inform our Plan.

The Plan details our approach to decarbonising our business as well as our approach to climate adaptation and resilience. To support this, we have set decarbonisation targets across Stockland's scope 1, 2 and 3 emissions over the short to long-term. Our Plan has been developed with reference to the Taskforce on Climate Related Financial Disclosures (TCFD). A summary of where we have made our TCFD recommended disclosures is set out in the Table below.

Since the Plan's release we have continued to evolve our approach in line with our business growth and the introduction of mandatory climate reporting. Progress against our Plan is included in our Annual Report. Our detailed emissions reporting is included in our **ESG Data Pack**.

Task Force on Climate-related Financial Disclosure references

Recommended disclosures	Reference	Recommended disclosures	Reference
A. Describe the board's oversight of climate-related risks and opportunities.	The Plan – governance page 28	A. Describe the organisation's processes for identifying and assessing climate-related risks.	The Plan – risk management page 33
B. Describe management's role in assessing and managing climate-related risks and opportunities.		B. Describe the organisation's processes for managing climate-related risks.	
		C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Strategy		Metrics and targets	
A. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	The Plan – decarbonisation pathway page 11; climate resilience page 25; scenario analysis page 36	A. Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process	The Plan – decarbonisation pathway page 11; climate resilience page 36
B. Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy, and financial planning		B. Disclose scope 1, scope 2, and, if appropriate, scope 3 greenhouse gas (GHG) emissions, and the related risks.	The Plan – carbon footprint page 8; ESG data pack 'emissions' tab
C. Describe the resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.		C. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	The Plan – decarbonisation pathway page 11; climate resilience page 25; ESG data pack 'emissions tab'



2. Water management and quality

2.1. Overview

Water plays an important role in making our communities and assets healthy, efficient and attractive places in which our customers want to live, work, shop and play. We recognise that water is critical for broader environmental health and social wellbeing, as well as being integral to the culture of First Nations peoples.

The availability of water in Australia is influenced by our variable climate, which can fluctuate between periods of water scarcity (often resulting in water restrictions during drought conditions) and severe flooding. Accordingly, we maintain a strong focus on water management and quality in the development and operation of our assets, including improving the quality of rainwater run-off leaving our project sites and downstream impacts on receiving water bodies, access to alternate water infrastructure and practical innovation to support more efficient water use.

2.2. Management approach

2.2.1. Objectives

Overarching objectives for our management approach to water efficiency quality are to:

- deliver projects that minimise water use and work in a complementary way with local and regional water catchments
- pursue opportunities to implement holistic water cycle management systems within our developments, focused on wastewater and stormwater reuse, and minimising waste
- enable our customers and tenants to utilise rainwater and/or recycled water where available.

These objectives are integrated into our [Environmental Policy](#). Our water management approach varies across our business units because of the different opportunities that exist for us to influence different aspects during the development and subsequent operation of assets within each asset class. The table below summarises our water management approach for each business unit.

Business Unit	Focus	Why?	How?
Investment Management (Operational assets)	Manage water consumption and enable operational efficiency across our operating assets.	Promotes more efficient operations, delivering cost savings to the business. Maintains the ongoing viability of our assets given the cyclical nature of water stress. Reduces waste water and improves availability of water supply.	We use Green Star – Performance and NABERS to benchmark water consumption and performance across our Town Centre, Workplace and, where relevant, Logistics assets. Our focus for Workplace and Town Centres has been primarily leak identification and consumption management. We continue to install water sub-metering systems to monitor water consumption in our Town Centre and Workplace assets. These systems have improved clarity on where water is being consumed and assisted our asset management teams to rectify wastage more efficiently. We also employ building optimisation services with data analytics partners and monitor day to day consumption in reference to an ideal water consumption model.
Development	Inclusion of water efficiency objectives into developments. Minimise water use in construction and operation through design, management and enabling operational efficiency. Contribute positively to the health of nearby catchments by designing and managing stormwater run-off and maintaining the quality of water that is released to the environment. Use of Water Sensitive Urban Design (WSUD) principles when designing the community.	Stakeholders such as local authorities and the general public expect water use and quality to be managed appropriately during development. Effectively integrating these aspects into the design and development of our communities facilitates project approvals and contributes to the protection and preservation of ecological values. Initiatives focused on alternate water supply to our communities contribute to their resilience in times of water stress. Reduces the footprint of potable water supply and reduces costs to residents. Improves the liveability, aesthetic and biodiversity of the development.	We integrate water-efficient design in our developments and major amenity upgrades using specified products and minimum standards to achieve Green Star ratings. We monitor water quality during both the construction and delivery of our projects. We promote and facilitate efficient water use practices and investigate the viability of the provision of lower cost recycled/alternative water supply options where feasible through economies of scale. We seek to mitigate the impact of our developments on natural ecosystems and water supplies through the implementation of WSUD principles. During works we utilise non-potable water wherever possible for activities like dust control and landscape establishment.

