

22 September 2015

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NOTICE OF STOCKLAND ANNUAL GENERAL MEETING

Stockland has today lodged the following documents with the ASX:

1. Notice of Meetings (annual General Meeting of Stockland Corporation Limited and Meeting of Unitholders of Stockland Trust); and
2. Proxy Form.

The Meetings will be held at 2.30pm (AEDST) on Tuesday 27 October 2015 at the Marble Room, Radison Blu Plaza Hotel, Lower Ground Floor, 27 O'Connell Street, Sydney. The meeting will also be webcast live on the Stockland website.

Documents will be despatched to securityholders today.

Ends

About Stockland

Stockland (ASX: SGP) was founded in 1952 and has grown to become Australia's largest diversified property group – owning, developing and managing a large portfolio of shopping centres, residential communities, retirement living villages, office and industrial assets. Stockland was recognised by the S&P Dow Jones Sustainability Indices (DJSI) as the global real estate sector leader for 2015-16, demonstrating world leadership across the areas of stakeholder engagement, customer relationship management, supply chain management, biodiversity and climate change strategy. Stockland was recognised as the Regional Sector Leader for Listed, Australian, Diversified Property Companies in the 2015 GRESB Report.

www.stockland.com.au

WHERE

vision comes to life

NOTICE OF MEETINGS

DEAR SECURITYHOLDER,

I am pleased to invite you to Stockland's 2015 Annual General Meetings (AGM) to be held at 2.30pm on Tuesday 27 October in the Radisson Blu Marble Room, Sydney. The meeting will also be webcast live on the Stockland website.

Our AGM provides an occasion to meet the Board, hear from the Managing Director and CEO, and ask any questions you may have. You are welcome to submit questions in advance by mail or via our website.

The AGM also provides the opportunity to vote on the four resolutions for securityholder approval. If you are unable to attend the meeting I encourage you to vote prior to the meeting online or using the forms included.

ELECTION AND RE-ELECTION OF DIRECTORS

The first two resolutions seeking approval are for the election of our new director, Dr Nora Scheinkestel, to the Board and for the re-election of Carolyn Hewson. Nora joined the Board in August and her deep experience as a company director across a range of sectors including property, financial services, utilities and infrastructure will strongly complement our Board. Carolyn joined the Board in 2009 and is currently Chair of the Human Resources Committee, having previously served as Chair of the Risk Committee. The Board unanimously recommends the election of both directors.

REMUNERATION REPORT AND PERFORMANCE RIGHTS

The remaining two resolutions seek approval of the Remuneration Report and the grant of performance rights to the Managing Director as part of his 2016 financial year remuneration. The Board is committed to ensuring that Stockland's executive pay is commensurate with the Group's business outcomes and achievements and our executives must achieve stretch goals in order to earn annual bonuses and long-term incentives.

The Board unanimously recommends the approval of all four resolutions.

RETIREMENT OF TWO LONG STANDING DIRECTORS

Following many years of service two directors, Terry Williamson and Duncan Boyle, will retire at the AGM. Terry and Duncan have been highly valued members of the Stockland Board for many years. They have both contributed greatly to the success of the business through their strategic insights, critical thinking and professionalism. I thank them sincerely for their long and dedicated service.

I look forward to speaking with you at the Annual General Meeting.

Yours sincerely,



Graham Bradley AM
Chairman

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

STOCKLAND CORPORATION LIMITED

ABN 43 000 181 733

STOCKLAND TRUST MANAGEMENT LIMITED

ABN 86 001 900 741

AFSL No. 241190

as the Responsible Entity
for Stockland Trust

ARSN 092 897 348

DATE

Tuesday
27 October 2015

TIME

2.30pm
(Sydney time)

PLACE

Ballroom
Radisson Blu Plaza Hotel Sydney
Marble Room
Lower Ground Level
27 O'Connell Street
Sydney NSW 2000



Stockland

Getting there

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

Notice is given that the Annual General Meeting of Shareholders of Stockland Corporation Limited ("the Company") will be held in conjunction with a meeting of Unit Holders of Stockland Trust ("the Trust") on:

Date: Tuesday, 27 October 2015

Time: 2.30pm

Place: Ballroom

Radisson Blu Plaza Hotel Sydney
Marble Room, Lower Ground Level
27 O'Connell Street
Sydney NSW 2000



TRAIN

The closest train station is Wynyard. Circular Quay is also nearby.



