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133 Castlereagh Street
Sydney NSW 2000
www.stockland.com
T 02 9035 2000

STOCKLAND APPOINTS TARUN GUPTA AS MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Stockland (ASX:SGP) Chairman, Tom Pockett, today announced that the Board has appointed Tarun Gupta as Stockland's next Managing Director and Chief Executive Officer.

Mr Gupta will join Stockland on 1 June 2021, succeeding Mark Steinert who has been Managing Director and Chief Executive Officer since 2013. Mr Steinert will remain in his position until Mr Gupta's commencement date.

Mr Pockett said: "The Stockland Board is delighted to welcome Tarun as our new Managing Director and Chief Executive Officer. Tarun has deep commercial experience and a proven track record in leading and managing large property operations. We know that he is highly regarded in the industry and has a strong reputation among property investors.

"Our rigorous internal and external executive search process gave us a field of very high quality candidates. Ultimately the Board made the decision based on Tarun's breadth of experience across the property sector including in relation to communities development, retirement living, commercial property and investment management.

Tarun has held a wide range of senior roles during his 26 years at Lendlease including most recently as the Group Chief Financial Officer.

Mr Gupta said "It is an honour to be appointed to an organisation that has been building communities across Australia for over 65 years and is globally recognised as a leader in sustainability. I leave my current role with great respect for the team I have worked with and I am excited by the significant opportunities ahead with Stockland. I am privileged to lead Stockland in continuing to enhance outcomes for its customers, employees, securityholders and the community.

Mr Pockett also once again paid tribute to Mark Steinert's significant contribution to the Group over the past seven and a half years: "Mark has made a great contribution to Stockland and will continue to apply his passion and commitment to the delivery of our strategic priorities and our purpose of a better way to live during this transition period.

"As Managing Director and Chief Executive Officer Mark has overseen the development of Australia's leading residential business, reshaped and expanded our workplace and logistics portfolio and significantly repositioned our town centre business. Mark has fostered a strong executive team, made significant advances in building innovation and digital capabilities and solidified Stockland's position as a diverse employer of choice and global leader in sustainability," said Mr Pockett.

The remuneration arrangements for Mr Gupta are commensurate with the current Managing Director and Chief Executive Officer, with further information included at the end of this release. Details regarding Stockland's remuneration framework and the remuneration arrangements relating to Mr Steinert's departure are set out in the 2020 Remuneration Report.

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

Stockland

Stockland (ASX:SGP) was founded in 1952 and has grown to become one of Australia's largest diversified property groups – owning, developing and managing a large portfolio of shopping centres, residential communities, workplace and logistic assets and retirement living villages. Stockland is consistently rated as one of the most sustainable real estate companies in the world by the Dow Jones Sustainability World Index (DJSI). Stockland is also an Employer of Choice for Gender Equality, as recognised by the Workplace Gender Equality Agency.

Investor enquiries:

Mel Buffier
General Manager Investor Relations
+61 411 622 899

Media enquiries:

Amy Menere
General Manager Stakeholder Relations
+ 61 422 449 310

Biography

Mr Gupta commenced his career with Lendlease as a graduate. During his time with that group he has worked across a number of divisions, which included Regional Chief Executive Officer, Property Australia spanning Communities and Urbanisation development, Retirement and Investment Management businesses. He has held a wide range of other senior roles including Group Head of Investment Management, Chief Investment Officer, Asia Pacific, Fund Manager, Australian Prime Property Funds and most recently Group Chief Financial Officer which included responsibility for Finance, Strategy and Investor Relations.

Mr Gupta holds a Bachelor of Arts (Economics) from University of Delhi, India and a Master of Business Administration from University of Newcastle, Australia.

Key employment arrangements

Appointment	Mr Gupta has been appointed to the position of Managing Director and Chief Executive Officer and will commence on 1 June 2021.
Term	The appointment is ongoing with no fixed term.
Fixed remuneration	Fixed Pay of \$1,500,000 per annum (inclusive of cash salary, superannuation and salary sacrificed items) which may be reviewed from time to time.
Variable remuneration	<p>1. Short-term Incentive (STI)</p> <p>Mr Gupta will be eligible to participate annually in a Stockland STI Plan. Mr Gupta's target STI opportunity will be 100% of his Fixed Pay with a maximum opportunity of 150% of Fixed Pay.</p> <p>Any STI award will be based on the performance of Mr Gupta against business and personal objectives set annually by the Board. Half of any STI awarded will be paid in cash following the end of the performance year, and half is deferred in Stockland securities which may vest in two equal tranches over two years subject to service conditions and malus provisions.</p> <p>2. Long-term Incentive (LTI)</p> <p>Subject to the discretion of the Board and subject to any necessary regulatory and security holder approvals, Mr Gupta will be eligible to receive an annual LTI grant equal in value to 200% of Fixed Pay.</p> <p>The LTI grants will be in the form of performance rights, with vesting subject to defined performance and service conditions determined by the Board.</p>
Additional benefits on commencement	The following benefits will be made to Mr Gupta on commencement as compensation for incentives forfeited on ceasing employment with his previous employer to join Stockland. The approach taken in determining the value of these benefits was to apply a discount of approximately 38% to the

\$6.0m face-value of forfeited incentives from Mr Gupta's previous employment to take into account the likelihood of the incentives vesting. The form and vesting schedule of the additional benefits is also consistent with the forfeited incentives and will be as follows:

1. A cash payment of \$650,000 (inclusive of tax and superannuation) payable in the first available pay run following 1 September 2021
2. A grant of deferred Stockland securities to the value of \$1,650,000 with vesting subject to service conditions on following dates:
 - For 21% of the grant, 1 September 2022
 - For 24% of the grant, 1 September 2023
 - For 24% of the grant, 1 September 2024
 - For 21% of the grant, 1 September 2025
 - For 10% of the grant, 1 September 2026
3. A grant of performance rights to the value of \$1,400,000 with vesting subject to the satisfaction of defined performance and service conditions determined by the Board on the following dates
 - For 25% of the grant, 1 September 2023
 - For 25% of the grant, 1 September 2024
 - For 25% of the grant, 1 September 2025
 - For 25% of the grant, 1 September 2026

Termination provisions

Mr Gupta may resign at any time on giving six months' notice.

Stockland may terminate Mr Gupta's employment on giving 12 months' notice, or in some circumstances such as serious misconduct, without notice. Stockland may elect to pay Mr Gupta in lieu of working out some or all of his notice period.

On termination of employment, Stockland will pay all Fixed Pay and any statutory entitlements owing, and any STI or LTI entitlements will be treated in accordance with the relevant plan rules.

Post-employment restraints

Mr Gupta will be subject to non-solicitation and non-compete restraints of up to 12 months after termination of employment.