2.3. Review and evaluation

Our use of rating tools (e.g. Green Star, NABERS) enables us to evaluate our developments and operations against a benchmark for best practice, with our performance against this benchmark reviewed at re-certification (e.g. annually for NABERS).

On a day-to-day basis, our sub-metering, monitoring, data analytics and management systems enable us to identify areas of divergence that may require attention outside of the annual reporting cycle. We provide internal reporting of our progress to the Stockland Leadership Team and to our Board as a means of continuously reviewing our performance and enabling adjustments to our management approach as required. These adjustments are then incorporated in appropriate documentation that is reviewed annually.

We engage with industry bodies such as the Green Building Council of Australia, the Property Council of Australia and other external stakeholders to stay informed of current trends, material issues and industry benchmarks.

3. Biodiversity

3.1. Overview

We recognise the important role biodiversity plays in sustaining healthy ecosystems and supporting human health and wellbeing. We also understand the intrinsic value of biodiversity and the global significance of Australia's unique flora and fauna, as well as its importance to the culture of First Nations people. Our Liveability Index survey results tell us that our customers value green space and access to nature, so integrating developable land with conservation and the enjoyment of biodiversity is critical to the overall success of our communities.

We recognise that our business both has impacts and dependencies on nature that could give rise to nature-related risks and opportunities. We are taking steps to align our environmental management approach to the recommendations set out in the draft Taskforce on Nature-related Financial Disclosure (TNFD) framework across four key areas: governance, strategy, risk and impact management and targets and metrics.

3.2. Management approach

3.2.1. Governance

Nature and biodiversity issues are considered at the Board level and our ESG Steering Committee meets regularly to consider nature-related developments in the business and to provide input into strategic decisions.

We remain committed to transparent disclosure of the biodiversity impacts associated with our Masterplanned Communities (MPC) and Land Lease Communities (LLC) greenfield developments, in alignment with the Global Reporting Initiative (GRI) standard. We report key biodiversity indicators, including the extent of high biodiversity value areas that are cleared and retained, and the area of cleared land restored with native vegetation across our portfolio. We include nature related considerations in our investment, procurement and design processes.



3.2.2. Strategy

Stockland's nature roadmap has been developed on the basis of insights from our TNFD-aligned nature risk and opportunity assessments. We are taking action to mitigate potential risks and identify value creation opportunities for the business. We note that this is an emerging area of regulation and we are continuing to refine our approach accordingly.

3.2.3. Risk and impact management

Whole of business risks and impacts

As stated above, we are taking action to mitigate potential risks and identify value creation opportunities for the business. These actions relate to the mitigation of both physical and transition risks in our direct operations and across our supply chains, as well as a coordinated approach to our investments in nature and biodiversity. For example, we will seek to manage our supply chain nature risks through embedding nature considerations into our investment and procurement processes.

Biodiversity outcomes associated with our developments

We develop land for housing, including infrastructure and social amenities, to create thriving communities. Development brings challenges and opportunities that we manage as we deliver our projects. In particular, our greenfield development can impact areas of high biodiversity value such as threatened species and ecological communities.

Environmental management approaches

To minimise our direct impact on biodiversity we apply the mitigation hierarchy through our assessment and consideration of design and management options. The mitigation hierarchy includes 1) avoiding impacts, 2) minimising impacts, 3) restoring cleared or degraded areas and finally 4) offsetting impacts to significant biodiversity.

We implement a range of programs to support this approach including rehabilitation programs, on- and off-site conservation, the provision of research funding, environmental financial contribution (e.g. MSA Environmental Mitigation Levy) and the reversal of impacts associated with historical uses such as grazing. Stockland has a commitment not to operate in World Heritage areas and International Union for Conservation of Nature (IUCN) Category I-IV protected areas.