BUS

State transit buses stop along George Street and at Circular Quay.



FERRY

The Circular Quay ferry station is located closest to Radisson Blu.



PARKING

There is paid parking available in O'Connell Street and Pitt Street.

For more information about transit routes please call 131 500 or visit www.transportnsw.info to plan your trip.

FURTHER INFORMATION

If you would like any further information regarding the AGM, please contact the Company's Share Registry, Computershare, on 1800 804 985 if calling from within Australia or +61 3 9415 4000 from outside Australia.

WEBCAST

If you are unable to attend the AGM, you may view a live webcast of it on the Stockland website via www.stockland.com.au

INFORMATION ABOUT STOCKLAND

You can read about Stockland's FY15 performance in the Shareholder Review, Annual Review, Financial Report and sustainability reporting available via www.stockland.com.au/corporatereporting2015

CONTACT DETAILS

Head office

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Level 25, 133 Castlereagh Street
Sydney NSW 2000

Toll free: 1800 251 813

T: (61 2) 9035 2000

Corporation/Responsible Entity

Stockland Corporation Limited
ACN 000 181 733

Stockland Trust Management Limited
ACN 001 900 741
AFSL 241190

Share registry

Computershare Investor
Services Pty Ltd

Level 4, 60 Carrington Street
Sydney NSW 2000

T: (61 3) 9415 4000

Toll free: 1800 804 985

E: stockland@computershare.com.au



GO ELECTRONIC FOR CONVENIENCE AND SPEED

Did you know you can opt to receive all or part of your securityholder communication electronically. You can change your communication preferences at any time by logging into www.investorcentre.com/ecomms or by contacting Computershare on 1800 804 985.

Ordinary Business of the Company and the Trust

1 FINANCIAL STATEMENTS AND REPORT

As required by section 317 of the Corporations Act, the Annual Financial Report, including the Directors' Report and Financial Statements for the year ended 30 June 2015, together with the Independent Auditor's Report will be laid before the meetings. The combined reports of the Company and the Trust for the year ended 30 June 2015 will also be laid before the meetings. No resolution is required for this item of business.

2 ELECTION OF DIRECTOR – DR NORA SCHEINKESTEL

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That Dr Nora Scheinkestel is eligible and having offered herself for election, is elected as a Director of the Company."

Dr Scheinkestel (FAICD) is an experienced company director having served for over 20 years as a non-executive chairman and director of companies in a wide range of industry sectors and in the public, government and private spheres. Dr Scheinkestel is a director of Telstra Corporation Limited, Orica Limited (retiring on 1 December 2015) and Macquarie Atlas Roads Limited which she chairs and its stapled entity, Macquarie Atlas Roads International Limited.

Previously Dr Scheinkestel served as a director and chairman of various utilities and a number of major companies. Dr Scheinkestel is also an Associate Professor at the Melbourne Business School at Melbourne University, a member of the Takeovers Panel, and in 2003, was awarded a Centenary Medal for services to Australian society in business leadership.

Dr Scheinkestel's executive background is as a senior banking executive in international and project financing, responsible for the development and financing of major projects in Australasia and South East Asia. She consults to government, corporate and institutional clients in areas such as corporate governance, strategy and project and structured financing. Her governance

work has involved mentoring chairmen, CEOs and senior executives, establishing governance protocols as well as leading board performance reviews in a number of organisations.

The election of Dr Scheinkestel is unanimously recommended by the Board.

3 RE-ELECTION OF DIRECTOR – CAROLYN HEWSON

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That Ms Carolyn Hewson, who retires in accordance with the Company's Constitution and, being eligible and having offered herself for re-election, is re-elected as a Director of the Company."

Ms Hewson was appointed to the Board on 1 March 2009. She has over thirty years' experience in the financial sector, with extensive financial markets, risk management and investment management expertise. Ms Hewson is a Non-Executive Director of BHP Billiton (appointed March 2010), and previously served as a Director on the Boards of the Australian Gas Light Company, AGL Energy Limited, AMP, CSR Limited, BT Investment Management, South Australia Water, the Economic Development Board of South Australia and Westpac Banking Corporation. Ms Hewson is Chair of the Human Resources Committee and a member of the Sustainability Committee and was Chair of the Risk Committee until 1 October 2014.

The re-election of Ms Hewson is unanimously recommended by the Board.

4 APPROVAL OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That the Company's Remuneration Report for the financial year ended 30 June 2015 be approved."

Note – the vote on this resolution is advisory only and does not bind the Directors of the Company.

The Directors unanimously recommend that securityholders vote in favour of this resolution.

5 GRANT OF PERFORMANCE RIGHTS TO MANAGING DIRECTOR

To consider and, if thought fit, to pass the following resolution as separate ordinary resolutions of each of the Company and the Trust:

"That approval is given for all purposes, including under the Corporations Act and the Listing Rules of ASX Limited, for:

- (a) the participation in the Stockland Performance Rights Plan by Mr Mark Steinert, Managing Director as to 750,000 performance rights as part of his 2016 financial year remuneration; and
- (b) the issue to and acquisition by Mr Mark Steinert, Managing Director of those performance rights and, in consequence of vesting of those performance rights, of Stockland Stapled Securities,

in accordance with the Stockland Performance Rights Plan Rules as amended from time to time and on the basis described in the Explanatory Statement on Items of Business accompanying the Notice of Meeting convening these meetings."

The Directors, other than Mr Steinert, unanimously recommend that securityholders vote in favour of this resolution.

Information concerning Resolutions 4 and 5 are set out in the Explanatory Statement accompanying this Notice of Meeting.

By order of the Board



KATHERINE GRACE
SECRETARY
22 September 2015

Background information

QUORUM AND VOTING

The constitution of the Company provides that at least five securityholders present in person or by proxy constitute a quorum. The constitution of Stockland Trust provides that at least five securityholders present in person or by proxy who together hold at least 20% of all Units entitled to vote represent a quorum. The quorum must be present at all times during the meetings.

If a quorum is not present within 30 minutes after the scheduled time for the meetings, the meetings will be adjourned. The Directors of the Company and of Stockland Trust Management Limited (STML), as Responsible Entity for the Trust, have decided that the adjourned meetings will be held immediately after the adjournment. Members present (being at least two) in person or by proxy 30 minutes after the commencement of the adjourned meetings will constitute a quorum.

On a show of hands each securityholder present in person or by proxy has one vote. On a poll:

- (a) in the case of a resolution of the Company, each shareholder has one vote for each share held in the Company; and
- (b) in the case of a resolution of the Trust, each unit holder has one vote for each \$1.00 of the value of the Units held in the Trust.

All of the resolutions to be put to the meetings are **ordinary resolutions** which must be passed by more than 50% of the total votes cast on the resolution by securityholders present in person or by proxy and entitled to vote.

STAPLED SECURITIES

The Company and the Trust only have Stockland Stapled Securities on issue. A Stapled Security consists of a share in the Company and a unit in the Trust. These securities are “stapled” together and quoted jointly on the ASX.

INDIVIDUALS

If you plan to attend the meetings, we ask that you arrive at the meeting venue at least 30 minutes prior to the designated time so we may validate the number of votes you hold, record your attendance and provide you with your voting cards.

CORPORATIONS

In order to attend and vote on a show of hands at the meetings, a securityholder which is a corporation must appoint a person to act as its representative or appoint a proxy. The appointment of a corporate representative must comply with Sections 250D and 253B of the Corporations Act. The representative should bring to the meetings evidence of his or her appointment including any authority under which it is signed.