Factors that influence biodiversity impacts and management options vary across our development sites, and include:

- **nature of the biodiversity affected** – including the type of habitat, ecological community or species, the size and quality of the habitat and the viability of the vegetation, waterways or habitat corridors adjacent to our site.
- **planning and design** – urban design considerations such as access routes, the location of town centres, public open space, public transport options (both proposed and existing) and the required lot size to enhance the viability and liveability of the development. Where appropriate, we work with environmental experts and engage with traditional owners to integrate nature into our projects. We try to avoid isolating pockets of biodiversity by assessing whether species can move across our developments to neighbouring areas and retain access to habitat corridors. These decisions can impact the location of infrastructure and housing and therefore biodiversity conservation on a project site.
- **ongoing management** – ownership opportunities and responsibilities beyond the development phase of the project. It is important that if decisions are made to protect long-term biodiversity in urban areas, appropriate ownership models are agreed, such as public ownership by a local council or state governments, private ownership options such as Biodiversity Stewardship Agreements, planning instrument protection such as environmental protection zones, and best practice management considerations such as weed removal, appropriate fire regimes, fencing and feral animal control.

We use a range of mechanisms to protect and manage land containing biodiversity including:

- the creation of parks and dedicated conservation reserves
- the preparation of Biodiversity Management Plans
- covenants on titles where areas of significant ecological value are located on allotments
- conservation zoning and transfer of land to councils and/or public authorities
- private ownership and management agreements including conservation covenants, Biodiversity Stewardship Agreements (NSW) or Bush Forever Sites (WA)

The potential for our activities to affect threatened species and their habitats is considered as part of the environmental approval process on each development. In many cases, we are able to conserve local biodiversity by employing third party ecologists and fauna spotters to manage and conserve significant fauna found on our sites. These are integrated into protected area estates managed by local or state-level agencies, which are then available to the community and managed for conservation in perpetuity.

We engage construction contractors on the basis that they deliver on biodiversity objectives, including any actions stipulated in project approval conditions. We manage contractors through regular site meetings and reporting to facilitate compliance with biodiversity conditions.

Biodiversity management approach

Biodiversity management actions, including any actions stipulated as part of a development approval from any level of government, are integrated into development plans for each site.

Projects with significant biodiversity are required to prepare a Biodiversity or Vegetation Management Plan (BMP or VMP), which identifies areas of biodiversity to be conserved or offsets to be provided. It also provides details relating

to the rehabilitation or re-vegetation and protection of biodiversity and the provision of funding to enable appropriate management of protected areas over the long term. The timing of the BMP development relates to the conservation objectives specific to that site, noting that this can occur at any stage throughout the development life cycle.

We partner with environmental and community groups to deliver on activities committed to in BMPs, such as tree planting, weeding and education programs.

3.2.4. Targets and metrics

Our goal is to better understand nature and biodiversity in the locations where we operate and to implement protection, management and enhancement initiatives as appropriate. Our performance is reviewed and evaluated in the Annual Report and ESG Data Pack. We collect data and other reporting content associated with biodiversity from project teams.

In addition, we are developing systematic biodiversity data management to ensure biodiversity data and information is collected, curated, stored, reported on and managed in a consistent and accessible manner across the business to support ongoing management practices and insights. We also continue explore opportunities to uplift our measurement and reporting of biodiversity-related impacts, recognising the current lack of standardised framework to measure impact. To address this, we are closely monitoring emerging guidance and initiatives, including the work of the Nature Positive Initiative.

4. Resources and materials

4.1. Overview

We acknowledge that the development and operation of buildings account for significant quantities of waste generation and resource consumption, and fuel and energy consumption. As such Stockland is embedding circularity principles within our development and operations to keep materials in use for longer.

By integrating circularity principles across our portfolio, Stockland is expected to not only reduce our environmental impact (lower upfront carbon and use-phase emissions) but also capture long-term asset value (enhancing wellbeing and comfort for customers and tenants as well as reducing long-term energy costs).

4.2. Management approach

4.2.1. Objectives

Overarching objectives for our management approach to resources and materials are to:

- reduce the consumption of virgin materials in our developments, and
- reduce waste generated in operations

Reduce consumption of virgin materials

The materials and equipment we use within our assets have a significant bearing on the capital cost of our projects, the operating cost and efficiency of the assets we own and manage, and the carbon footprint of our activities. We therefore consider the sustainability credentials of key building products and materials via the application of rating tools and work with our supply chain partners to incorporate lower carbon building products and materials where possible.