VOTING ENTITLEMENTS

Pursuant to Corporations Regulations 7.11.37 and 7.11.38, and the ASTC operating rules, the Directors of the Company and of STML have determined that subject to the voting exclusions set out below, the holding of each securityholder for the purposes of ascertaining the voting entitlements for the Annual General Meeting and the meeting of unit holders will be as it appears in the Share/Unit Register at 7pm (Sydney time) on Sunday, 25th October 2015.

VOTING EXCLUSIONS – RESOLUTION 4

A vote must not be cast (in any capacity) on Resolution 4 by or on behalf of the Company’s key management personnel (including the Directors), details of whose remuneration are included in the Remuneration Report (“KMP”) or their closely related parties, whether as a securityholder or as a proxy. However, a vote may be cast on Resolution 4 by a KMP, or a closely related party of a KMP (“voter”), if either:

- the voter is appointed as a proxy in writing that specifies how the proxy is to vote on Resolution 4 by a person who is not also a KMP or a closely related party of a KMP; or
- the voter is the chair of the meeting casting the vote as a proxy and their appointment expressly authorises the chair to exercise the proxy even though Resolution 4 is connected directly or indirectly with the remuneration of a member of the KMP of the Company.

VOTING EXCLUSION – RESOLUTIONS 5

A vote must not be cast on Resolution 5 by a KMP, or a closely related party of a KMP, acting as proxy, if their appointment does not specify the way the proxy is to vote on Resolution 5. However, this voting exclusion does not apply if the person is the chairman of the meeting acting as proxy and their appointment expressly authorises the chairman of the meeting to exercise the proxy even if though Resolution 5 is connected directly or indirectly with the remuneration of a member of the KMP.

In accordance with the ASX Listing Rules, the Company and STML will disregard any votes cast on Resolution 5 by any Director of the Company or STML (except one who is ineligible to participate in any employee incentive scheme in relation to the Company or STML), and any associate of those persons.

However, the Company and STML need not disregard a vote if:

- (i) it is cast by a person referred to above as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting, as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In accordance with Section 253E of the Corporations Act, STML and its associates are not entitled to vote on any resolution of the Trust if they have an interest in the resolution other than as a member of the Trust.

PROXIES

If you are unable or do not wish to attend the meetings, you may appoint a proxy to attend and vote on your behalf. A proxy need not be a securityholder.

If a securityholder is entitled to two or more votes they may appoint two proxies and may specify the number or percentage of votes each proxy is appointed to exercise. If no such number or percentage is specified, each proxy may exercise half the securityholder’s votes.

If you appoint a body corporate as your proxy, the body corporate will need to appoint an individual as its corporate representative to exercise its powers at the meetings and provide satisfactory evidence of the appointment of its corporate representative prior to the commencement of the meetings.

If a securityholder appoints the Chairman of the Meeting as their proxy or the Chairman of the Meeting is appointed as the securityholder's proxy by default, and the securityholder does not mark a voting box for Resolution 4 or Resolution 5, then by signing and returning the Proxy Form the securityholder will be expressly authorising the Chairman of the meeting to exercise the proxy in respect of the relevant resolution even though the resolution is connected with the remuneration of the KMP.

The chairman of the meeting intends to vote all undirected proxies in favour of Resolutions 2 to 5.

LODGING PROXY FORMS

Securityholders are able to lodge proxies by electronic means, by facsimile, or by mail. If securityholders wish to lodge their proxies by electronic means, they should do so through Stockland's Registry website (www.investorvote.com.au).

Alternatively, securityholders may complete the enclosed proxy form and return it in the reply paid envelope provided. The proxy form must be lodged at Stockland's registered office or with Stockland's registry using the reply paid envelope or by posting, delivery or facsimile to:

Stockland Security Registry

c/- Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street,
Sydney NSW 2000

GPO Box 242,
Melbourne VIC 3001

Facsimile No. (03) 9473 2555

Stockland

Level 25
133 Castlereagh Street
Sydney NSW 2000

Facsimile No. (02) 8988 2687

Proxy forms must be received no later than 2.30pm on Sunday, 25 October 2015. As a practical matter, if you are posting or hand delivering your proxy form, the proxy form would need to be received by 5.00 pm on Friday, 23 October 2015.

The proxy form enables a securityholder to vote for or against, or abstain from voting on a resolution. A securityholder may direct the proxy holder how to vote in respect of each resolution.

SUBMISSION OF WRITTEN QUESTIONS TO THE COMPANY, TRUST OR AUDITOR

A securityholder who is entitled to vote at the meetings may submit a written question to the Company, Trust or Auditor in advance of the meetings:

- (1) about the business of the Company or Trust;
- (2) about the Remuneration Report (see Explanatory Statement); or
- (3) if the question is directed to the Auditor, provided it relates to:
 - (a) the content of the Auditor's Report to be considered at the meetings;
 - (b) the conduct of the audit or the Auditor's independence; or
 - (c) the accounting policies adopted by Stockland in relation to the preparation of the Financial Statements.

All questions must be sent to and received by the Company no later than five (5) business days before the date of the Annual General Meeting. Any questions should be directed to www.stockland.com.au

Explanatory Statement

This Explanatory Statement contains further information about the resolutions that will be considered at the Annual General Meeting of the Company and the meeting of the Trust to be held on Tuesday, 27 October 2015. The meetings are important. You should read this Explanatory Statement and the enclosed Notice of Meetings carefully and, if necessary, seek your own independent advice on any aspect about which you are not certain.

ORDINARY BUSINESS OF THE COMPANY

Resolution 4 – Approval of Remuneration Report

The Company is required by the Corporations Act to submit its Remuneration Report to securityholders for consideration and adoption by way of a non-binding resolution at the Meeting. This resolution is advisory only and does not bind the Directors of the Company.

Stockland's Remuneration Report can be found on pages 34 to 56 of the 2015 Financial Report via the Stockland website.

If the Remuneration Report receives a "no" vote of at least 25% at the Meeting (constituting a first strike), and then again at the 2016 Annual General Meeting (constituting a second strike), a resolution must be put to securityholders at the 2016 Annual General Meeting (spill resolution) as to whether another meeting of securityholders should be held within 90 days at which all Directors (other than the Managing Director) who were in office at the date of the relevant Directors' Report must stand for re-election. Stockland's Remuneration Report was approved by approximately 99% of securityholders who voted at the 2014 Annual General Meeting.

The Board views setting remuneration policies as one of its most important responsibilities – ensuring that Stockland's remuneration policies and practices are fair, responsible and competitive.

During this financial year there were no significant changes to Stockland's remuneration policies and practices.

The Chairman of the Meeting will give securityholders a reasonable opportunity

to ask questions about or make comments on the Remuneration Report. Although this vote does not bind the Company, the Board intends to take into account securityholder feedback and the outcome of the vote when considering Stockland's future Remuneration Policy.

The Directors unanimously recommend that securityholders vote in favour of this resolution.

Resolution 5 – Managing Director participation in the Performance Rights Plan ("PRP") as part of his 2016 financial year remuneration

The Board proposes to offer participation in the PRP to the Managing Director, Mr Mark Steinert, who is eligible to participate in the PRP as an Executive Director. Under Listing Rule 10.14, ASX requires that securityholders approve any acquisition of securities under an employee incentive scheme by a Director. Accordingly, securityholder approval is sought for the grant of 750,000 performance rights to Mr Steinert and in consequence of vesting of those performance rights, the acquisition of Stapled Securities by Mr Steinert, in accordance with the PRP Rules and on the terms and conditions summarised in this Explanatory Statement.