Reduce waste generated in operations

We have a national approach to waste management for each asset class under which waste is appropriately segregated, stored and disposed of in accordance with regulatory requirements. Waste and recycling management plans are prepared for each asset, both in operation and in construction, to successfully manage the environmental impacts associated with the production and disposal of waste. The plans outline the waste and recycling systems we employ at the asset for the disposal of waste produced during operation or while in development.

Key objectives for the waste and recycling management plans are to:

- reduce the amount of general waste produced by office tenants, retailers, contractors and customers, and encourage greater levels of recycling
- implement management systems to measure, record and monitor waste and recycling at the asset
- continuously improve on these metrics and benchmark against other assets
- provide training and education for tenants, contractors and our employees, promoting good waste-management habits.

In addition to general waste management, our sustainability guidelines for each business unit outline the minimum standards and requirements with regards to waste diversion. These guidelines also set minimum requirements for asset performance and natural resource consumption during the life of the asset, which further minimises wastage.



4.2.2. Development

Materials

In addition to general waste management, our material selection process goes through a sustainability assessment in our development projects by the project teams. We also use the Green Star rating tool, which helps us assess the sustainability credentials of materials such as timber, steel, concrete and PVC. We refer to Business Unit ESG plans to inform briefs for development projects across these business units to set the design and ESG standards for our projects that our contractors must comply with.

Materials-related credits within Green Star aim to improve the environmental impacts of building products and materials by taking into consideration issues pertaining to the lifespan, life cycle, procurement and end-use of these resources.

¹These credits reward points based on numerous factors including chain of custody, embodied carbon savings, the recycling and reuse of building materials, the quantity of waste sent to landfill, the specification of healthier materials, and the use of recycled content materials in development.

Town Centre, Workplace and Logistics developments and redevelopments (excluding small refurbishments and extensions) are required to achieve Green Star Buildings rating. Contractors are required to submit their design to Green Building Council of Australia (GBCA) for assessment and certification. We also engage directly with contractors regarding their adherence to sustainability plans throughout development. Upon project completion, the contractor is required to submit the project for a Green Star rating.

Materials selection and use across the business is governed by Business Unit ESG plans, which provides guidance to projects and suppliers in selecting materials in accordance with our ESG strategy. Our business unit plans have 4 pillars which influence development in material selection. These 4 pillars are:

- Decarbonisation
- Climate Resilience
- Circularity and
- Social Impact

We have identified high-impact and common materials and issues for inclusion in this materials schedule, however, we encourage project teams to also identify further sustainability initiatives during the materials selection process.

We have been responsive to new and anticipated legislation relating to façade cladding on our existing asset portfolio and we continue to follow the state-based registration process while keeping abreast of any legislative changes.

We encourage contractors to reuse, recycle and repurpose materials wherever practical.

Waste management

Our commercial development projects set minimum construction and demolition management requirements in line with Green Star requirements to encourage practices that reduce the environmental impact of waste.

Minimum standards for construction waste recycling are outlined in our development contracts. Given recycling rates can vary from project to project depending on the types of materials recovered during demolition or used during construction, we set targets on a project-by-project basis depending on the predicted mass of waste being generated.

We require that contractors comply with all relevant environmental protection legislation, including contamination and waste dumping. Contractors are required to provide a strategy during the tender process to outline how they will meet the minimum requirements, and during the construction period contractors submit documentation to Stockland to validate their adherence to these standards. Our construction contracts in each of our business units require that an Environmental Management Plan (EMP) be developed by the relevant civil and building contractor so that construction activities reflect the vision and design requirements and respond to policy and regulation appropriately. In addition, all of our contractors on projects seeking a Green Star rating with contracts over \$5 million (for Green Star Communities) or \$10 million (for Green Star Buildings) are required to have a valid ISO 14001 Environmental Management System accreditation prior to and throughout the duration of the project contract.

We collect waste data from our development contractors to help us better understand the volumes of waste from our sites that are sent to landfill and/or recycled.