Stockland remuneration policy

Stockland's remuneration policy aims to ensure executive remuneration is commensurate with the executive's position and responsibilities, competitive with market standards, linked with Stockland's strategic goals and performance, and aligned with the interests of securityholders. Remuneration consists of a fixed annual component and a performance related component (including participation in the PRP). The Directors of the Company and of STML (excluding Mr Steinert) believe that participation in the PRP by Mr Steinert, on the terms and conditions described below, is an appropriate equity based incentive given his responsibilities and commitment. In the Board's view, participation by Stockland senior executives in the PRP is an important part of the Board's strategy for retaining key talent and motivating them to improve Stockland's profit performance.

Level of participation

The level of participation offered to Mr Steinert under the PRP has been determined with reference to market practice and within the framework of Stockland's remuneration philosophy as set out in the Remuneration Report. The Long Term Incentive ("LTI") amount for the Managing Director is 100% of fixed pay (which includes salary, superannuation and other employee benefits). The number of rights allocated to all participants in the Performance Rights Plan was determined by dividing their LTI amount by the grant value of a performance right at 30 June 2015 (which was \$2.00), rounded to the nearest thousand. The grant value for Mr Steinert for the 2016 financial year is \$1.5 million.

Performance conditions of proposed grants

- 1 The performance conditions will be measured over a three year period from 1 July 2015 to 30 June 2018 ("performance period").
- 2 The measures used to determine performance are Earnings Per Security Growth ("EPS Growth") and Total Securityholder Return ("TSR"). The vesting of one half of the performance rights granted to the Managing Director in respect of his remuneration for any financial year will be subject to the applicable EPS Growth condition, while the remaining half will be subject to the applicable TSR condition.

Earnings Per Security Growth (EPS Growth)

Earnings per security ("EPS") is the base earnings per security adjusted for significant items and other items determined by the Board, as disclosed in the Notes to Stockland's Financial Statements.

EPS Growth is measured as the compound average growth rate ("CAGR") for EPS (with respect to the year prior to grant) over the three year performance period. The actual CAGR for Stockland's EPS over the three year performance period is then compared to the prospective CAGR EPS target set and advised by the Board in the first year of the applicable performance period.

As part of the Board's review of Stockland's reward framework in 2012, it was agreed that for LTI grants after 1 July 2012, a three year compound annual growth rate for EPS will be set. The Board believes this approach will provide a more transparent basis for communicating the EPS performance hurdle to both securityholders and PRP participants. The prospective target for maximum or full vesting of the EPS Growth component of FY16 LTI awards is 6.25% CAGR ("EPS Target") or 31.1 cents per Stapled Security over the same period. The threshold hurdle for vesting to commence is a CAGR of 4.5% or 29.6 cents per Stapled Security over the same period.

The proportion of the EPS grant that vests will be as follows:

Compound Annual Growth in EPS over a 3 year period	Proportion of EPS related rights
Less than or equal to EPS Target	0%
Greater than EPS Target	50%
Up to 5% greater than EPS Target	Proportion of EPS grant vesting increases in a straight line between 50% and 100%
5% (or more) greater than EPS Target (stretch target)	100%

TOTAL SECURITYHOLDER RETURN (TSR)

TSR measures the growth in the price of securities plus cash distributions notionally reinvested in securities. In order for the TSR grant to vest, Stockland's TSR must be greater than the growth in the ASX/Australian Real Estate Investment Trust Index ("Index") reconstituted to exclude Stockland ("TSR Target").

TSR growth for Stockland and the companies in the Index will be calculated as follows:

- TSR will be measured over the performance period and calculated by an independent third party;
- For the purpose of this measurement, Stockland's security price and the Index will be averaged over the 30 days preceding the start and end date of the performance period;
- Dividends or distributions will be assumed to have been re-invested on the ex-dividend date; and
- Tax and any franking credits (or equivalent) will be ignored.

The proportion of the TSR grant that vests will be as follows:

TSR of Stockland compared to Index growth over the 3 year period	Proportion of TSR grant vesting
Less than or equal to the TSR Target	0%
Greater than the TSR Target	50%
Up to 10% greater than the TSR Target	Proportion of TSR grant vesting increases in a straight line between 50% and 100%
10% or more greater than the TSR Target (stretch target)	100%

Other terms of the proposed grants

- 1 The number of rights which convert to Stockland Stapled Securities is determined at the end of the three year performance period based on the Board's assessment of actual performance against the applicable performance hurdles. 50% of securities immediately vest with the remaining 50% of securities subject to an additional twelve month vesting requirement post the performance period subject to continued employment with Stockland.
- 2 Disposal of Stapled Securities once released from the PRP will be subject to Stockland's security trading policy.
- 3 If an employee leaves Stockland, any unvested performance rights lapse and are forfeited, except at the discretion of the Board in circumstances such as death, disability, retirement or redundancy. Where the Managing Director is terminated by Stockland other than for cause or retires by mutual agreement, unvested performance rights are pro-rated as a proportion of service during the vesting period, with the subsequent pro rated unvested rights allowed to remain on foot and continue to vest on the due dates with vesting determined in accordance with original hurdles (subject to clawback under the Stockland clawback policy) and provided the Managing Director complies with the non-compete provisions in his executive service agreement.
- 4 The Board will not accelerate the vesting of any performance right in the event of a change in control of Stockland except to the extent that applicable performance conditions (determined as at the date of the change in control) have been satisfied.
- 5 Performance rights will not attract dividends/distributions and voting rights until they vest and Stapled Securities are allocated whether or not the Stapled Securities are subject to non-disposal restrictions.

Grant Value

The grant value of \$2.00 for each FY2016 Performance Right is based on the average of the grant value of the respective performance hurdles of relative TSR and EPS Growth ("EPS") of \$1.92 and \$2.08 respectively.

The grant value of the portion of performance rights subject to the TSR performance hurdle is based on the fair value calculated by a qualified independent consultant, Deloitte Touche Tohmatsu ("Deloitte") who has been engaged by the Board. In determining the grant value of rights subject to the TSR performance hurdle, Deloitte has used a Monte Carlo simulation based model. The grant value for the EPS Growth performance hurdle is based on the volume weighted average price for Stockland over the 10 days post 30 June 2015 of \$4.16 adjusted for the probability of vesting which the Board has determined to be 50%.

In preparing its valuation for the FY15 Performance Rights TSR performance hurdle, Deloitte has made the following assumptions as at 30 June 2015:

- The security price of Stapled Securities as closing on 30 June 2015 of \$4.10;
- the volume weighted average price of Stapled Securities traded on ASX up to and including 30 June 2015 of \$4.26;
- a risk free interest rate of 2.05% equal to the three year zero coupon bond yield;
- brokers' consensus estimates of the dividend yield of the Stapled Securities over the vesting period being 6.34% per annum;
- volatility over the expected life of the instrument and of the relevant index are a reasonable proxy for prospective volatility measures over the performance rights' vesting period; and
- correlation over the last three years between the Stapled Security price and of the relevant index is a reasonable proxy for prospective correlation over the performance rights' vesting period.

Maximum number of Stapled Securities

Subject to adjustment, each vested performance right will translate into one Stapled Security. Accordingly, the maximum number of Stapled Securities that may be acquired by Mr Steinert, for which securityholder approval under Resolution 5 is sought, is 750,000. The number of Stapled Securities to which a performance right relates will only be adjusted in the event of a bonus issue or reorganisation of Stapled Securities and only in accordance with the Listing Rules.

Price payable on grant or exercise of performance rights

Mr Steinert will not be required to pay any amount on the grant or vesting of his performance rights. The performance rights are not transferable. The Company may fund a plan company or plan trust to acquire Stapled Securities on-market or to subscribe Stapled Securities at market value and transfer those Stapled Securities to executives in order to satisfy the Company's obligations under the PRP. Alternatively, the Company may procure the direct issue of Stapled Securities to executives for no payment in satisfaction of its obligations under the PRP.