4.2.3. Investment Management

Materials

We engage with our tenants to improve the sustainability of materials used in our portfolio. For Workplace and Town Centre tenancy fitouts, we have guidelines for materials selection, set out in our Green Office Fitout Guide and the Retail Design and Fitout Guide. Our Workplace, Logistics and Town Centre leases contain clauses that encourage tenants to implement fitouts in line with these guides.

Waste management

We set minimum waste recycling targets for the operation of our Workplace and Town Centre portfolio where we have a high degree of influence to help reduce waste and manage the use of materials. We have incorporated waste reporting

¹ Green Star Design & As Built v 1.2 Submission Guidelines.

criteria into our waste contracts and adopted requirements from the Better Business Partnership (BBP) Operational Waste Guidelines into our waste and recycling contract specifications.

We do not set targets related to total waste generation because levels of waste are directly correlated to levels of visitation, which is not within our direct control.

We also require the provision of suitable areas for waste recycling facilities and encourage and support office tenants and retailers undertaking a tenancy fitouts to recycle as much of their construction waste as possible, as outlined in Stockland Tenancy and Delivery Guidelines.

In our Land Lease Communities, residents' homes are generally serviced by local council waste services. Residents are encouraged to use the recycling options provided.

4.3. Review and evaluation

We review and report on our progress against our waste management and materials targets in our [Annual Report](#) and [ESG Data Pack](#).

We continue to monitor industry standards regarding waste management and material specification and to identify best practice processes and procedures across our asset classes.

We stay informed of material and waste innovations for use in the design, development and operation of our assets, and also collaborate with industry partners to identify, develop and/or trial innovative materials.

We engage with our development contractors to confirm their adherence to the sustainability plans, their use of specified sustainable materials, and to identify improvements to their construction waste management approach. Contractor compliance with our sustainability and materials requirements is monitored via our quality assurance processes.

During the tender phase, contractors provide a strategy outlining how they will meet the specified minimum waste management requirements. During the construction period, contractors submit documentation to us to validate their adherence to these standards. Upon the completion of Green Star projects, the contractor is required to submit the project for a Green Star rating.

5. Asset ratings and certification

5.1. Overview

Asset ratings serve as independent validation that key sustainability aspects, including social and environmental factors, have been considered in our project and asset designs, developments and operations. Rating and certification schemes also enable us to demonstrate compliance with state and national regulations, benchmark our sustainability performance against our peers and regularly track and improve our performance across our various asset classes.

Assets that are highly rated and can demonstrate optimal performance are often more attractive to customers and investors. Not only do they deliver a certain level of energy and water efficiency, and therefore cost savings over the long term, they also incorporate various design features that promote social inclusion and promote health and wellbeing.

5.2. Management approach

The table below lists the key rating and certification schemes that we use and how they are applied across our portfolio. The requirements for achieving ratings and certifications are embedded in our strategy, targets, policies and toolkits to assist decision making as appropriate. Additional ratings and certification schemes are periodically explored on individual projects.

Rating/ Certification Scheme ¹	Stage of Life Cycle	Asset Class
Green Star	Design, Development, Operations	Logistics and Workplace, Town Centre
NABERS	Design, Development, Operations	Workplace, Town Centre
NatHERS and BASIX	Design	Masterplanned Communities
Livable Housing Australia	Design, Operations (Land Lease Communities)	Land Lease Communities
WELL Health and Safety	Operations	Workplace, Town Centre

¹ Livable Housing Australia has been integrated into the National Construction Code (NCC)

5.2.1. Green Star

Green Star relates to a suite of independent certification schemes developed and administered by the Green Building Council of Australia (GBCA), which is a not-for-profit industry association. Green Star is a national and voluntary



rating system for buildings and communities designed to drive the adoption of sustainable practices in the Australian property industry.

Green Star Buildings assesses the sustainability outcomes from the design, construction and operation of new buildings or major refurbishments across a range of criteria. We require our Workplace, Logistics and Town Centre developments and major redevelopments to achieve a Green Star Buildings certification. Rating requirements are integrated into design briefs and contract documents.

Green Star Performance assesses the operational performance of buildings. We have used Green Star Performance to benchmark the performance of our Town Centre and Workplace portfolios. Our Green Star Performance ratings also enable us to develop asset strategies for improving performance over time. We renew Green Star Performance ratings ahead of the expiry of the three-year performance rating period.

Green Star Communities assesses the planning, design and construction of large-scale development projects at a precinct, neighbourhood or community scale.

5.2.2. NABERS

The National Australian Built Environment Rating Scheme (NABERS) is a national rating system that measures the environmental performance of Australian buildings, tenancies and homes in occupancy. It uses measured and verified operational performance data to assess the energy efficiency, water usage, waste management and indoor environment quality of a building or tenancy and its impact on the environment. This performance is converted into a rating scale of 1 to 6 stars, with 6 being market-leading performance. NABERS ratings are valid for twelve months.

We undertake NABERS Energy and NABERS Water ratings annually on the base building across Workplace and Town Centre assets, with tenancy ratings only undertaken on office tenancy space that we occupy. Under the Commercial Buildings Disclosure Program, building owners are required to communicate their NABERS rating if advertising to sell or lease office space of 1,000 square meters or more.

For our new Workplace and Town Centre developments, we enter into a NABERS Commitment Agreement, which sets a clear target for achieving a NABERS rating outcome from the design of new buildings. Early commitment in the schematic design stage allows the project design team to follow a protocol for modelling energy performance in operation and for having this independently reviewed and optimised. A strict energy monitoring and building tuning program, once in operation, provides greater certainty for achieving the target rating sometimes several years after the project is initially designed.

Asset Class	NABERS Energy FY27 Target	NABERS Water FY27 Target
Town Centres	5 Stars	4 Stars
Workplace	5 Stars	>4.2 Stars

5.2.3. NatHERS and BASIX

Both the Nationwide House Energy Rating Scheme (NatHERS) and Building Sustainability Index (BASIX) are rating schemes applicable to dwellings. NatHERS provides a streamlined pathway to meet or beat the new National Construction Code (NCC) 2022.

NatHERS is a national framework developed for regulating the classification of Australian homes for their thermal performance, and provides energy ratings for new dwellings. This helps to create energy efficient, resilient and comfortable homes that cost less to run. NatHERS has been upgraded and can now rate the energy performance for the whole home, including the major appliances, solar panels and batteries, in addition to the star rating for the building shell which looks at improving thermal performance for comfort and energy efficiency.

Each state in Australia has minimum standards around thermal performance based on specific NatHERS ratings. NSW is different in that it uses BASIX (Building Sustainability Index) as a measure of energy use in the home; however, thermal performance forms a part of a BASIX rating.

5.2.4 iCirt

The independent construction industry ratings tool (iCIRT), provided by Equifax, provides a star rating outcome on an entity's capability and willingness to deliver reliable and trustworthy built assets. Stockland has attained an iCIRT 5 Star Gold and was assessed as being Better than Industry Average. As a Gold Star Rating this signified Stockland has participated in an open and transparent and auditable process.

5.2.5 WELL Health and Safety

To prepare for the return of customers and tenants to Workplaces and Town Centres after COVID restrictions we implemented WELL Health and Safety Ratings to instil confidence in the safety and cleanliness of Stockland places. WELL Health and Safety ratings are, an evidence-based, third-party verified assessment that focuses on operational policies, maintenance protocols, emergency plans, and stakeholder education and engagement.

To obtain a WELL Health & Safety Rating, Stockland assets are assessed on a minimum of 15 features. Each of these features requires constant monitoring and action to meet the specific criteria set out by the International WELL Building

Institute. The features Stockland has achieved in its ratings to date have included the provision and promotion of health and wellness benefits and practices, cleaning practices, management of mould and moisture, ventilation, air and water quality monitoring, and the development of plans across legionella management, emergency preparedness and health re-entry as well as business continuity plans.

Stockland was the first Australian property group to obtain the WELL Health and Safety Rating in the retail sector. These ratings are reported in our ESG Data Pack.

5.3. Review and evaluation

We regularly review standards that guide our asset certifications to focus our investment in performance improvements across our portfolio. We report on asset ratings and other certification achievements across our portfolio in our [Annual Report](#) and [ESG Data Pack](#).

The use of rating and certification schemes, as well as standards related to the schemes, are reviewed along with the review of our performance. We are corporate members of the Green Building Council of Australia, which provides us with insight into the review and evolution of Green Star rating tools and other industry trends in asset rating and certification. We also work closely with the NABERS administration team on developments and improvements to the NABERS suite of rating tools.

6. Responsibilities

Roles and responsibilities associated with delivering our approach to environmental management are described in our [Governance Management Approach](#).

Important notice

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