Name of the Executive Director who received Performance Rights under the last approval

Mr Steinert is the only person referred to in Listing Rule 10.14 who is entitled to participate in the PRP. Since approval was last obtained under Listing Rule 10.14 at Stockland's 2014 meetings, 811,000 performance rights were granted to Mr Steinert for nil consideration shortly after the 2014 meetings.

Date by which grants of performance rights may be made

The proposed grants of performance rights to Mr Steinert will be made as soon as practicable after securityholder approval is obtained, and in any event no later than 12 months after this meeting.

Current remuneration of the Executive Director

Details of the remuneration of Mr Steinert for the year ended 30 June 2015 and his holding of Stapled Securities is set out in the Remuneration Report section of the 2015 Annual Financial Report on pages 34 to 51.

Requirements for approval

Securityholder approval of the above participation in the PRP by Mr Steinert and his acquisition of performance rights, and of Stapled Securities on vesting of those performance rights is sought for all purposes under the Corporations Act and the Listing Rules of ASX including under Listing Rule 10.14, as an entity must not permit securities to be acquired by a related party (such as a Director or a company controlled by a Director) under an employee incentive scheme without the approval of securityholders. Accordingly, approval of securityholders is sought for the purpose of Listing Rule 10.14 to enable Mr Steinert to acquire performance rights, and, on vesting of those performance rights, Stapled Securities, by the issue or transfer of Stapled Securities to Mr Steinert.

Recommendations of the Directors of the Company

The Directors of the Company and STML, excluding Mr Steinert, unanimously recommend that securityholders vote in favour of Resolution 5 for the reasons set out below:

- (i) the Directors believe the proposed equity incentives are necessary to attract and retain key executive talent;
- (ii) the Directors believe the total remuneration arrangements are fair and reasonable and consistent with ASX Corporate Governance Guidelines – Principle 8; and
- (iii) the equity incentives proposed align the interests of the Managing Director with the interests of securityholders.

Copies of the PRP Rules are available on the Stockland website www.stockland.com.au



Stockland

Stockland Corporation Limited
ABN 43 000 181 733
Stockland Trust Management Limited
ABN 86 001 900 741
AFSL 241190
As Responsible Entity for Stockland Trust
ARSN 092 897 348

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

In Person:

Computershare Investor Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

(within Australia) 1800 804 985
(outside Australia) +61 3 9415 4000

Proxy Form

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Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au



Cast your proxy vote



Access the annual report



Review and update your securityholding

Your secure access information is:

Control Number:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 2.30pm (Sydney time) Sunday 25 October 2015

If you are hand delivering or mailing your proxy form, it must be received by 5:00pm (Sydney time) on Friday 23 October 2015

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

If the Chairman of the Meeting is your proxy or is appointed your proxy by default, and you do not direct your proxy how to vote on Items 4 and 5 overleaf, you expressly authorise the Chairman of the Meeting to exercise the proxy even if that item is connected directly or indirectly with the remuneration of a member of the key management personnel of the Group.

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box, then subject to any voting exclusion, your proxy may vote as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www-au.computershare.com/investor under the help tab, "Printable Forms".

**GO ONLINE TO VOTE,
or turn over to complete the form →**



☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Stockland Corporation Limited and Stockland Trust hereby appoint

☐

the Chairman
of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Stockland Corporation Limited and Meeting of Unit Holders of Stockland Trust to be held at the Ballroom, Radisson Blu Hotel Sydney, Marble Room, Lower Ground Level, 27 O'Connell Street, Sydney NSW 2000 on Tuesday, 27 October 2015 at 2.30pm (Sydney time) and at any adjournment or postponement of the meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 4 and 5 (except where I/we have indicated a different voting intention below) even though Items 4 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Items 4 and 5 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

	For	Against	Abstain
2 Election of Dr Nora Scheinkestel as a Director	☐	☐	☐
3 Re-election of Ms Carolyn Hewson as a Director	☐	☐	☐
4 Approval of the Remuneration Report	☐	☐	☐
5 Approval of the issue of 750,000 performance rights to Mr Mark Steinert, Managing Director	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /