



**SCENTRE
GROUP**

2019 Responsible Business Report

Creating extraordinary places, connecting and enriching communities

A message from our CEO

At the time of publication of this report – 31 March 2020 – the global economy is experiencing unprecedented volatility as a result of the response to the Coronavirus (COVID-19) pandemic. It continues to be an evolving situation. On 20 March 2020, we said the Group's operations performed in line with expectations during the early part of 2020. However in light of the pandemic and volatility, we suspended the Outlook for 2020 that was previously announced.

We have taken a number of precautions across our business to balance the health and wellbeing of all our people and stakeholders. We have implemented expanded hygiene measures plus social/physical distancing as well as managed business continuity to support economic activity and employment across our markets.

The pandemic follows the bushfire emergency which impacted significant parts of Australia during late 2019 and early 2020. In response to this, we partnered with the Salvation Army and donated \$500,000 in cash and significant in-kind support to facilitate fundraising.

We aspire to be regarded by our customers as an integral part of their lives. At this point in time, our role as a responsible, sustainable business and provider of essential services to the communities we serve has never been more important.

Given this, we ask our stakeholders to read this report through the lens of its original intent. It is a report on our responsible business progress against our four pillars of our Sustainable Business Framework (our communities, people, environmental impact and economic performance) for the period 1 January 2019 – 31 December 2019.

We will continue to update our performance and case studies on our website scentregroup.com/about-us/sustainability

Thank you for your support.

Peter Allen

Chief Executive



Our CEO Peter Allen

About this report

Scentre Group's (the Group) 2019 Responsible Business Report provides an account of our overall sustainability performance from 1 January 2019 to 31 December 2019.

It contains a performance overview, using selected case studies and data sets across the four areas of our Sustainable Business Framework: our community, people, environmental impact and economic performance.

The report complements the Group's [Annual Report](#) and [Corporate Governance Statement](#), providing expanded disclosure on our approach as a responsible business, detailing our non-financial performance, impacts and opportunities.

The report is prepared in accordance with the core option of the Global Reporting Initiative's (GRI) Standards sustainability reporting guidelines. It includes standard disclosures, is consistent with the principles of the GRI Standards for defining report quality: balance, comparability, accuracy, timeliness, clarity and reliability.

Indicators covering greenhouse gas emissions, water, energy and waste have been externally and independently assured by EY.

We have engaged with stakeholders to conduct an updated materiality review.

The scope of this report covers assets owned and operated by the Group during the reporting period. This report does not include the impacts of all suppliers, service providers and retail partners.

Visit [our website](#) to read more about our approach to:

- Disclosing our management approach (DMAs)
- GRI Content Index
- Past reporting
- Our stakeholders
- Case studies

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2019 Highlights



OUR COMMUNITY



OUR PEOPLE



OUR ENVIRONMENTAL IMPACT



OUR ECONOMIC PERFORMANCE



120

Westfield Local Heroes received grants of up to \$10,000 each totalling \$1.19 million in the second year of our successful community grants and recognition program



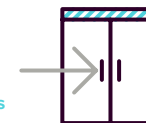
84%

Employee Engagement Score, placing us in the top 2% of high performing companies globally



Net Zero Emissions

Net Zero Scope 1 and 2 emissions by 2030 target established for our wholly-owned portfolio



548 million

annual customer visits, demonstrating continued strong demand for our high-quality destinations and an increase of 12 million in 2019



Partnered

with The Salvation Army for bushfire response. \$500,000 cash plus in-kind support



Included

in the Bloomberg Gender Equality Index for the first time, one of only 9 Australian companies and 325 companies globally



2.6%

Reduced Westfield Living Centre electricity use for stable centres*



Launched

supplier Code of Conduct



100%

of our Westfield Living Centres have a community plan



44%

of all people managers are women, up from 41% in 2018



4.13

Average NABERS rating of our portfolio against a target of 4.5 by 2025

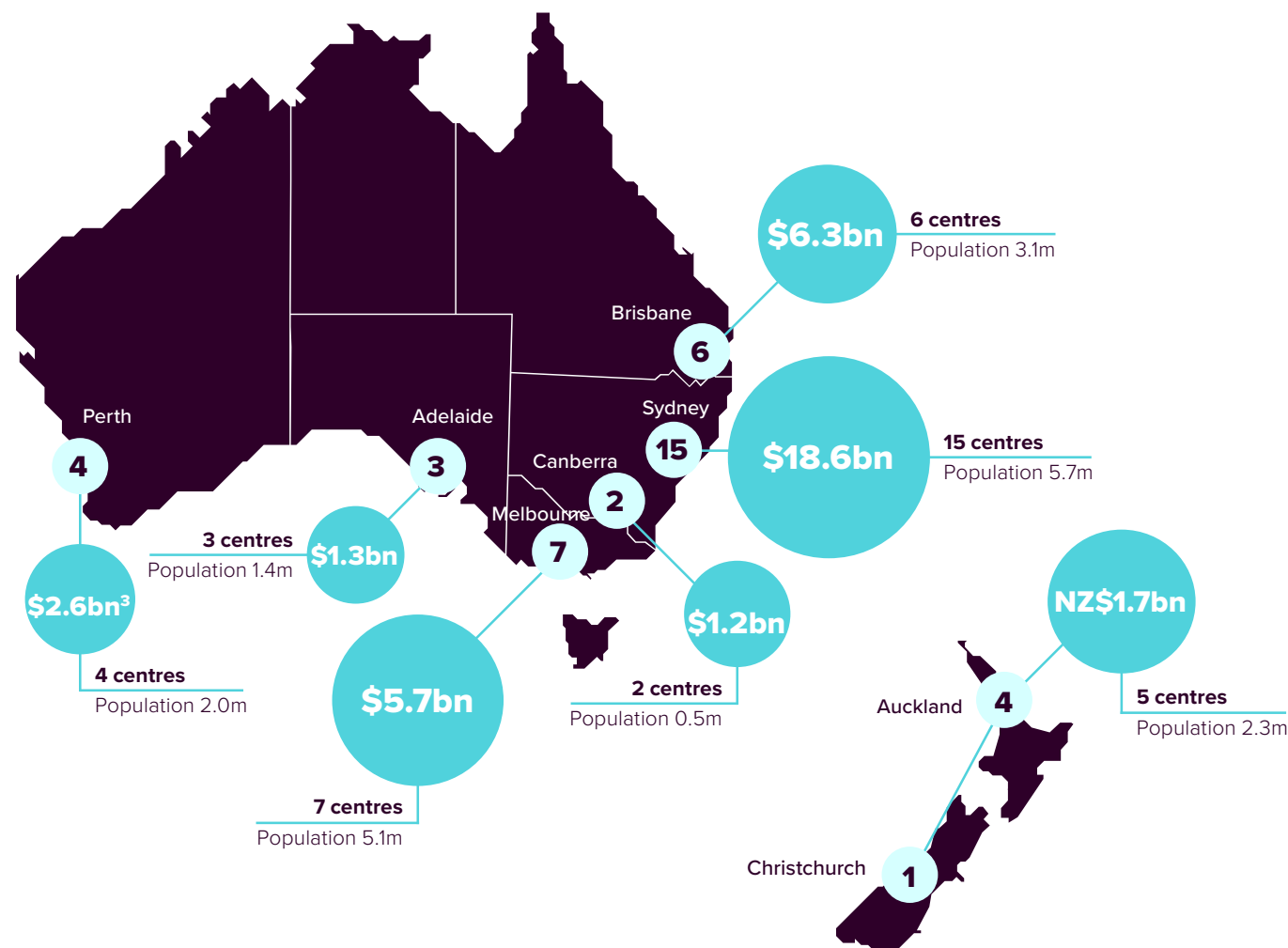


\$56 billion

Value of our portfolio of 42 Westfield Living Centres across Australia and New Zealand

* Stable centres are centres that are like-for-like year-on-year and are not impacted by development.

Scentre Group at a Glance



Scentre Group owns and operates an extraordinary platform of 42 Westfield Living Centres across Australia and New Zealand, regarded as the first choice platform for retail and brand partners to connect and interact with customers.

Scentre Group's portfolio is located in major cities, with population forecast to grow by more than 40% or 10 million people by 2050¹

Australia and New Zealand Portfolio

42 Westfield Living Centres

\$38.2bn² SCG share of AUM

>548m annual customer visits

>12,000 retail outlets

3.9m sqm GLA

\$56bn Assets Under Management

99.3% Occupancy rate

1. Source: ABS 2. Includes construction in progress and assets held for development of \$0.6bn 3. Includes the acquisition of Westfield Booragoon

Our approach as a responsible, sustainable business

Established in 2015
Refreshed in 2019

We believe being a responsible business and delivering on Our Purpose are inseparable: *creating extraordinary places, connecting and enriching communities.*

Leading our business with a responsible business mindset goes hand-in-hand with our objective to deliver long-term sustainable returns for our securityholders and our strategy to *create the places more people choose to come, more often, for longer.*

We consider and manage our financial and non-financial risks in the same way – with governance and accountability front of mind and clear accountabilities for execution and reporting on progress.

We have structured our report around our Sustainable Business Framework which was established in 2015 and has four pillars - our community, our people, our environmental impact and our economic performance.

During 2019, we conducted a materiality review and updated our areas of focus to ensure this report better reflected the issues that matter to us and are of most importance to our stakeholders.

The areas of focus considered to have a 'high' influence and impact for our business and our stakeholders are Energy and Green House Gas (GHG) Emissions; Water; Health, Safety and Security and Employment and Labour Practices.

To view our progress overtime please see our [timeline of achievements](#).



Our DNA

Established in 2014
Refreshed in 2018

Our Purpose – *creating extraordinary places, connecting and enriching communities* – guides our culture and decision-making.

Our DNA is how we realise our purpose, creating extraordinary places, connecting and enriching communities.

They are the standards we hold ourselves and others to.

We put our customer first.

We act with integrity.

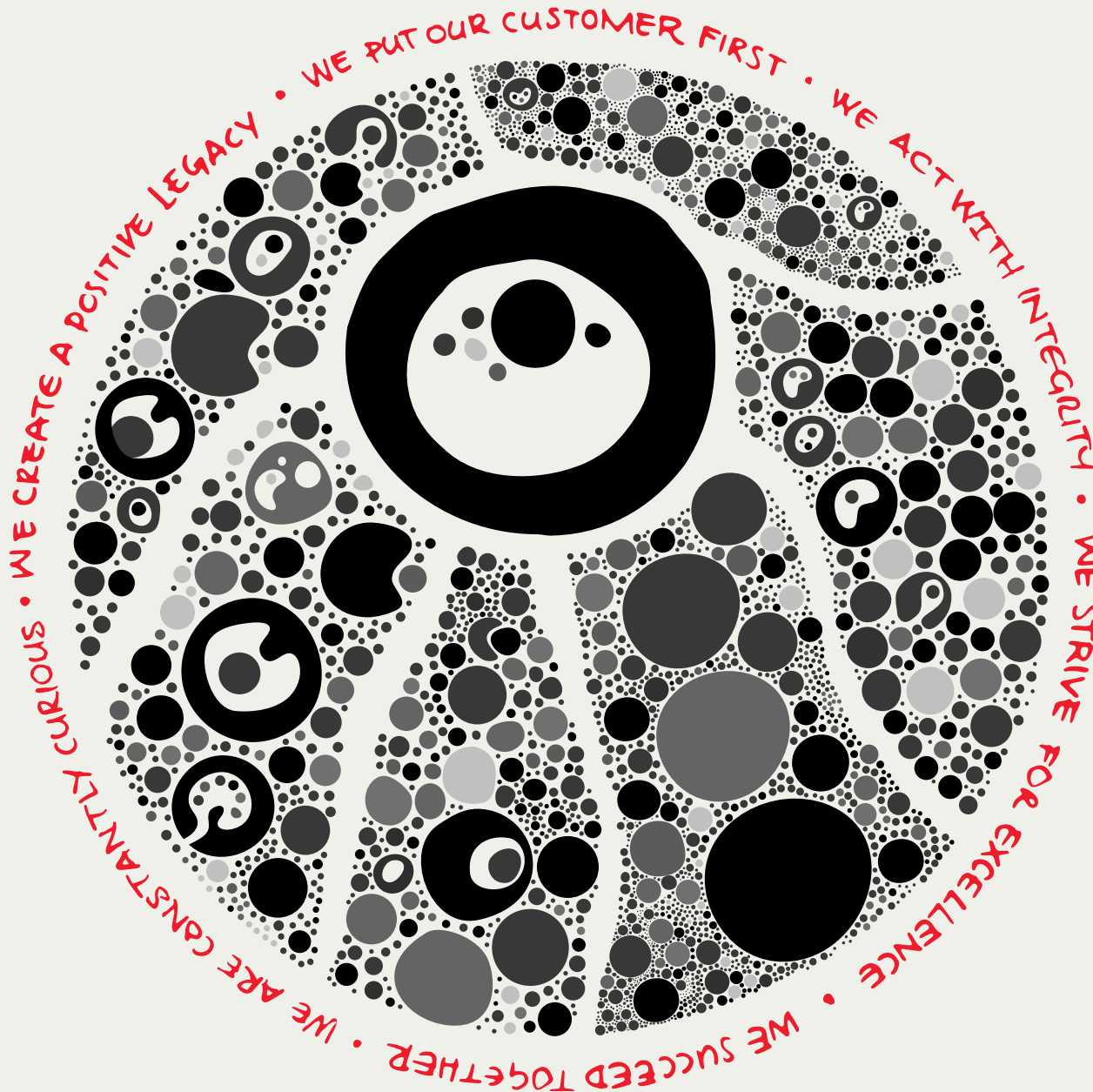
We strive for excellence.

We succeed together.

We are constantly curious.

We create a positive legacy.

To support our focus on acting with integrity and corporate governance, during 2019 we made our [Code of Conduct](#) publicly accessible on our website. It includes a link to a video resource *Living the DNA Values*.



Our Targets



Net Zero Emissions

Net Zero Scope 1 and 2 emissions by 2030
target established for our wholly-owned portfolio

Our People

Target	Status		
	Started	In progress	Achieved
Employee Engagement			
Maintain greater than 85% (last measured in 2019)			●
Employee Retention			
Key talent retention greater than 90%			●
Gender			
Representation of female Executives from 26.5% to 30% (by end 2021)		●	
Representation of 40% female, 40% male and 20% either gender across all levels of management		●	

Our Communities

Target	Status		
	Started	In progress	Achieved
Community plan			
NEW: Impactful delivery of 100% of the agreed priority community initiatives that each Centre sets in its Community Plan		●	

○ ● ● Indicates status of achievement

Our Environmental Impact

Target	Status		
	Started	In progress	Achieved
Energy and Emissions			
NEW: Net zero carbon emissions for our wholly-owned Westfield Living Centres by 2030	○		
Scentre Group portfolio to reach an average Retail NABERS rating of 4.5 stars by 2025		●	
Reduce emissions intensity (based on GLA) by 35% by 2025 (compared with 2009 baseline)		●	
Recycling and Waste Management			
Increase waste recovery from operations to 75% by 2025		●	
Increase waste recovery from operations to 90% by 2030		●	
Maintain a waste recovery rate above 95% for all developments		●	
Buildings			
All new developments and designs to incorporate 5 star Green Star design guidelines as a minimum by 2025		●	

Note: We have removed a previously published target – Scentre Group portfolio to maintain an average Commercial Building NABERS of 5 star by 2025 on eligible/ non-exempt properties - following the sale of our Sydney CBD office towers during 2019.



Our Community

Operating our Westfield Living Centres through a customer-obsessed lens and engaging with our communities in ways that are meaningful to them is central to the way we do business.

Our Purpose - *creating extraordinary places, connecting and enriching communities* - puts our communities and customers top of mind in everything we do. During 2019, we aligned our Community Engagement, Customer Service and Diversity and Inclusion strategies to amplify the positive role we can play in the communities we serve.

We are committed to ensuring:

- Our Westfield Living Centres:
 - Are extraordinary places that are safe, welcoming and inclusive.
 - Are local social hubs that bring people together, connecting and enriching our communities.
- Our people:
 - Constantly strive to foster customers for life by changing everyday experiences into memorable ones.
 - Are representative of the communities we serve and embrace the Group's inclusive culture and values.

By listening and acting on what our customers want, we have continued to improve customer advocacy. In 2019, our customer advocacy score increased by 7 points to 35.



Our Customer Service promise launched in 2019

OUR COMMUNITY

Engaging, celebrating
and contributing to our
communities



New Target

Impactful delivery of 100% of the agreed priority community initiatives that each Centre sets in its annual Community Plan

Since 2018, 100% of our Westfield Living Centres have implemented Community Plans, delivering hundreds of community and cultural initiatives to connect local people with each other and with important community services.

We review and measure our Community Plans and initiatives annually to ensure they are relevant, meaningful and delivering long-term benefits to our communities. All Westfield Living Centres provide donated space at their Community Sites to enable community-focussed groups (i.e. not-for-profit sports groups, community groups,

charities and welfare organisations) to connect with people locally. In 2019, more than 3800 Community Site hours were donated to charities across Australia and New Zealand.

Through our Customer Service Promise, we empower our teams to confidently and comfortably make the right decision for our customers in moments that matter.

We also know that having a diverse and inclusive workplace is critical if we are to truly reflect the communities in which we operate.

For us, diversity means recognising and valuing the contribution of people with different backgrounds, perspectives and experiences. Inclusion means we ensure that peoples' differences are embraced and celebrated.

Our people in the community

Our people are passionate about personally supporting the communities in which they live and work. Our workplace giving program dollar matches our employee donations and we give our people two paid volunteer days annually.

In 2019, we worked with community service providers and many of our Westfield Local Heroes partners through volunteering hours and financial contributions. Throughout 2018 and 2019 we have explored opportunities to further engage our people in our Workplace Giving and Volunteering programs, and will use our learnings to inform the evolution of our programs in 2020.

Our people contributed \$86,886 in workplace giving donations to 57 different charities and organisations, which the Group dollar matched, and volunteered across 245 days.



Improving life for vulnerable community members

Westfield Fountain Gate boosts youth resilience and reduces loneliness in Casey

Every Thursday evening, Adventist Development and Relief Agency (ADRA) community leader volunteers, with backgrounds that include Sudanese, the Pacific Islands, Maori and Muslim, visit Westfield Fountain Gate to provide outreach services to younger members of the community.

According to Selba Gondoza Luka, the CEO of Afri-Aus Care who works closely with the ADRA volunteers, the project is underpinned by a deep awareness that life is hard for many young people from culturally diverse backgrounds, and the willing ear and advice of a wise elder can provide manifold benefits.

A second successful community project initiated at Westfield Fountain Gate in 2019, is the Korus Connect Initiative. The six-month pilot (October 2019 to March 2020) offers a free support service for people who feel isolated or lonely via a *Community Connector* working onsite.

Development Manager of Korus Connect, Richard Kolega, says the Community Connectors are skilled in providing ongoing support to both individuals and their families. "As highly trained professionals, they are able to connect individuals into local support and community networks and, importantly, ensure these connections are sustainable," he says.

[READ MORE »](#)

OUR COMMUNITY

Westfield Local Heroes

2019 was the second year of our Westfield Local Heroes community recognition and grants program.

We recognised 120 individuals who make a positive difference to their local communities with grants of up to \$10,000 each for their affiliated organisation. The program continues to grow, attracting more than 1,000 nominations and 107,000 public votes from across Australia and New Zealand in 2019.

We work with our Westfield Local Hero alumni in many ways, including speaking and consulting at our diversity and inclusion events and participating in cultural and Christmas activations in Westfield Living Centres.

Program Impact

We review the program through participant and customer surveys as well as engagement and marketing data to prove that our Westfield Local Heroes program *connects and enriches our communities by:*

- Promoting local people and organisations.
- Establishing ongoing relationships with Scentre Group.
- Providing \$1.19 million in grants for programs that benefit the local community.

Additionally, we seek to understand how the program *strengthens Scentre Group's business relationships and improves performance by:*

- Increasing employee engagement.
- Establishing mutually beneficial community partnerships.
- Building trust and advocacy in the Westfield brand.



98%

of our 2018 Westfield Local Heroes experienced positive impacts of being a grant recipient such as increased motivation and work effort, pride and recognition

Highlights from this year's Westfield Local Heroes social impact report include;

- 238 grants awarded in two years, valued at \$2.37 million.
- 98% of our 2018 Westfield Local Heroes experienced positive impacts of being a grant recipient such as increased motivation and work effort, pride and recognition.
- 76% of the general public agree that the program improves their perception of Westfield.
- Shoppers who are aware of the program give higher Net Promoter Scores than those unaware.

The program won the Community (multi-centre) category of the 2019 Shopping Centre Council of Australia Marketing Awards.



Westfield
Local Heroes



A selection of the nominees from the 2019 Westfield Local Heroes program.

OUR COMMUNITY

National projects and programs

We are ‘constantly curious’ and we work to ‘leave a positive legacy’ are two of our values.

We consult with community leaders and organisations to identify needs and opportunities in our communities that would benefit from scalable solutions. We then align across our business to deliver holistic programs.

National Youth Resilience Plan

In 2019, we developed a National Youth Resilience Plan designed to help young people in the communities we serve to thrive and build resilience. One of the first projects was a collaboration between Scentre Group’s community, risk and centre teams to identify tools to better communicate with young people at scale.

At Westfield Mt Druitt, we worked with [Youth Off The Streets](#), an organisation in Western Sydney that works with at-risk youth, to run a three-hour feedback session with eight local young people to get their insights and ideas.

Mentoring

We partnered with the Australian Business and Community Network (ABCN) to mentor 16 female high school students from Sydney’s west over six sessions.

Sensitive Santa

To help make Christmas that little bit easier and festive for families with children who have sensory challenges, we offered [Sensitive Santa photography sessions](#) across our portfolio with 755 sessions held over the Christmas period.

To provide support to our communities, our centres invited over 75 charities, including 42 Westfield Local Hero organisations, to run Christmas Gift Wrap for our customers.



Sensitive Santa photography was offered in all of our centres

In total, customers donated more than \$200,000 to these charities for the service.

Women’s Football

This year we were proud to extend our long-term partnership with the Football Federation Australia (FFA), continuing as naming rights partner of the Westfield Matildas, Westfield Junior Matildas, as well as Australia’s women’s football competition, the Westfield W-League, through to 2021.

Now in our 11th season of support, the sponsorship connects our communities with the sport they love through memorable player experiences in our Westfield Living Centres and exclusive opportunities at Westfield Matildas matches.

It also aligns with our customer base given women account for about 70 per cent of visitation across our portfolio, as well as our focus on diversity and inclusion and supporting female leadership.

CASE STUDY

Quiet Hour in Tuggerah

Quiet Hour for customers with sensory challenges is welcomed by the local community

“It’s important we build a better understanding of dementia and the steps people can take – such as Quiet Hour, which can make someone living with dementia, their families and carers, remain connected to their community.”

MAREE MCCABE, DEMENTIA AUSTRALIA CEO

For people living with dementia, autism and sensory challenges the lights and sounds of shopping centres can be overwhelming. In July 2019, Westfield Tuggerah implemented Quiet Hour on Tuesday mornings. Westfield Tuggerah Centre Manager, Bert Cotte, says the response has been incredibly positive: “Forty retailers have joined the initiative and the feedback from customers, retailers and community partners has been fantastic,” he says. Westfield Tuggerah was recognised by Dementia Australia as a Dementia-friendly centre.

[READ MORE »](#)

CASE STUDY

Respecting customer dignity with accredited Changing Places facilities

Meeting the needs of people with severe and profound disabilities in Perth, Auckland and Geelong

We want our Westfield Living Centres to be inclusive and welcoming, and to empower our customers of all abilities to experience our centres with dignity and respect.

During 2019, we built three new accredited Changing Places facilities to help better meet the needs of individuals with high support requirements and their carers visiting our centres at Westfield Carousel in Perth, Westfield Newmarket in Auckland and Westfield Geelong in Victoria.

[READ MORE » GEELONG](#)

[READ MORE » CAROUSEL](#)

Below from left: Emma Gardiner - Nulsen Group, Ravi Karki - Support Worker, Nulsen Group, Steven Pratt - Nulsen Resident, Chris Barton - Scentre Group, Hon. Stephen Dawson - MLC



OUR COMMUNITY

Developments

We engage with local communities at each of our development assets, regardless of the size or scale of works.

We seek to consistently evolve to meet our customers' needs and the best way to do this is to talk with our community partners and customers and ask them what we can do to make a difference.

We regularly work with local schools, disability partners, our local heroes, planning authorities and councils to be transparent with our development plans, share any short-term customer or community impacts and involve them where possible in the delivery of services and functionality in centre to meet their changing needs.

Success in this area can be seen through the delivery of accessible adult change rooms, kids play areas tailored to meet the requests of local parents and parents with prams parking.

Westfield Newmarket

At Westfield Newmarket in New Zealand, just 4km from Auckland's CBD, the local community - made-up of over 2,000 businesses and retailers, schools, early education centres, historic sites, local iwi (Māori tribe) and residents - embraced plans for the redevelopment of a world-class 88,000m² Westfield Living Centre during our two-year construction period.

A focus on robust stakeholder engagement and community relations ensured the local community had a voice and we facilitated two-way conversations throughout the construction period. This was made possible through community presentations, site



Nurturing

a sense of belonging and inclusion

tours, retailer walkarounds, newsletters, notifications and progress reports, and always providing a point-of-contact and channels for feedback.

Dedicated community focus groups provided valuable feedback about the kind of Westfield Living Centre locals would be proud of. In these sessions, an overwhelming desire for a focus on environmental sustainability was declared, resulting in the creation of 'Westfield Reduce', a Newmarket-specific initiative committed to best-practice waste management. In addition, specific accessibility workshops and the adoption of the [Accessibility Tick](#) introduced a raft of first-to-market facilities and initiatives for New Zealand retail. As a result, Westfield Newmarket has been nominated for 'Best Accessibility Retailer' in the [Access Alliance People's Choice Accessibility Awards](#).

OUR COMMUNITY

Security

The safety and security of our customers, retail partners and our people is fundamental to our business.

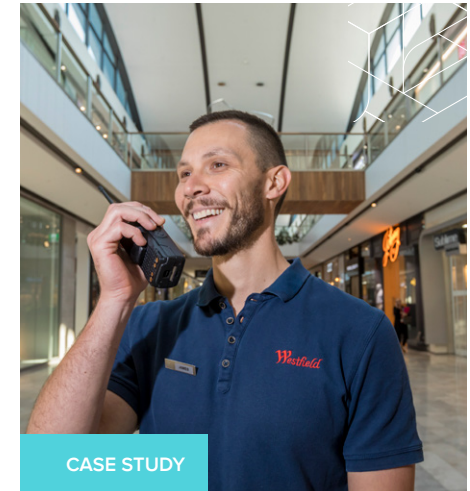
The very nature of our business, with over 548 million customer visits annually, means that a certain number of incidents are bound to happen. Success is not defined by the fact that an incident has happened but more by the nature of our response.

Our approach to safety and security is based upon four principles:

- **Preventing an incident taking place** – this can range from incorporating preventative measures in the design phase through better lighting and CCTV coverage as well as ensuring we maximise every opportunity to learn from incidents.
- **Protecting our assets** – we closely follow the advice in the Prime Minister's 2017 Crowded Places Strategy and, at a senior level, we engage with senior State and Federal Police in developing policy in this area.
- **Preparing** – management and employee readiness in the event of an incident is given the highest priority. In our 2019 Employee Engagement Survey, 90% of our employees considered that the business took safety and security seriously. We exercise our plans regularly at both a local and company-wide level and we support and work with emergency services to jointly exercise their response plans at our centres out-of-hours. We also encourage our retail partners to participate in these exercises.
- **Engagement with the Police, other agencies and community partners** – building collaborative relationships with our partners at a local and national level is vital. This ensures that all parties

feel confident to share information when appropriate, as well as ensuring everyone is familiar with their roles and responsibilities if an incident does take place.

Responsibility for delivering security at our Westfield Living Centres rests with the Centre Manager supported in each asset by a Risk & Security Manager. They are supported by security guards. This is overseen by a Director of Security and team at our Support Office including a bespoke intelligence function responsible for producing regular Strategic Threat Assessments that ensure the business understands the nature of any current threats and is allocating resources appropriately. All security personnel are required to complete Code of Conduct training annually.



CASE STUDY

Each year, our National Security Team hosts the Scentre Group Retailer Security Forum, bringing together senior security, risk and operational leads from our major retail partners.

The annual forum has the twin objectives of better-understanding security issues from the retail partners' perspective and identifying areas where we can collaborate for mutual security benefit.

The Retailer Security Forum provides an opportunity for our retailers to better build a culture of security and reporting with their stores: we want retailers to report concerns to us either at a centre level through Centre Management or at a corporate level to Scentre Group Security.



Our People

Our aspiration is to create a workforce reflective of the communities in which we operate and to be the place where talent thrives.

We believe that a diverse and engaged workforce contributes to strong business performance and we seek to provide an inclusive and supportive working environment that recognises and leverages all the ways we are different. Our commitment is to a workplace where everyone is comfortable to “bring their whole self to work”.

Our DNA and Acting with Integrity

Acting with integrity is one of the six strands of our company’s DNA - our values and the standards we hold ourselves and our colleagues to. During the year, we updated our DNA to ensure it was aligned to Our Purpose and Our Plan. We also updated our Code of Conduct and made it publicly available on our website. Our people must comply with our Code of Conduct and recommit to it every year of their employment. In 2019, we made this document publicly available as part of our commitment to transparent corporate governance.



2,740
people are employed
by Scentre Group



OUR PEOPLE

Diversity and Inclusion



44%

of all people managers are
women, up from 41% in 2018

During the year, we continued to further embed our diversity and inclusion initiatives so that diversity and inclusion is simply part of how we do business.

Our approach includes our Board-endorsed Diversity and Inclusion Policy, an executive team endorsed Diversity and Inclusion strategy and an active Diversity and Inclusion Council driven by employee-led working groups. These working groups assist in making recommendations and developing and implementing diversity and inclusion initiatives within the areas of their particular focus.

Our focus on talent, diversity and inclusion has been recognised by local and global stakeholders and indices.

- In January 2020, we were pleased to have been included in the Bloomberg Gender Equality Index for the first time.
- Maintained Bronze at the 2019 Australian Workplace Gender Equality Index (AWEI) awards for the second consecutive year.
- Maintained Workplace Gender Equality Agency (WGEA) citation as an Employer of Choice for Gender Equality for the third consecutive year, now extended to 2021.

Last year, we publicly committed ourselves to a gender target at all levels of management of 40:40:20. Currently, 44% of our employees across all levels of management are female. At the executive level this figure is 28%, 25% at senior management level, and 50% at mid-management level.

OUR PEOPLE

Diversity and Inclusion Working Groups

We have seven employee-led working groups with representation across our business focusing on the following areas:

- Mental Health and Wellbeing
- All Abilities
- Domestic and Family Violence
- Gender Equity
- Multicultural Capability
- LGBTI+
- Reconciliation Action Plan

Mental Health and Wellbeing

As a business, we recognise that poor mental health can have a significant impact on individuals, their families, their communities and their contribution to work.

Our approach to mental health and wellbeing has three pillars: awareness, work practices and support and leadership.

During the year:

- Our Mental Health and Wellbeing Working Group developed a holistic plan of awareness to improve work practices and employee support mechanisms.
- A Mental Health and Well-Being Survey was sent to all employees with over 1,234 responses, a 53% response rate.
- General awareness training was implemented in partnership with Assure (our Employee Assistance Program provider) with participation of 640 employees across 53 sessions.
- We introduced a 24 hr, 365-day year SMS counselling service in addition to the current modes of counselling through Assure in Australia.
- We formalised “RUOK? Day” as the prime day of significance with activations

CASE STUDY

Instant help always at hand

24/7 SMS counselling service adds a new layer to Scentre Group's Employee Assistance Program

In supporting our people to have balanced lives and healthy minds, on National R U OK? day in September 2019, we launched a new 24/7 SMS counselling service as part of our ongoing Employee Assistance Program (EAP).

“This new service complements our existing offerings and makes sure that mental health support is more accessible than ever,” says Scentre Group Human Resources Manager, Catherine Sherrington.

“People can connect with a qualified psychologist in real-time via text for immediate, private, clinical support at any time of day or night.”

The Group's EAP offers four free-of-charge counselling sessions per case to all employees within Australia and New Zealand and their immediate family members. According to Catherine, choice has deliberately been built into the EAP model.

“No matter the need, be it a parenting concern, domestic violence or a workplace issue etc, participants can choose from SMS, face-to-face, telephone or Skype sessions, or a mixture of all four. It's incredibly flexible.”



In 2019 we launched a 24/7 SMS counselling service as part of our Employee Assistance Program

OUR PEOPLE



86% Favourable

Employee Diversity and Inclusion Score.

Evidence of how our culture makes our people feel safe to be themselves.

Employee-led working groups are a key part of our Diversity and Inclusion policy

across all work locations promoting ways to support colleagues.

- We extended MATES in Construction suicide reduction charity from Australia to New Zealand.

All Abilities

Our All Abilities working group aims to ensure the inclusion within our business and our Westfield Living Centres of people living with a disability. The Group is supported by the Australian Network on Disability. During the year:

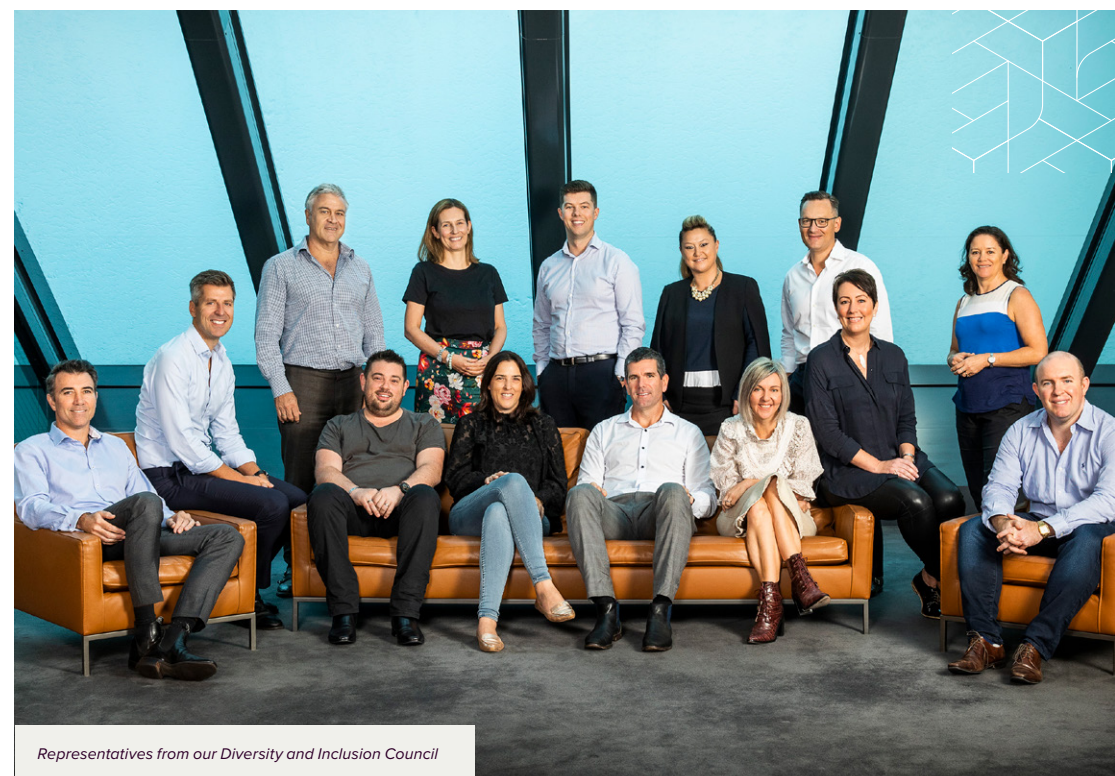
- We undertook a recruitment audit to identify bias in our recruitment practices that might prohibit people with disabilities applying for roles with us.
- To better serve our customers, Disability Awareness training was launched for all Cleaning and Security partners.
- Calm rooms and adult change rooms are now a standard in all specifications for

developments following their introduction as part of the redevelopment of Westfield Newmarket.

- Westfield Sensitive Santa sessions were delivered in each of our centres in consultation with Autism Spectrum Australia to create a relaxed and sensory-friendly Santa experience tailored to children with sensitive processing challenges, anxiety or disabilities.

Domestic and Family Violence

To help equip our people to better understand this challenging issue, during the year we developed and launched a short online training module. We also shared this module with the Property Council of Australia to assist other organisations in developing content for their people. Since launch, over 800 employees have completed the training module.



Representatives from our Diversity and Inclusion Council

OUR PEOPLE



Included

in the **Bloomberg Gender Equality Index** for the first time, one of 9 Australian companies and 325 companies globally



Relaunched

our **Parental Leave Policy** to reduce the qualifying service period from 12 to 6 months

Gender Equity

In 2019, we continued a major focus on Gender Equity by consolidating all projects and initiatives under one holistic strategy with governance by an Executive led Working Group to ensure we had a cohesive approach to gender representation. This combined focus enabled us to:

- Achieve 77/100 in our first measure by the Bloomberg Gender Equality Index which is a gender equality measure used by investors.
- Maintain recognition as an Employer of Choice for Gender Equality by the Workplace Gender Equality Agency (WGEA).
- Formalise our Pay Equity reviews to twice per year – prior to and post our annual Performance and Reward process. In 2019, we had no pay equity gap when comparing skills and performance for like roles.
- Grow average tenure for females at a greater rate than males. Since 2015, the average tenure for females has increased from 5.4 years to 6.4 years (males 6.1 years to 6.6 years). We are recruiting more women than are leaving the business and are retaining women for longer.
- At 31 December 2019, the percentage of females across all levels of management was 44% (2018: 41%).
- Last year we publicly committed ourselves to increase the representation of female executives from 26.5% to 30% by the end of 2021. By the end of 2019, we achieved 28% representation of females at the senior executive level (General Manager and above), within our target of 26 - 30%.
- Ensure 52% of new hires and 57% of all promotions were females.
- Increase our percentage of female senior managers to 25% (up from 22% in 2018) and junior managers to 50% (up from 46% 2018) thereby improving our pipeline of female talent for more senior leadership roles.
- Re-launch our Parental Leave Policy to reduce the qualifying service period from 12 to 6 months and provide Continued Service recognition for Long Service Leave for people on unpaid parental leave. We also extended the policy to cover instances of Still Born, Premature Birth, IVF Treatment and Foster Care/ Adoption and now provide 4 weeks paid leave and access to our Parents @ Work support program for Secondary Carers.
- Continue our investment in female talent with:
 - representation at our Senior Executive Leadership Forums, focussed on our future business strategy and led by our CEO, being maintained at 30%
 - participation in our leadership development programs for 2019 was 36% of total attendees
 - a redesign of our Connect Program to a core listening strategy for our business on gender related topics. Male and female leaders being appointed to

facilitate an inclusive approach to identifying and resolving barriers to gender equity in the workplace.

- we continued our partnership with the Property Council of Australia by hosting 74 girls from Riverside Girls School, Asquith Girls High School and NBSC Mackellar Girls as part of the “Girls in Property” program. We also sponsored three female leaders through the 500 Women in Property Program, putting forward three female mentees in the Women in leadership program.

CASE STUDY

Kiwi Dads

Scentre Group hosts photography exhibition to promote parental leave equality

“For me it was amazing opportunity to be a part of my children’s lives at such important and influential stages. It’s also been my biggest and most rewarding challenge, and something which I feel was an absolute honour. We’re very privileged to be part of an organisation that can offer these entitlements.”

ADAM WALTERS (PICTURED HERE WITH HIS CHILDREN),
SCENTRE GROUP EMPLOYEE

Did you know approximately 300 NZ dads (around 1%) took paid parental leave in 2017 compared to 30,000 women? Yet research shows that men – and Millennial men in particular – want the option of having time at home with their children.

To advocate for parental leave equality and help normalise a more active care-taking role for dads, Scentre Group sponsored and hosted Kiwi Dads, a photographic exhibition at Westfield Newmarket in Auckland in September 2019.

[READ MORE »](#)

OUR PEOPLE

Multicultural Capability

In 2019, our Multicultural Capability Group redefined their focus and sought greater alignment with the needs of our customers within the communities annexed to our Westfield Living Centres. As a result, their achievements were more closely linked with events and activations within centres and included:

- Celebration of Harmony Day on March 21 across all work locations and Westfield Living Centres with events, morning teas and guest speakers.
- Integrating Multicultural Capability into all Westfield Living Centre Marketing Plans to ensure that events and activations reflect the cultural diversity of the local community.
- The launch of language badges to our centre service team so that local customers could interact with our teams in their first language.

- To attract a more diverse candidate pool as part of our Christmas casual recruitment campaign, we partnered with agencies that specifically support us in attracting culturally diverse and Indigenous candidates.
- Formalisation of our relationship with SBS as a partner to develop education for all employees on cultural competency.

LGBTI+

With around 11% of our employee population identifying as LGBTI+, our overarching goal is always to ensure our people from the LGBTI+ community feel comfortable and safe to be themselves at work. During 2019:

- We launched our Gender Transition Guidelines to support employees and managers in instances of transitioning employees.
- We embedded our LGBTI+ inclusion work in our centres and business practices.

For example, during our Christmas casual recruitment campaign, we partnered with agencies that specifically support us in attracting LGBTI candidates.

- We were again awarded bronze status at AWEI awards for being one of the leading employers in LGBTI+ inclusion.
- We launched an online training module to provide employees with an understanding of what it means to work for an LGBTI+ inclusive organisation and the support and resources available.
- Our CEO, Peter Allen, was selected to attend the Pride in Diversity CEO lunch in recognition of our progress in the LGBTI+ space.

OUR PEOPLE

Reconciliation Action Plan 2019-2021

Our vision for reconciliation is to engage with our customers and communities to demonstrate respect for Aboriginal and Torres Strait Islander peoples and embed positive and sustainable change.

During the year we launched our second Reconciliation Action Plan, which sets out our updated commitments, targets and the program of initiatives the Group will undertake over the next two years, with the endorsement of Reconciliation Australia.

Key areas of focus include:

- Embedding employment pathway opportunities throughout our business through recruitment, retention, internships and professional development. This includes a partnership with Career Trackers.
- Increasing Aboriginal and Torres Strait Islander representation within our teams.
- Establishing an internal Aboriginal and Torres Strait Islander peoples network within Scentre Group.
- Expanding our support of Aboriginal and Torres Strait Islander-owned businesses through formalising partnerships and increasing awareness and use of our corporate membership with Supply Nation.
- Investigating opportunities to engage with Local Area Land Councils to build mutually beneficial relationships.

CASE STUDY

Respecting Australia's First Nations People

Following the successful implementation of Scentre Group's first Reconciliation Action Plan, the business proudly launched its updated and second RAP in 2019.

Scentre Group's second RAP has been fully endorsed by Reconciliation Australia. Karen Mundine, Chief Executive Officer, Reconciliation Australia said: "I am delighted to see Scentre Group continue its reconciliation journey. We encourage Scentre Group to embrace this journey with open hearts and minds, to grow from the challenges, and to build on its successes."

[READ MORE »](#)



Engagement with First Nations peoples is built into our community engagement approach. During the launch plans for Westfield Newmarket in Auckland, our team engaged regularly with the local iwi (tribe), Ngāti Whātua Ōrākei to host cultural openings and blessings for the new centre. This included a blessing (powhiri), a Māori welcoming ceremony involving speeches, celebrations preceded by a blessing procession.

OUR PEOPLE



During the year we conducted our third company-wide engagement survey to inform our plans and strategies

Employee engagement



84%

Employee Engagement Score,
placing us in the top 2% of high
performing companies globally

During the year we conducted our third Employee Survey to measure the engagement of our people and our result was 84% engagement.

Although down four points from 2017, this score benchmarks us in the top 2% of companies globally.

For the first time we included questions in the survey relating to Responsible Business and 81% of our people were favourable.

The survey allows us to measure more than engagement so we took the chance to get feedback on aspects of our peoples' experience that help or hinder their employee experience. Most notable were the results that showed that Safety and Security (90% favourable), Work/Life Balance (84% favourable) and Inclusion & Diversity

(86% favourable) were key strengths, showing that our people believe we continue to embrace all the ways they are different and support them to manage their work and life commitments.

Our areas of opportunity were in providing a consistent and timely employee experience that makes it easy for people to get their work done. Scores for Efficiency and Decision-Making were our priority to address. Each of our leaders has a dedicated action plan to address feedback and areas of improvement relevant to their team.

Our CEO Peter Allen maintains a direct engagement program with employees which includes welcome breakfasts to support onboarding and retention, a parental leavers lunch and other forums. We also use informal feedback channels such as our intranet where he and his leaders can hear from our people on the issues that are top of mind for them.

OUR PEOPLE

Leadership development

In 2019, we continued to develop our leaders and equip them to lead our business and to embed robust succession deep in our organisation.

We revised our Organisational Capability Model, ensuring our ability to identify the best talent is rigorous and scalable across all teams and roles.

In 2019, we made some key leadership changes to provide stronger alignment to our business strategy and priorities. For example, our Strategy and Business Development and BrandSpace teams were integrated more fully into our Customer Experience team to allow for a flatter, more agile focus on our customer strategy.

Organisational change and alignment plans were developed for our Customer Experience and Leasing and Retail Solutions teams. In Customer Experience, the focus was on supporting the embedding of a customer obsessed culture via a “Service Promise” strategy, improved capabilities for service team members and more thorough induction and onboarding processes.

In Leasing and Retail Solutions, we redefined our sales capability including how we sell, collaborate, partner and commercialise value for space in our Westfield Living Centres.



In 2019, we continued to focus on the development of our executive and key operational team leaders. With an audience of our top 80 leaders, our Senior Executive Leadership Forum (SELF) is more strongly positioned around the role leaders play to deliver on our business and cultural strategies.

We established team scorecards to better plan for and align key deliverables across teams.

In 2019, we continued the delivery of our Inclusive Manager Program, developing a further 112 leaders and team managers. This program builds awareness and skills in how to ensure that all people conversations lead to decisions that are right for the business, the team and the individual.

CASE STUDY

Helping Indigenous Australian students, refugees and asylum seekers find employment

“Scentre Group’s investment in these programs creates tangible social change in Australia.”

MICHAEL COMBS, FOUNDER AND CEO
OF CAREERTRACKERS AND FOUNDER OF
CAREERSEEKERS

In 2019, we launched two new diversity and inclusion initiatives to help us better reflect the communities we serve. CareerTrackers supports Aboriginal and Torres Strait Islander university students by linking them with high-quality employers for paid, multi-year internships. Each year, the student completes a 12-week internship matched to their career aspirations, with a partner organisation. Scentre Group joined the program in October 2019 with three students starting internships in 2020. CareerSeekers works with leading employers to create professional internship opportunities for refugees and people seeking asylum. The New Australian Internship Program sees professionals placed with an employer for 12-weeks of paid work in their field of expertise. In October 2019, we welcomed two CareerSeekers to our Westfield Living Centre teams. [READ MORE »](#)

CASE STUDY

Inspiring the next generation of female leaders

The Girls in Property program aims to encourage greater female participation in the property industry

“We must continue to take action to ensure greater numbers of women enter the industry and are supported to pursue leadership positions so we can achieve gender balance at senior levels.”

OUR CEO, PETER ALLEN

In May 2019, Scentre Group hosted 74 impressive young women from three Sydney high schools as part of the Property Council of Australia's Girls in Property program.

The program aims to raise awareness amongst high school students about the raft of career paths the property industry offers and encourage greater female participation.

“We have been involved with the program since its inception in 2017 and see it as an important part of the work we do to continually address gender equality in our workplace, as well as in the property industry more widely,” says Regional Manager Centre Experience, Karen Skinner.

[READ MORE »](#)



OUR PEOPLE

Talent and Retention



8%

of our new team members
in 2019 were previous
employees who decided
to return to Scentre Group.



We will

be the place for talent to thrive

We continue to have a highly engaged and inclusive workforce who are aligned to our business strategies and goals.

Scentre Group as an employment brand continues to evolve along with a compelling hiring and employment experience that resulted in a very strong candidate Net Promoter Score of 81%.

The retention of new talent continues to improve; our results for talent with more than three months' service has increased by almost 14% to 92% and talent with more than 12 months' service by almost 6% to 81% since 2018. These results indicate that our workforce is more stable than in recent years.

Last year, we publicly committed ourselves to a key talent retention rate of greater than 90%. We have 100% retention of key talent as at year end 2019 ensuring that we have a strong pipeline for key roles for the future.

Induction and Onboarding

In 2019, we continued to receive positive feedback from new team members on their experience with our Enboarder onboarding and induction program, especially as it relates to their first day with us – a time when many people can feel anxious about what is ahead. Building on this success, we introduced a "return to work" workflow for parental leave in early March 2019 to assist managers with navigating through the process and alleviating anxiety for employees about what to expect on their return to work.

The communication starts four-months prior to a person's return date and guides them through the end-to-end process. Feedback based on a review survey conducted in late 2019 has been positive and has helped us identify how we can replicate this for those going on parental leave in 2020.

We know that our peoples' experience is mixed when it comes to accessing easy-to-use and consistent training on the many systems we use at Scentre Group. To help address this, we developed a plan to redefine how this education is delivered and reviewed our content. We will continue to implement elements of this plan in 2020 including a review of our Learning Management System to streamline how we deliver online learning on induction topics such as Compliance training, our Code of Conduct and Cyber Security.

Offboarding

In 2019, we created a better experience for employees leaving the business. Research supports that an employee's offboarding experience is as important as their onboarding experience, and impacts whether the employee would recommend Scentre Group as an employer or decide to return to us in the future. An increased number of face-to-face interviews combined with an enhanced exit survey ensure that we capture the reasons for people leaving and any employee experience pain points. In 2019, 8% of our new team members were previous employees who decided to return to Scentre Group.

OUR PEOPLE

People protecting people

Our approach to safety is underpinned by our “people protecting people” culture which ensures we design, construct and operate our Westfield Living Centres with the safety of our people, our retailers and our communities top of mind.

During 2019, our employee Lost Time Injury Frequency Rate (LTIFR) increased to 3.3 from 2.7 in 2018, noting there was a reduction in the total hours worked across our development projects. However, our Class 1 & 2a Injury Frequency Rate (IFR) dropped from 0.70 to 0.26, indicating fewer serious injuries to our employees.

In 2020, we will continue to review the safety metrics used to monitor our performance, with a view to moving toward indicators which provide context on both the key risks in our business and the severity of any injuries/illnesses that occur.

In 2019, we commenced a refresh of our procedures and tools, with a focus on our key business risks and critical controls. We also commenced a major IT platform upgrade for safety to support and enhance contractor management, visitor management, incident management, safety reporting and permits to work processes.

Our Design & Construction (D&C) team successfully retained safety management certification to AS/NZ4801, demonstrating a higher-level commitment to and management of safety for our high-risk construction works. Scentre Group will continue our transition to ISO45001 during 2020/21.

We successfully completed our largest ever construction project at Westfield Newmarket in New Zealand, managing at times more than 1,000 contractors on site over 14 months.

We continued our focus on mental health as outlined on [page 18](#). Physical health was the focus of our Safe Work Week activities providing proactive activities such as nutrition and health assessments to our people.

Shopping centres are considered to be places of shelter and refuge in emergency situations. Our employees continue to go above and beyond in how they respond to incidents in our Westfield Living Centres and surrounding communities. During the mosque shootings in Christchurch, New Zealand in March 2019, our Westfield Riccarton team displayed leadership to act swiftly and ensure our customers, retail partners and people remained safe whilst the centre was in lock-down along with other major buildings and centres in the CBD.





Our Environmental Impact

As a long-term owner of real estate, we acknowledge the impacts of climate change and are actively implementing and exploring initiatives to make our Westfield Living Centres as efficient and resilient as they can be.

This is consistent with our purpose and our strategy as well as our DNA value to create a positive legacy and aligns to the principles outlined in our Environmental Policy, [available online](#).

For the first time in 2018, we disclosed longer-term targets for energy use, emissions intensity and waste recovery and during 2019 we commenced the journey to achieving these targets. These targets have resulted in our facilities teams making a series of local decisions which has contributed to another decrease in energy use at our stable Westfield Living Centres, whilst achieving increased customer demand and visitation across our portfolio.

Early in 2020, the Group announced its intent to target Net Zero Emissions by 2030 across its wholly-owned portfolio. This is now the Group's primary environmental target and strategy which will allow us to build on existing operational initiatives and targets and focussed investment opportunities.



Westfield Coomera solar panels

OUR ENVIRONMENTAL IMPACT

Our key highlights in 2019 include:

- Reduced our electricity use across stable centres by 2.6% while Australia recorded the warmest year on record, with the annual national mean temperature 1.52 °C above average¹. Approximately 60% of our common area electricity usage is for air-conditioning of our Westfield Living Centres.
- Continued to improve our NABERS rating across comparable 2018 rated retail shopping centre sites, now having achieved an average portfolio rating 4.13 stars. This is an increase in our portfolio NABERS average from 3.8 which we last publicly reported in 2017.
- Reduced our total scope 1, 2 and 3 emissions by 2.5%.
- Generated 8.3 Gigawatt hours (GWh) from solar installations across five centres.
- Improved our scores in global investor surveys - CDP and GRESB.
- Reduced total measured operational waste by 8.9%, now more accurately measuring separate waste streams to drive increased diversion from landfill.

While our water use increased year-on-year, due in part to several new restaurants, Entertainment and Lifestyle precincts with extended trade, the roll-out of smart metering allowed us to identify several water leaks which have since been rectified as we continue to focus on this area. In 2020 our ability to action smart meter analytics in combination with continued deployment of sub-meters for tenants and subsequent water use education is expected to drive a reduction in water use.

We will continue to actively review climate related risks and opportunities to our business. In 2019 we observed direct impacts of extreme weather events to our centres in NSW and ACT during the early bushfire season and extreme heatwave events. Our ability to continue to operate safely and efficiently during these periods demonstrates not only our asset resilience but also our ability to offer the opportunity of safe shelter for our communities during these challenging times.



2.6%

electricity reduction
for stable centres in Australia's warmest year on record



4.13

Average NABERS rating of our portfolio against a target of 4.5



8.3 GWh

Actual Solar Generation – equivalent of approximately 6233 tonnes of CO₂,²



8.9%

reduction in total measured operational waste

¹ <http://www.bom.gov.au/climate/current/annual/aus/>
Accessed on 20 February 2020

² Calculated using relevant generating states' emission factors if electricity was purchased from the grid.

CASE STUDY

Transforming organic waste into a valuable commodity

Assistant Facilities Manager at Westfield Sydney, Shaun Loseby, was only too pleased to take on the responsibility for managing waste at the centre.

One of his first initiatives has led to an incredible increase in food organics being diverted from landfill to facilities where they are transformed into high-quality compost and animal feed.

According to Shaun, a particular challenge for the centre is that much of the organic waste is produced by small food retailers.

Realising he needed to make life as easy as possible for the centre's retail partners, Shaun sourced special organics bins designed for use by businesses. He also worked with the centre's cleaning team to employ a new "Organics Hero" team member.

It's a simple system but it works well.

"As soon as the program rolled out across all retailers from October 2019, our initial diversion of more than 17 tonnes jumped to 24 tonnes. In December it was 26 tonnes," he says.

[READ MORE »](#)

OUR ENVIRONMENTAL IMPACT

Energy and Emissions



Net Zero Emissions

Net Zero Scope 1 and 2 emissions by 2030 target established for our wholly-owned portfolio

In 2019, our portfolio emitted 275,740 tonnes of carbon emissions for Scope 1 and 2, with electricity representing 92.5 per cent of total Scope 1 and 2 emissions.

We continue to work towards our revised target to reduce our emissions intensity by 35 per cent by 2025, portfolio-wide (compared with our 2009 baseline).

In 2019, we undertook detailed energy efficiency and capital modelling to map out our pathway to NABERS 4.5-star average rating across our retail portfolio by 2025. With efficient deployment of capital, increased adoption of technology and continued focus on energy efficiency of existing assets via our national energy efficiency framework we will continue to work towards this target from our current portfolio average rating of 4.13 stars.

The continued reduction in energy use and carbon emissions across the portfolio is evidence that our centre management teams are also effectively utilising our energy monitoring tools and digital platforms to continue to drive energy efficiency on a daily basis.

The standout performance of 2019 was Westfield Eastgardens (NSW) with a reduction in electricity use of 14.7%, the result of finetuning their Building Management System, improving lighting schedules and implementation of daily usage monitoring strategies for Heating Ventilation and Cooling (HVAC).

At a portfolio level, Scentre Group's total energy generation from solar power in 2019 was 8.3 GWh, which is roughly the same as the total common area electricity usage of a centre the size of Westfield Chatswood in NSW or Westfield Fountain Gate in Victoria.



CASE STUDY

Behaviour change drives energy savings at Westfield Knox

"I loved being involved in this project. It's great to save the business money, but it feels even better to reduce our impact on the environment."

NAMAN GUPTA, FACILITIES MANAGER, WESTFIELD KNOX

At the beginning of 2019, in an effort to reduce the centre's energy consumption Westfield Knox Facilities Manager, Naman Gupta, took a look at the figures and realised some changes would need to be made.

Naman says that far from being complex and expensive, many of their most impressive solutions resulted from simple, high-impact behaviour changes.

"I am incredibly happy with the results. It made me realise that you cannot take anything for granted and it is vital to stay curious," he says.

"To see such simple changes having such big impacts was motivating for not just my team, but the security and cleaning teams too. As soon as the results started coming in, I couldn't stop thinking, 'What can I improve next?'"

[READ MORE »](#)

OUR ENVIRONMENTAL IMPACT

Renewable energy

Purchased electricity is Scentre Group's largest source of greenhouse gas emissions and a significant proportion of our controllable operating expenses.

We are actively focussed on reducing our energy usage and emissions intensity to meet our publicly communicated energy and emissions targets. We achieve this through our energy procurement strategy and targeted investments in energy efficiency and solar across our portfolio.

Volatility in energy costs, particularly in New South Wales, South Australia and Victoria, is a risk to Scentre Group. This risk also presents opportunities for the

Group to invest in alternative technologies, such as solar and energy efficiency and management systems. These investments will help to mitigate dependence on grid electricity and our exposure to price fluctuations, as well as the impact from any future carbon-based pricing.

At a portfolio level, Scentre Group actively monitors markets to procure electricity at the best price. Forecasts of future electricity prices are considered as part of business case assessments of new capital expenditure on energy-intensive equipment such as heating, ventilation and cooling HVAC systems.

We actively monitor data from our centres to understand where our retail partners are using resources. We have established energy, water and waste efficiency KPIs at each existing centre to monitor ongoing performance and identify opportunities for improvement. Many energy saving



8.3 GWh

Actual solar generation –
equivalent of approximately
6,233 tonnes of CO₂.*

initiatives provide an opportunity for the business to benefit from Government funding schemes for energy efficiency and renewable energy generation.

In 2019, we reset the portfolio-wide target to reduce emissions intensity by 35% by 2025, from our 2009 baseline year. To achieve this target, we will continue to invest in a future potential pipeline of more than 30 MW solar generation capacity, bringing our total capacity to a potential 45,000 MWh per year.

We will drive further improvements through our electricity procurement strategy and continue to seek ways to increase energy efficiency in our operating assets.

CASE STUDY

Drawing power from the sun while providing shade

Westfield Coomera holds a unique place in Scentre Group's portfolio because it was a greenfield development which incorporated solar generation into its original design.

The full installation is 2.3 Megawatts with an annual generation capacity of approximately 3,500 Megawatt hours. This equates to a CO₂ offset of approximately 2,829 tonnes and is equivalent to the annual emissions of over 500 typical households*.

According to Head of Facilities Management, Varun Nair, who led Coomera's solar initiative, feedback from stakeholders has been very positive. "Customers love it and retail partners are thrilled to know that a significant proportion of the electricity they use is clean energy," he says.

READ MORE »

* source: <https://www.energymadeeasy.gov.au/>
benchmark using 4 person house in Coomera without swimming pool.



* Calculated using relevant generating states' emission factors if electricity was purchased from the grid.

OUR ENVIRONMENTAL IMPACT

Waste



8.9%

reduction in total measured
operational waste

In 2019 our Westfield Living Centres reduced total measured operational waste by 8.9%.

This was primarily from the implementation of weighing technology and the introduction of new waste contracts. A more accurate weighing methodology including some retailers being individually assessed is driving positive behavioural change.

The cost of disposing waste to landfill continues to increase and the impacts of overseas importing bans on comingled recycling is delivering more challenges for the waste industry in Australia. We support the development of a robust waste recycling ecosystem in Australia and consider this to be a key enabler in the achievement of our longer-term waste recovery from operations targets.

During 2019 we introduced a new waste contractor to the business. With their support, we focussed on waste dock training and education of our employees and food retailers and the importance of recycling and organics food waste separation. We have observed some initial outstanding results across our New South Wales and South Australian centres.

With our ongoing portfolio-wide commitment to waste recycling and in particular organic food waste we are confident we will continue to increase organic food waste diversion in 2020.

At the end of the 2020 financial year we will have a year-on-year comparison under our new waste contracts to update progress against our targets.

Our employee passion for improving our waste recycling and recovery performance at the centre level was evident across the year and is highlighted in the case studies provided in this report.



CASE STUDY

Westfield Parramatta doubles monthly cardboard recycling

Assistant Facilities Manager, Akin Mehmet, explains how his team vastly improved cardboard recycling at the Centre.

Why did you need to improve cardboard recycling?

We suddenly found large volumes of cardboard waste being rejected and sent to landfill. This was due in part to the global economic climate around cardboard recycling, and in part because our waste contractor, SUEZ, became more stringent in the amount of contamination (i.e. food or plastic waste) they allowed in the recycled cardboard stream.

What were the impacts?

It impacted on Scentre Group's waste reduction and recycling targets and increased costs for the business, but it also clashed with my team's personal passion for sustainability. We knew we had to do something.

How did you mitigate the problem?

It was a combination of working closely with SUEZ, retailers and our cleaning contractor Ezko to gather data, raise awareness and implement processes to help people correctly sort their waste.

What were the results?

I'm incredibly proud of what we achieved. We doubled our average recycled cardboard from 40 tonnes per month for the six months to June 2019 to almost 80 tonnes per month in July and August 2019.

OUR ENVIRONMENTAL IMPACT

Water

Our long-term strategic focus is to reduce water intensity across our portfolio by deploying smart metering, actioning accurate data insights and evaluating opportunities for water harvesting systems.

Each of our centres addresses water efficiency as part of its environmental KPIs with performance to targets reported via the centres' environmental management action plan.

In 2020, we will continue to collaborate with our smart meter providers to ensure timely data validation and actioning of insights to drive improvement.

Operational focus will be given to our cooling water towers, amenities and landscaping, as well as our high volume water use tenants.

To minimise future water use we will look to integrate rainwater harvesting into new development design and will continue to assess opportunities to retrofit rainwater harvesting on existing assets.

CASE STUDY

Westfield Hurstville leads the way on water, waste and energy reductions

The Westfield Hurstville facilities management team significantly improved the environmental performance of the centre - including increasing its NABERS rating - after the commissioning of a state-of-the-art Building Management System.

The new system allowed far greater control and the granular tuning of equipment for energy reduction, improved equipment performance and, importantly, an improved internal environment for customers, retailers and employees.

Other initiatives include fine-tuning the major plant equipment to reduce water consumption of cooling towers, fitting water-efficient appliances in bathrooms, and replacing all internal legacy lighting with energy-efficient LEDs.

The savings are considerable. In the 2018 calendar year the team saw an 8% reduction in electricity and 11% in water consumption on 2017 results, and in 2019 this was reduced by a further 4% and 6% respectively.

In addition to energy and water reductions, Westfield Hurstville also made great headway in waste management during 2019, with the Facilities Management team working hard to instil a mindset of collective responsibility across the centre and with retail partners.

[READ MORE »](#)

OUR ENVIRONMENTAL IMPACT

Climate Resilience

Our climate-related financial disclosures

As a long-term owner of real estate, we acknowledge the financial risks associated with climate change and have set a target of Net Zero Scope 1 and 2 Emissions by 2030 across our wholly-owned Westfield Living Centre portfolio.

We regularly assess the financial, regulatory and physical risks associated with climate change and have active programs in place to enhance our portfolio's resilience.

Scentre Group has been disclosing its performance against the Taskforce for Climate Related Financial Disclosures (TCFD) in annual investor surveys including CDP since 2018. This is the first year we have reported more meaningfully against the TCFD principles in our annual Responsible Business Report.

Governance

Scentre Group monitors and manages the financial risks of climate risk through governance and review processes that are integrated throughout the organisation from our Board Audit and Risk Committee, the CEO and Executive Leadership team, Responsible Business Group, through to senior leaders and employees working directly in facilities management.

The Board sets the risk appetite for the Group and monitors the Group's significant business risks (financial and non-financial) and monitors the adequacy, effectiveness and operation of risk management and compliance policies, controls and frameworks. The Board is assisted in this role by the Board Audit and Risk Committee, the role of which includes reviewing the Group's processes for assessing material exposure to environmental risks (including climate change) and the processes in place for managing those risks. Scentre Group's [Corporate Governance Statement](#) is available on our website. Climate

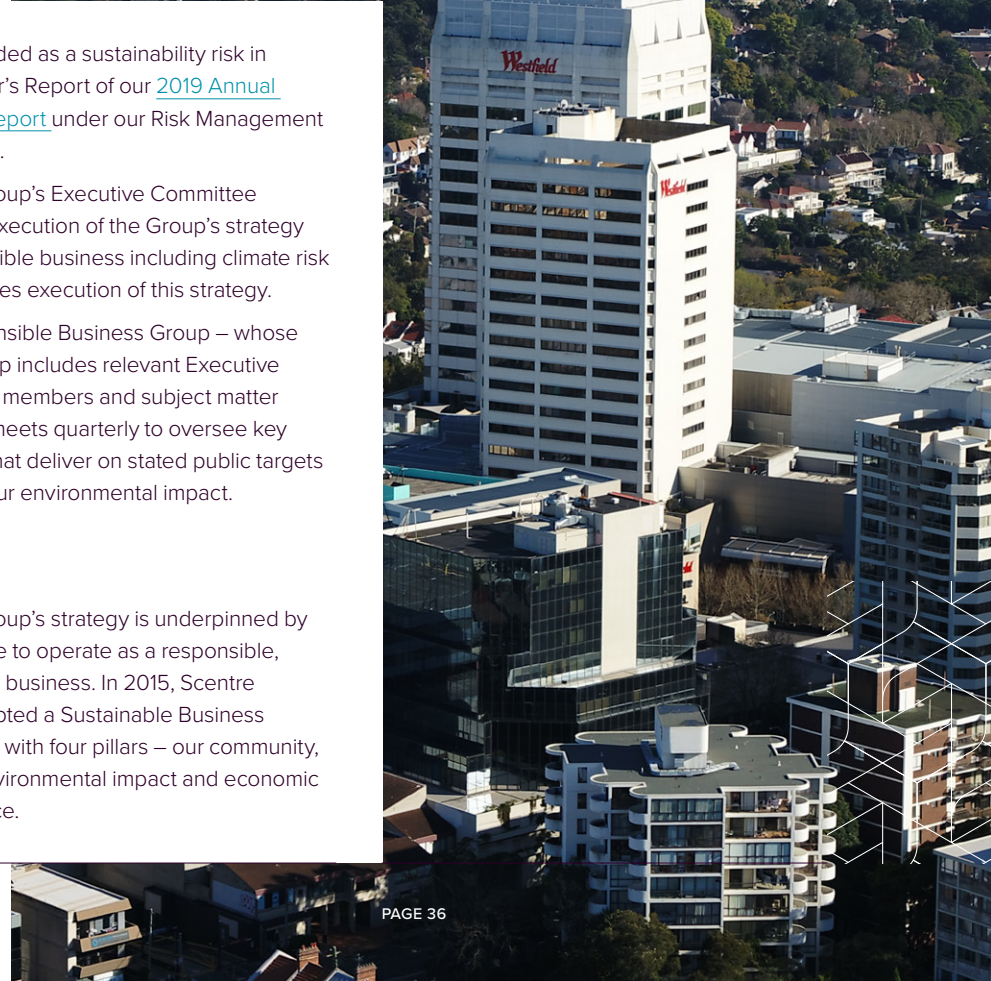
risk is included as a sustainability risk in the Director's Report of our [2019 Annual Financial Report](#) under our Risk Management Framework.

Scentre Group's Executive Committee oversees execution of the Group's strategy for responsible business including climate risk and oversees execution of this strategy.

The Responsible Business Group – whose membership includes relevant Executive Committee members and subject matter experts – meets quarterly to oversee key initiatives that deliver on stated public targets including our environmental impact.

Strategy

Scentre Group's strategy is underpinned by its objective to operate as a responsible, sustainable business. In 2015, Scentre Group adopted a Sustainable Business Framework with four pillars – our community, people, environmental impact and economic performance.





OUR ENVIRONMENTAL IMPACT

In February 2020, Scentre Group announced it would pursue net zero Scope 1 and 2 carbon emissions by 2030 across our wholly-owned Living Centre portfolio. This has become our primary environmental strategy and is supported by other publicly communicated targets covering emissions intensity, NABERS ratings, recycling and waste management.

We are pursuing three strategies to deliver on the net zero target emissions target:

1. Maximising the energy efficiency of our Westfield Living Centres. This includes ongoing implementation of initiatives including LED upgrading, Building Management equipment and Energy Analytic Control Systems. We continue to elevate our design standards for redevelopments and maintain a continuous focus on new and emerging technologies.
2. Renewable generation: Onsite renewable energy via a further expansion of our solar program and off-site through the ongoing evaluation of Power Purchase Agreements with generators.

3. Evaluation of carbon offset alternatives.

In addition to the above, we plan to release strategy roadmaps on Waste and Water.

Risk management

Scentre Group follows an Enterprise Risk Management Policy and Framework. As part of this, climate related risks and opportunities are collated and assessed annually for likelihood and consequence. Any material risks are reported to the Executive Risk Management Committee, the Audit and Risk Committee and the Board.

Scentre Group has a Responsible Business Group, comprised of members of the Executive Team and subject matter experts that are leading initiatives as part of our Sustainable Business Framework. Membership reflects accountability for the delivery of initiatives that contribute to our primary environmental target of Net Zero Emissions by 2030.

Transition risk

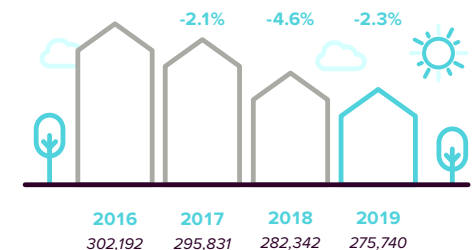
We assess as follows:

- Changes in Government policy that affect pricing of GHG emissions and the flow on effect that a price on carbon would deliver to our operational costs, or which would require our business to fast track transition to lower emissions technologies.
- Market drivers and uncertainty in market signals and abrupt and unexpected shifts in energy costs.
- Reputational risk arising from shifts in consumer preferences which reduces demand for goods and services.
- Extreme weather events.

We believe our strategies outlined earlier will position us to mitigate the impacts of this transition risk.

OUR ENVIRONMENTAL IMPACT

Since Scentre Group was established in 2014, the Group has reduced its Scope 1 and 2 greenhouse gas emissions each year, at the same time as growing annual customer visitation and expanding the portfolio's gross lettable area.



Scentre Group total Scope 1 and 2 CO₂ Emissions by Year

Physical risks

With increasing extreme weather events, ranging from bushfires to high intensity rainfall events, it is critical we ensure our 42 Westfield Living Centres continue to be resilient to minimise asset damage and ensure our centres continue to be safe and secure places for our customers.

In 2019, we continued to build on scenario assessments undertaken during 2018 and 2017, including site-specific resiliency assessment validations from within our portfolio. As part of these assessments, we identified assets that were directly impacted by extreme weather events to obtain a better understanding of current resiliency and inform our ongoing efforts to design, build and maintain world-class assets into the future.

In addition to the above, we plan to commission detailed scenario analysis to inform our strategy and address physical and transitional risk.

During 2019, we participated in the Carbon Disclosure Project and aligned our responses to the TCFD recommendations. Our 2019 score was B (Global average is C), consistent with the previous year but with improvements in scores on a number of dimensions including risk disclosure and risk management processes.

Metrics and targets

Whilst Scentre Group had been delivering to internal targets since the Group was established in 2014, a public statement on environmental targets was made for the first time in 2018. This reflects the Group's efforts to disclose performance to date more fully.

Since Scentre Group was established in 2014, the Group has reduced its Scope 1 and 2 greenhouse gas emissions each year, at the same time as growing annual customer visitation and expanding the portfolio's gross lettable area.

The Group's new net zero carbon emissions target by 2030 builds on existing environmental targets, energy efficiency initiatives and targeted renewable energy generation and investment opportunities.

During 2019, Scentre Group generated approximately 8.3 Gigawatt hours (GWh) from solar installations across five of its Westfield Living Centres – Westfield Marion, Westfield Plenty Valley, Westfield Carousel, Westfield Kotara and Westfield Coomera. The Group continues to invest in solar generation across our assets.

Scentre Group's average NABERS portfolio rating is 4.13 against a 2025 target of 4.5.

With efficient deployment of capital, increased adoption of technology, continued focus on energy efficiency of existing assets via our national energy efficiency framework as well as waste and recycling initiatives, we will continue to reduce our environmental footprint while ensuring our portfolio remains

resilient to an economy that will continue to decarbonise over time.

The Group publishes in-depth data sets on its energy consumption, energy production, GHG emissions, waste, water and energy, water and emissions intensity in its annual Sustainability reports. Performance data for 2019 can be found in this report on [pages 55 to 62](#).

The Group's Key Management Personnel and some members of the Executive Committee have financial and non-financial performance measures as part of their Short Term At Risk Remuneration. This includes responsible business measures relating to publicly communicated environmental targets.

Senior leaders in our National Facilities and asset level teams have existing KPIs on energy, water and waste efficiency.



Our Economic Performance

This report is based on the 2019 financial year, 1 January - 31 December 2019.

We released our 2019 full year results on 18 February 2020. Contained in that announcement was an Outlook statement including guidance for Funds from Operations (FFO) and Distribution for the 12 months ending 31 December 2020. The Group's operations have performed in line with expectations during the early part of 2020. However, in light of the COVID-19 pandemic and volatility in markets globally, the Group is suspending the Outlook for 2020 that was previously announced. The Group's Annual General Meeting is on 8 April 2020 at which a further update will be provided.

Our objective is to deliver long-term, sustainable returns through economic cycles. This is consistent with our approach to be a responsible, sustainable business.

Our 2019 financial performance was strong with Funds from Operations (FFO) growing by 3.2% on a pro forma basis and distributions growing by 2.0%, both in line with forecast.

Operating Earnings – the Group's FFO excluding Project Income – was \$1.287 billion for the 12-month period, up 1.0% per security or 3.6% on a pro forma basis.

The strength of our portfolio and source of competitive advantage for our leading operating platform of 42 Westfield Living

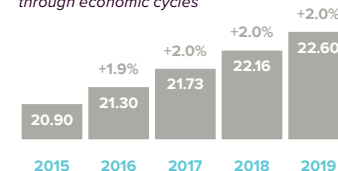
Centres is executing a customer focussed strategy and consistently delivering results. Since Scentre Group was established, we have delivered consistent growth for securityholders in Funds from Operations and distribution per security.

Our Westfield Living Centre portfolio includes 42 centres across Australia and New Zealand. They are positioned in strategic locations which benefit from high population growth and connectivity to major transport hubs. The fundamentals of our portfolio – combined with our ability to listen and respond to customers' needs – enables us to respond to rapidly changing expectations and compete for the time and attention of our customers.

Annual customer visits increased by more than 12 million during 2019 to over 548 million and our occupancy remains high at 99.3%.

Distribution Per Security (Cents)

Delivering long-term sustainable returns through economic cycles



Retail partner in-store sales within our portfolio grew by \$1 billion during the year to \$25 billion. This represents more than 7.5% of total retail sales in Australia. We have 3,600 brands represented in more than 12,000 outlets across our portfolio. The average annual specialty in-store sales within our portfolio is \$1.525 million.

Our centres generate customer visitation at scale. They also stimulate significant local economic activity and improve the quality of local infrastructure and social amenities.

Direct and indirect employment

Direct and indirect job creation from our activities varies year-to-year due to the cyclical nature of our development program. This year, our development program generated 6,734 jobs - 5,584 jobs in construction in New Zealand with a further 1,150 permanent roles in retail.





OUR ECONOMIC PERFORMANCE

Capital management

During the year, the Group released \$2.1 billion of capital from the divestment of the Sydney Office Towers and the joint venturing of Westfield Burwood.

The capital released from these transactions is being redeployed into our business – through providing additional financial capacity for future activities and the security buy-back program of up to \$800 million.

In late 2019, the Group acquired a 50% interest in Westfield Booragoon in Perth for \$570 million and became the long-term property and development manager for the centre.

Development

Along with our joint venture partner, GIC, we officially opened our NZD790 million Westfield Newmarket redevelopment in Auckland, including the city's first David Jones and first rooftop dining and entertainment precinct.

Construction was completed on schedule and the curation of products, services and experiences on offer demonstrates the company's customer-focussed strategy and evolution of shopping centres into Westfield Living Centres.

During the year we continued to reinvest in our portfolio, completing a new restaurant precinct at Westfield Woden in Canberra. We also commenced a \$55 million redevelopment at Westfield Mt Druitt in

Sydney to deliver a new rooftop dining precinct including 12 restaurants and a large-scale entertainment space, as well as the expansion and refurbishment of the dining precinct at Westfield Doncaster. In Queensland, we have commenced a \$50 million project at Westfield Carindale which has delivered a new format David Jones store and will introduce Kmart to the centre.



OUR ECONOMIC PERFORMANCE

Our Supply Chain

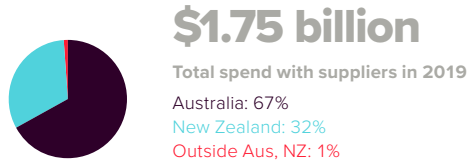
Scentre Group is a vertically integrated business which means we have the in-house capability to develop, design, construct, operate and market our assets. As such, we have a breadth of organisations and categories included in our supply chain.

Scentre Group Top 5 categories by spend in 2019:

1. Construction / Maintenance
2. Government / Regulatory
3. Utilities (Water / Energy / Waste / Telecommunications)
4. Professional Services (Technology / Marketing / Management)
5. Labour Services (Cleaning and Security)

Our expenditure with suppliers in the Development, Design and Construction categories is cyclical and depends on our development program. For example, in 2019, our spend on suppliers in New Zealand is higher than previous period because of our Westfield Newmarket development.

In line with our purpose, we aspire to have a positive impact on the communities and environments in which we operate and to conduct and maintain responsible and sustainable business operations.



Supplier Code of Conduct

During 2019, Scentre Group publicly released its first Supplier Code of Conduct. It is available on our [website](#).

Through this code we seek to encourage and, where appropriate, mandate requirements to help us and our suppliers in conducting business in a safe, accountable and equitable manner. Our suppliers are required to observe this code in delivering products or services to us.

Australian Supplier Payment Code

During 2019, Scentre Group became a signatory to the Australian Supplier Payment Code which means we commit to paying Australian business suppliers within 30 days of receipt of a correct invoice or receipt of a correct product/service from the supplier (whichever is later). We apply the same principles in New Zealand.

OUR ECONOMIC PERFORMANCE



\$1.08 million

In 2019 our spend with Supply Nation businesses was \$1.08 million

Supply Nation

During NAIDOC Week 2019, we launched our second Reconciliation Action Plan (RAP) for 2019-2021. A key area of focus for this RAP is to expand our support of Aboriginal and Torres Strait Islander-owned businesses.

As part of our first RAP we recognised that as a vertically integrated business we have an opportunity for us to increase the number of Aboriginal and Torres Strait Islander businesses who could benefit from our procurement processes.

We have been a corporate member of Supply Nation since 2017 and have built relationships with accredited suppliers and subcontractors across our business. During our second RAP, we will work to expand our people's knowledge of our Supply Nation corporate membership and encourage people to consider using it as part of any procurement process that they are managing, in order to increase the number of businesses we support.

During 2019, we improved our data collection and increased our communications and awareness internally to ensure employees making procurement decisions considered Supply Nation.

In 2019, our spend with accredited Supply Nation businesses was \$1.08 million with categories of expenditure spanning businesses that specialise in security and traffic control, artwork, employment, office supplies, clothing and safety supplies, facilities management and indigenous performance and education.



OUR ECONOMIC PERFORMANCE

At Scentre Group our values are underpinned by a culture of 'People Protecting People' and we believe that everyone who either works for us, or with us, should have their human rights respected.



Launched
Supplier Code of Conduct

Supply chain transparency and Australia's Modern Slavery legislation

In 2021, Scentre Group will be required to report annually on how we are assessing and addressing Modern Slavery risks in our supply chain as part of the Commonwealth Modern Slavery Act 2018.

At Scentre Group our values are underpinned by a culture of 'People Protecting People' and we believe that everyone who either works for us, or with us, should have their human rights respected.

Below is a summary of initiatives and actions we have taken to improve supply chain transparency and practices and to prepare for our reporting obligations.

- Established a Modern Slavery Working Group to assess potential risks in our supply chains. The role of the working group is to guide the prioritisation of activities and elevate engagement across the organisation.

- Established a Supplier Code of Conduct under which suppliers are expected to ensure there are no instances of Modern Slavery in their operations and supply chain and comply with all applicable laws and regulations relating to Modern Slavery.
- Engaged with industry through the Property Council of Australia on Modern Slavery risks in the property sector and industry's response to engaging with those risks.
- Enhanced and promoted our whistleblowing arrangements to external stakeholders, including suppliers.
- Completed Phase 1 review of Suppliers to identify suppliers at risk due to their geography, industry or products or services provided.
- Updated our standard contracts to include Modern Slavery reporting obligations and to require compliance with our Supplier Code of Conduct.

Our current activity is focussed on protecting vulnerable workers in the cleaning and security sectors, assessing our suppliers for Modern Slavery risks and establishing our frameworks to ensure our employees and suppliers are actively mitigating the risk of Modern Slavery in our supply chains.

In 2020 we intend to:

- Engage with our suppliers to raise their awareness of Modern Slavery risks.
- Embed within our procurement procedures an assessment of all new suppliers' Modern Slavery risks.
- Partner with specialist firms to bring the assessment of Modern Slavery into our contractor pre-qualification process.
- Commence our engagement with at-risk suppliers to better understand and assess their Modern Slavery risks and internal controls.
- Implement an awareness program to ensure Scentre Group employees are

aware of the risk of Modern Slavery and how procurement teams can report suspected breaches.

- Maintain oversight of our Modern Slavery program with the Executive Risk Management Committee and prepare Scentre Group's first Modern Slavery Statement.

In addition to the program of work above, Scentre Group's Enterprise Risk Management program reviews all business units on a half-yearly basis to ensure key risks are identified, including risks associated with Modern Slavery. Scentre Group's Internal Audit plan for 2020 includes an assessment of the organisation's compliance with Modern Slavery obligations.

2019 Responsible Business Report

Performance Data Pack

The environmental, social and economic metrics reported in this Responsible Business Performance Data Pack are absolute and intensity based measures of the managed operations of Scentre Group in 2018 and 2019.

The scope of this report covers assets owned, operated, and under the operational control of Scentre Group, including centres and commercial buildings, as well as development, design and construction sites, and projects for which the Group has acted as principal contractor during the reporting period.

Scentre Group owns over half of its Westfield Living Centre portfolio in joint venture with co-owners. Assets that are jointly owned and operated by Scentre Group are considered under the Group's operational control.

The performance of these assets is reflected fully in this performance data pack. The report includes all operations where Scentre Group has had operational control for at least six months of the reporting year. This report does not include impacts of all Scentre Group's suppliers, service providers and retail partners.

The organisational and reporting boundaries, criteria and methodologies used for each indicator externally assured are defined in this report where specific organisational and reporting boundaries, criteria and methodologies have been applied. The following page provides an overview of the reporting boundary for each of the material issues and the inclusion of activity data from various areas of the business (internal boundary) or activity data including data from third parties such as retail and contractors (external boundary).

Scentre Group's 2019 Responsible Business Performance Data Pack was developed in alignment with the GRI sustainability reporting guidelines, consistent with the principles of the GRI Standards and the GRI G4 Construction and Real Estate Sector Supplement.



Boundaries

Interpretations relating to operational boundaries

Retail partners' electricity and gas consumption: Scentre Group has adopted the position that individual tenancies within Westfield Living Centres are treated as separate facilities and will not be included in the calculations of Scentre Group's Scope 1 and Scope 2 greenhouse gas (GHG) emissions.

Electricity and gas on-sell: Scentre Group has treated energy and gas purchased from a retail partner and on-sold to retail partners (sub-metered and calibrated to a measurement requirement) as being outside the operational control of the Scentre Group and, therefore, excluded from Scentre Group's Scope 1 and Scope 2 GHG emissions. Centres that on-sell gas to retail partners but do not use sub-metering to calculate the tenant portion of use have been included in the reporting.

Design and Construction (D&C) emissions

Methodology for collation and calculation of Scentre Group D&C estimated usage:

Fuel emissions, Electricity and Natural Gas

For Australia and New Zealand, D&C transport and stationary fuel consumption (Scope 1), Gas (Scope 1) and Electricity (Scope 2) were estimated based on contractor declarations from Kotara (NSW), Coomera (Qld), West Lakes (SA), Carousel (WA), Plenty Valley (Vic), Chermiside (Qld) and Tea Tree Plaza (SA) projects.

Total emissions

For Australia and New Zealand, D&C total emissions are estimated by extrapolating the data above based on the average quantity consumed per dollar (\$) project spend by state/country.

The average quantity consumed per \$ project spend has been calculated with the following methodology.

i.e. Average Qty per \$ of Total Project Spend (A) = Total Qty Consumer / Total Project Spend* \$

Total Quantity Consumed = A x Annual Project Spend \$

**Total Project Spend = Total Internal Construction Cost.*

Waste

For Australia, D&C waste volumes were estimated based on information provided by D&C third party contractors from the Carousel (WA), Kotara (NSW) and Tea Tree Plaza (SA) projects. Data was extrapolated for the total projects by spend, based on the average quantity of waste generated per project per \$ by state.

In the case of Newmarket in New Zealand, waste volumes were proxies based on

information provided by contractors for the Newmarket (NZ) project relating to construction waste (where quantity and spend were over a two year period from November 2017 to November 2019, this was then applied to 2019 actual spend). Whilst demolition and excavation waste was estimated as per above for Australia.

Whilst demolition and excavation waste was estimated as per above for Australia, where quantity and spend were over a two year period from November 2017 to November 2019, this was then applied to 2019 actual spend.

Applicable legislation

Scope 1 and 2 greenhouse gas calculations are prepared in accordance with the National Greenhouse and Energy Reporting (NGER) Act 2007 and supportive legislative instruments.

BOUNDARIES

Organisational boundaries

Scentre Group has adopted the Operational Control approach under NGER to the calculation of emissions. Assets in New Zealand are included using the same approach.

Scope 1 emissions

Sources include the consumption of natural gas, transport fuels combusted by Scentre Group's controlled vehicles and non-transport fuels used on site, design and construction sites, the release of refrigerants from air conditioning units and the consumption of natural gas for heating and generation of electricity at our Sydney tri-generation plant.

Scope 2 emissions

Sources include electricity consumed in living centre common areas, design and construction sites, leased areas in

commercial buildings for the purposes of Scentre Group administrative activities and common areas of commercial buildings that are not tenanted by Scentre Group but where Scentre Group has operational control.

Scope 3 emissions

Sources include electricity, natural gas and fuel (stationary and transport) transmission and distribution losses, employee commute emissions, solid waste disposal to landfill (Living Centre operations only), air travel, taxi travel, mileage and car hire. Scope 3 emissions factors for car hire, reimbursed mileage, air travel and employee commute have been obtained from the Department for Environment, Food & Rural Affairs Emissions Factors excel file for 2019. Taxi emissions factors have been obtained from the New Zealand Ministry for the Environment 2019 — A guide for organisations. Other Scope 3 emissions factors were obtained from the Clean Energy Regulator's National Greenhouse Accounts Factors, August 2019.

Waste

Scentre Group reports on whole building waste generation, which includes waste generated by our retail partners, with the exception of major retail partners, who report separately on their generated waste. Scentre Group also reports waste generated from D&C projects, which is estimated based on contractor declarations (refer to emissions for D&C).

Water

Our reporting scope for water is based on whole building water consumption, which includes water consumed by our retail partners, as well as water consumption in the common areas managed by Scentre Group. Reported water consumption includes both potable water from municipal supplies, as well as rainwater harvested and groundwater. Our water intensity is calculated based on total water consumption over the total GLA.

Energy production

Our energy production includes electricity generated by our Sydney tri-generation plant and our solar systems at Marion (SA), Kotara (NSW), Plenty Valley (VIC), Carousel (WA) and Coomera (QLD).

Data sources

Transport fuels

Annual actual information from fleet reports and expense reports.

Stationary fuels

Annual actual quantities based on contractor and third-party reports, as well as actual information from expense management reports.

Refrigerants

Australian refrigerants based on 2018 capacities plus Coomera actual. New Zealand refrigerants based on topped up quantities maintained for each site in 2019.

Synthetic gases

Actual quantities contained on each site for all units in kilograms collated by Facilities Managers.

Electricity

Actual data obtained from utility providers.

Natural gas

Annual actual data obtained from utility providers and extrapolated estimates where data not available.

Water

Actual data obtained from utility providers and extrapolated data where invoices not received (minority of sites).

Employee commute

Survey conducted in January 2020 across all Australia and New Zealand employees extrapolated to 2019 employee headcount.

Air travel

Annual actual data from travel services agent.

Taxi and car hire

Actual data from expense management reports and car hiring agency actual data for 11 months with one month extrapolated.

Waste

Actual tonnage reports from service provider.

Electricity production

For electricity produced by our solar systems, actual data was obtained from meter readings. Electricity produced by our Sydney tri-generation plant is based on our building management system data.



Our Community

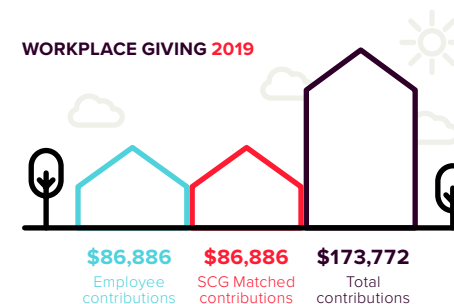


Table 1: \$ million funded

2019	
\$m funded	Details
1.19	Westfield Local Heroes — our community recognition and grants program provided \$1.19m worth of grants to 120 community organisations in 2019. The funding enables these organisations to continue their work to promote social wellbeing and harmony in their local regions.

Table 2: Workplace giving — Employee giving through salary (pre-tax)

Reporting period	\$ raised	SG \$ matched	Total (\$)
2019	86,886	86,886	173,772
2018	96,478	96,478	192,956
2017	77,108	77,108	154,216
2016	44,838	44,838	89,676
2015	56,732	45,699	102,431
2014	44,468	35,220	79,688

Table 3: Volunteering days

Reporting period	Number of days
2019	245
2018	383
2017	271
2016	369
2015	408
2014	471



Our People



44%

of all people managers are
women, up from 41% in 2018

Employee Statistics

Table 1: Employment type and contract 2019 and 2018

Employment type / Contract	2019		2018	
	Headcount	Percentage	Headcount	Percentage
Full Time	1,567	57%	1,682	58%
Casual	865	32%	895	31%
Part Time	229	8%	204	7%
Temporary	79	3%	105	4%
Total	2,740	100%	2,886	100%

Table 2: Employees and contractors by country at 31 December 2019 and 2018

Employment type	2019			2018		
	AU	NZ	Total	AU	NZ	Total
Employees	2,473	267	2,740	2,595	291	2,886
Contractor	2,491	1,148	3,639	4,032	270	4,302

Table 3: Employee totals, new hires and departures in year by gender, age group and country 2019 (2018 data on following page)

Category	Employee headcount (at 31 December 2019)	Total number of new employee hires during the year*	Rate of new hires	Total number of employees who left employment during the year*	Rate of employees leaving employment
< 30 years	925	501	18%	319	12%
30-50 years	1,390	277	10%	370	14%
50 years	425	55	2%	130	5%
Male	1,204	322	12%	395	14%
Female	1,536	511	19%	424	15%
Australia	2,473	690	25%	731	27%
New Zealand	267	143	5%	88	3%
Total	2,740	833	30%	819	30%

* Including casuals, excluding independent contractors.

OUR PEOPLE

Table 4: Workforce diversity

Self Identified	LGBTI	Australian	Asian	European	NZ	British	Middle Eastern	South African	Irish	Sth American	Islander	Nth American	Aboriginal Torres Strait Islander
2019	11%	50%	13%	10%	7%	5%	3%	2%	1%	1%	1%	1%	1%

*Data collected via 2019 Scentre Group Employee Survey. Employees self-identified, with 80% employee response rate.

Table 5: Employee totals, new hires and departures in year by gender, age group and country 2018

Category	Employee headcount (at 31 December 2018)	Total number of new employee hires during the year*	Rate of new hires	Total number of employees who left employment during the year*	Rate of employees leaving employment
< 30 years	945	537	19%	353	12%
30-50 years	1,469	331	12%	381	13%
50 years	472	77	3%	114	4%
Male	1,316	416	14%	417	14%
Female	1,570	529	18%	431	15%
Australia	2,595	834	29%	742	26%
New Zealand	291	111	4%	106	4%
Total	2,886	945	33%	848	29%

*Including casuals, excluding independent contractors.

Table 6: Employee totals, Gender ratio by employee category 2019 and 2018

		2019	2018
Employee categories	Gender	% of employees by gender for employee category	
Senior managers (M1 and above)	Male	9%	9%
	Female	2%	2%
Managers and professionals	Male	47%	53%
	Female	39%	39%
Support	Male	44%	38%
	Female	59%	59%

OUR PEOPLE

Table 7: Employee benefits

Emotional wellbeing	Physical wellbeing	Social wellbeing	Financial wellbeing
Employee assistance program (emotional and counselling support and additional services)	Discounted gym memberships	Workplace social events (team building events)	Salary packaging (novated leases, laptops, mobiles) ****
Flexible working arrangements	On site heart health checks	Flexible working arrangements	Paid parental leave and return to work entitlements^
Ability to purchase additional annual leave****	On site flu vaccinations	Volunteer days: two days per annum^^	Salary continuance via AMP Corporate Super Fund^^
Volunteer days: two days per annum^^	On site massages via BUPA	Collaborative spaces and kitchen hubs***	Refer-a-friend incentives^
Sabbatical leave*	BUPA Corporate health insurance rates	Parents at work portal^	Study assistance and study leave^
MATES in Construction**	Stepping Challenge	Forums and coaching support for parents returning to work^	Paid superannuation while on unpaid parental leave^
	Flexible work hours to allow for physical activity	Annual Christmas party	One-on-one superannuation 'health' checks with AMP
	Safe work practices	Ability to purchase additional annual leave****	Qantas points for business travel retained by the individual
	Skin checks**	Defence service leave	Workplace banking with CBA, including private banking offer
	Quit smoking program**		Aussie Home Loan discounts
	Provision of sanitary products***		Select retail offers
	Access to showers***		Career recognition — 10, 15, 20, 25, 30, 35, 40+ years
	Bicycle storage facilities***		Accrual and continuation of long service leave during unpaid parental leave
	Executive health checks		
	SiSu Wellness Health Station***		

Benefits are available to all employees except as noted below:

* Permanent employees only

** Employees in design and construction sites only

*** Employees in support office only

**** Salaried paid permanent employees only

^ Excluding casuals and fixed term employees

^^ Excluding casuals

OUR PEOPLE

Parental Leave

Table 8: Total number of employees who took parental leave, by gender 2019 and 2018

	2019	2018
Gender	Total number of employees who took parental leave in 2019	Total number of employees who took parental leave in 2018
Male	13	13
Female	63	67
Total	76	80

Table 9: Total number of employees who returned to work after parental leave ended, by gender 2019 and 2018

	2019			2018		
Gender	Total number of employees whose parental leave ended in 2019	Total number of employees who returned to work after parental leave ended in 2019	Return to work rate (%)	Total number of employees whose parental leave ended in 2018	Total number of employees who returned to work after parental leave ended in 2018	Return to work rate (%)
Male	9	8	89%	8	7	88%
Female	59	52	88%	62	58	94%
Total	68	60	89%	70	65	93%

Table 10: Total number of employees who returned to work after parental leave ended who were still employed 12 months after their return to work, by gender 2019 and 2018 (NB: One year lag)

	2018–2019			2017–2018		
Gender	Total number of employees who returned to work from parental leave in 2018	Total number of employees who were still employed 12 months after they returned to work	Retention rate (%)	Total number of employees who returned to work from parental leave in 2017	Total number of employees who were still employed 12 months after they returned to work	Retention rate (%)
Male	8	6	75%	4	2	50%
Female	62	48	77%	46	43	93%
Total	70	54	76%	50	45	90%

Table 11: Number of employees initiating parental leave during the years 2015–2019

	2015	2016	2017	2018	2019	2015–2019
Employees who went on leave	46	66	64	80	76	332
Employees who returned from leave	39	56	59	63	5	222
Employees who terminated	7	10	4	8	0	29
Employees still on leave	0	0	1	9	71	81

Table 12: Percentage of employees initiating parental leave during the years 2015–2019

	2015	2016	2017	2018	2019	2015–2019
Employees who returned from leave	85%	85%	92%	79%	7%	67%
Employees who terminated	15%	15%	6%	10%	0%	9%
Employees still on leave	0%	0%	2%	11%	93%	24%

OUR PEOPLE

Training

Table 13: Hours devoted to training personnel, by gender 2019 and 2018

Gender	2019		2018	
	Total number of hours devoted to training personnel	Average training hours per employee*	Total number of hours devoted to training personnel	Average training hours per employee*
Male	6,327	4.8	4,388	3
Female	6,659	4.2	2,928	2
Total	12,986	4.5	7,316	3

* Total number of hours per gender / total number of employees by gender. Calculated as an average across our total workforce and includes Scentre Group Welcomes You Day One; Inclusive Leadership education; Mental Health, D&FV, LGBTI+ D&I Modules; Compliance – Code of Conduct, Cyber Security, Life Safety, compliance seminars..

Table 14: Percentage of employees receiving regular performance and career development reviews, by gender and by employee category 2019 and 2018**

		2019			2018		
		Total number of employees	Total number receiving regular performance and career development reviews	% of employees receiving regular performance and career development reviews	Total number of employees	Total number receiving regular performance and career development reviews	% of employees receiving regular performance and career development reviews
Senior managers (M1 and above)	Male	105	105	100%	117	117	100%
	Female	36	36	100%	35	35	100%
Managers and professionals	Male	570	570	100%	703	703	100%
	Female	593	593	100%	610	610	100%
Support	Male	529	229	43%	496	175	35%
	Female	907	342	38%	925	351	38%
Total		2,740	1,875	68%	2,886	1,991	69%

* Figure rounded to closest decimal point. ** Only full time and part time employees participate in regular performance and career development reviews.

OUR PEOPLE

Discrimination

Table 15: Total number of incidents of discrimination and corrective actions taken 2019 and 2018

	2019	2018
Total number of reported incidents of discrimination	0	0
Number of incidents reviewed by the organisation	0	0
Number of remediation plans being implemented	0	0
Number of remediation plans that have been implemented and results reviewed through routine internal management review processes	0	0
Number of incidents no longer subject to action	0	0

Workplace safety

Table 16: Total group safety data 2019 and 2018 — Employee data only

	2019	2018	Notes
Lost time injury frequency rate	3	3	LTIFR = $\left(\frac{\text{number of Lost Time Injuries}}{\text{total hours worked}}\right) \times 1,000,000$. This covers Scentre Group employees.
Average lost day rate	4	5	ALDR = $\frac{\text{Total number of Lost Time Days}}{\text{Total number of Lost Time Injuries}}$. This covers Scentre Group employees. It represents the average number of days lost per lost time injury.
Total Recordable Injury Frequency Rate	7	6	TRIFR = $\left(\frac{\text{number of Recordable Injuries}^*}{\text{total hours worked}}\right) \times 1,000,000$. This covers Scentre Group employees. * Recordable injuries are all injuries where medical treatment beyond first aid is required.
Total fatalities	0	0	
Total absentee rate (as a percentage)	2	2	AR = $\frac{\text{Total number of Absentee days}}{\text{Total number of days worked}} \times 100$. This covers employees only, as absentee days data is not available for contractors.

Table 17: Percentage of total workforce represented in formal joint management — worker health and safety committees that help monitor and advise on occupational health & safety programs 2019 & 2018

	2019			2018		
	Total number of employees represented (at 31 December 2019)	Total workforce (at 31 December 2019)	% of total workforce represented	Total number of employees represented (at 31 December 2018)	Total workforce (at 31 December 2018)	% of total workforce represented
Australia	2,267	2,473	92%	1,668	2,595	64%
New Zealand	267	267	100%	291	291	100%
Total	2,534	2,740	92%	1,959	2,886	68%



Our Environmental Impact

Energy Consumption

Table 1a: Direct energy consumption by primary use 2019 and 2018

	Type	2019 (GJ)	% contribution	2018 (GJ)	% change year-on-year
Non-renewable sources	Natural gas	111,691	61%	81,166	38%
	Non-transport fuel combustion	34,354	19%	21,449	60%
	Transport fuels (controlled vehicles)	5,795	3%	9,104	(36%)
	Tri-gen electricity	2,209	1%	643	244%
Renewable sources	Renewables	29,874	16%	8,347	258%
Total		183,922		120,708	52%

Table 1b: Direct energy consumption by primary source 2019 and 2018

	Type	2019 (GJ)	% contribution	2018 (GJ)	% change year-on-year
Non-renewable sources	Natural gas	111,691	60%	81,166	38%
	Diesel	36,420	20%	26,200	39%
	Fuel oil - light	25	0%	5	427%
	LPG	2,248	1%	2,321	(3%)
	Petrol	1,455	1%	2,027	(28%)
	Tri-gen electricity	2,209	1%	643	244%
Renewable sources	Renewables	29,874	16%	8,347	258%
Total		183,922		120,708	52%

OUR ENVIRONMENTAL IMPACT

Table 2a: Supplementary regional breakdown — Direct energy consumption by country 2019

	Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources	Natural gas	109,650	2,041	111,691	31,025,207
	Non-transport fuel combustion	17,243	17,111	34,354	9,542,733
	Transport fuels (controlled vehicles)	2,362	3,433	5,795	1,609,667
	Tri-gen electricity	2,209	-	2,209	613,496
Renewable sources	Renewables	29,874	-	29,874	8,298,257
Total		161,337	22,585	183,922	51,089,360

Table 2b: Supplementary regional breakdown — Direct energy consumption by country 2019

	Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources	Natural gas	109,650	2,041	111,691	31,025,207
	Diesel	16,100	20,320	36,420	10,116,643
	Fuel oil - light	9	16	25	6,920
	LPG	2,227	22	2,248	624,550
	Petrol	1,269	186	1,455	404,287
	Tri-gen electricity	2,209	-	2,209	613,496
Renewable sources	Renewables	29,874	-	29,874	8,298,257
Total		161,337	22,585	183,922	51,089,360

Table 3: Indirect energy consumption by primary source 2019 and 2018

	Type	2019 (GJ)	% contribution	2018 (GJ)	% change year-on-year
Non-renewable sources*	Electricity	1,206,279	100%	1,213,094	(1%)
Total		1,206,279		1,213,094	(1%)

* Non-renewable sources - Electricity for the 2018 year has been restated from 1,137,389 GJ to 1,213,094 GJ to correct Energy previously reported in error as Hydro in New Zealand.

OUR ENVIRONMENTAL IMPACT

Table 4: Supplementary regional breakdown — Indirect energy consumption by country 2019

	Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources	Electricity	1,123,726	82,533	1,206,279	335,077,572
Total		1,123,726	82,553	1,206,279	335,077,572

Energy Production

Table 5: Energy production by source 2019 and 2018

Type		2019 (GJ)	2018 (GJ)
Non-renewable sources	Tri-gen electricity	2,209	643
Renewable sources	Renewables	29,874	8,347
Total		32,082	8,990

Environment: GHG Emissions

Table 6: Direct and indirect emissions (Scope 1 & 2) by source 2019 and 2018

Type	2019		2018	
	Sum of direct and indirect emissions (tonnes CO ₂ -e)	% contribution of direct and indirect emissions (Scope 1 & 2) of GHG (tonnes CO ₂ -e)	Sum of direct and indirect emissions (tonnes CO ₂ -e)	% change year-on-year
Purchased electricity	255,157	93%	264,028	(3%)
Natural gas	5,761	2%	4,185	38%
Non-transport fuel combustion	2,387	1%	1,481	61%
Synthetic gases	12,030	4%	12,005	0%
Transport fuels (controlled vehicles)	405	0%	643	(37%)
Total	275,740		282,342	(2%)

OUR ENVIRONMENTAL IMPACT

Table 7: GHG emissions by scope and country 2019 and 2018

Market	2019			2018			% change year-on-year		
	Direct emissions (Scope 1) (tonnes CO ₂ -e)	Indirect emissions (Scope 2) (tonnes CO ₂ -e)	Other indirect emissions (Scope 3) (tonnes CO ₂ -e)	Direct emissions (Scope 1) (tonnes CO ₂ -e)	Indirect emissions (Scope 2) (tonnes CO ₂ -e)	Other indirect emissions (Scope 3) (tonnes CO ₂ -e)	(Scope 1)	(Scope 2)	(Scope 3)
Australia	18,564	252,916	90,696	16,925	261,525	93,517	10%	(3%)	(3%)
New Zealand	2,019	2,240	3,844	1,389	2,502	3,743	45%	(10%)	3%
Total	20,583	255,157	94,540	18,314	264,028	97,260	12%	(3%)	(3%)

Increase in Scope 1 due to cogeneration plant operation at 100 Market St in 2019

Table 8: Other indirect emissions (Scope 3) 2019 and 2018

Activities which cause other indirect (Scope 3) emissions	2019 (tonnes CO ₂ -e)	% contribution	2018 (tonnes CO ₂ -e)	% change year-on-year
Air travel	2,573	3%	2,368	9%
Employee commute	2,141	2%	1,952	10%
Natural gas	840	1%	578	45%
Purchased electricity	29,893	32%	32,748	(9%)
Taxi and car travel	195	0%	216	(10%)
Transport fuels (controlled vehicles)	9	0%	13	(31%)
Mixed waste to landfill	58,827	62%	59,326	(1%)
Other (non-transport fuel)	63	0%	59	7%
Total	94,540		97,260	(3%)

Table 9: Supplementary regional breakdown — Other indirect emissions (Scope 3) by country 2019

Activities which cause other indirect (Scope 3) emissions	AU (tonnes CO ₂ -e)	NZ (tonnes CO ₂ -e)	Total (tonnes CO ₂ -e)
Air travel	2,108	465	2,573
Employee commute	1,890	251	2,141
Natural gas	827	13	840
Purchased electricity	29,724	170	29,893
Taxi and car travel	178	17	195
Transport fuels (controlled vehicles)	9	-	9
Mixed waste to landfill	55,899	2,928	58,827
Other (non-transport fuel)	62	1	63
Total	90,696	3,844	94,540

OUR ENVIRONMENTAL IMPACT

Waste

Table 10: Breakdown of non-hazardous waste disposal by waste category 2019 and 2018 (Shopping Centre Operations)

Type	2019 — Shopping Centre Operations			2018 — Shopping Centre Operations		
	Operational Waste			Operational Waste		
	AU (metric tonnes)	NZ (metric tonnes)	Total (metric tonnes)	AU (metric tonnes)	NZ (metric tonnes)	Total (metric tonnes)
Recycling	22,148	2,022	24,169	25,306	2,093	27,399
Landfill (off site)	46,582	2,503	49,085	46,915	2,680	49,595
Composting/Organics	6,191	154	6,345	11,532	-	11,532
Other (to licensed waste contractor facilities)*	16,844	-	16,844	17,356	-	17,356
Total	91,765	4,679	96,443	101,110	4,773	105,883

*Waste - Other (to licensed waste contractor facilities) for the AU geography in 2018 has been restated from 6,855 metric tonnes to 17,356 metric tonnes. This is due to a change in estimation methodology.

Table 11: Breakdown of non-hazardous waste disposal by waste category 2019 and 2018 (Design & Construction) ⁽ⁱ⁾

	2019 — Design & Construction				2018 — Design & Construction			
	Demolition (metric tonnes)	Excavation (metric tonnes)	Construction (metric tonnes)	Total (metric tonnes)	Demolition (metric tonnes)	Excavation (metric tonnes)	Construction (metric tonnes)	Total (metric tonnes)
Recycling	30,594	42,055	7,976	80,625	39,857	54,807	12,713	107,377
Landfill (off site)	-	-	1,346	1,346	-	-	130	130
Total	30,594	42,055	9,322	81,970	39,857	54,807	12,843	107,506

(i) Scentre Group reports on whole building waste generation, which includes waste generated by our retail partners, with the exception of major retail partners, who report separately on their generated waste.

Table 12a: Breakdown of hazardous waste disposal 2019 and 2018

Type	2019 (metric tonnes)	2018 (metric tonnes)	% change year-on-year
Hazardous	1,448	1,878	(23%)

Table 12b: Total waste disposed 2019 and 2018

2019 (metric tonnes)	2018 (metric tonnes)	% change year-on-year
179,861	215,267	-16%

OUR ENVIRONMENTAL IMPACT

Table 13: Breakdown of total waste disposal by waste category and country 2019

Waste management and disposal method			% change year-on-year	
	AU (metric tonnes)	NZ (metric tonnes)	AU	NZ
Recycling	50,612	54,183	(62%)	1567%
Landfill (off site)	46,582	3,848	(1%)	44%
Composting/Organics	6,191	154	(46%)	0%
Other (to licensed waste contractor facilities)*	16,844	-	(3%)	0%
Hazardous (to licensed waste contractor facilities)	503	945	(73%)	0%
Total	120,732	59,130	(42%)	897%

*Waste - Other (to licensed waste contractor facilities) for the AU geography in 2018 has been restated from 6,855 metric tonnes to 17,356 metric tonnes. This is due to a change in estimation methodology.

Water

Table 14: Water withdrawn 2019 and 2018⁽ⁱ⁾

	2019			2018			% change year-on-year
	AU (m³)	NZ (m³)	Total (m³)	AU (m³)	NZ (m³)	Total (m³)	
Ground water	338	-	338	-	-	-	100%
Rainwater collected directly and stored by Westfield	4,086	-	4,086	3,500	-	3,500	17%
Municipal water or other water utilities	4,414,176	261,266	4,675,442	4,312,320	252,937	4,565,257	2%
Total	4,418,600	261,266	4,679,866	4,315,821	252,937	4,568,758	2%

(i) Our reporting scope for water is based on whole building water consumption, which includes water consumed by our retail partners as well as water consumption in the common areas managed by Scentre Group. Our water intensity is calculated based on total water consumption over the total lettable area (LA).

OUR ENVIRONMENTAL IMPACT

Energy, Water and Emissions Intensity

Table 15: Summary of energy, water and emissions intensity by site 2019 and 2018								
2019					2018			
Site	GLA (m ²)	Energy intensity (GJ / m ²)	Water intensity (m ³ / m ²)	Emissions intensity (tCO ₂ e/m ²)	GLA (m ²)	Energy intensity (GJ / m ²)	Water intensity (m ³ / m ²)	Emissions intensity (tCO ₂ e/m ²)
Australia								
Airport West	52,300	0.24	0.73	0.08	52,300	0.25	0.62	0.09
Belconnen	95,700	0.34	0.88	0.09	95,800	0.34	1.21	0.09
Bondi	109,900	0.54	2.08	0.16	109,800	0.56	2.15	0.17
Burwood	63,200	0.47	1.68	0.14	63,200	0.48	1.96	0.15
Carindale	125,600	0.38	1.07	0.12	126,000	0.43	1.02	0.13
Carousel	109,800	0.30	1.43	0.07	109,700	0.27	1.08	0.06
Chatswood	81,100	0.37	1.77	0.12	81,000	0.39	1.61	0.13
Chermside	154,500	0.44	1.20	0.13	154,300	0.45	1.20	0.14
Coomera	57,900	0.28	0.96	0.09				
Doncaster	119,400	0.40	1.18	0.12	119,600	0.36	1.15	0.13
Eastgardens	79,100	0.24	1.29	0.09	79,100	0.28	1.40	0.10
Fountain Gate	176,200	0.25	0.77	0.07	175,400	0.25	0.87	0.08
Garden City	142,300	0.41	1.33	0.12	141,700	0.39	1.14	0.13
Geelong	51,600	0.31	0.77	0.10	51,700	0.31	0.80	0.11
Helensvale	43,900	0.27	1.36	0.09	43,900	0.29	1.25	0.10
Hornsby	99,000	0.32	1.75	0.10	99,200	0.34	1.65	0.11
Hurstville	61,200	0.36	1.10	0.12	62,000	0.36	1.33	0.12
Stirling (Innaloo)	37,700	0.30	1.29	0.08	37,800	0.28	1.21	0.07
Knox City	91,800	0.41	0.93	0.10	91,900	0.54	0.86	0.12
Kotara	82,100	0.33	1.23	0.10	83,100	0.28	0.79	0.08
Liverpool	82,500	0.37	1.49	0.11	83,500	0.35	1.47	0.11

OUR ENVIRONMENTAL IMPACT

Table 15: Summary of energy, water and emissions intensity by site 2019 and 2018

2019					2018			
Site	GLA (m ²)	Energy intensity (GJ / m ²)	Water intensity (m ³ / m ²)	Emissions intensity (tCO ₂ e/m ²)	GLA (m ²)	Energy intensity (GJ / m ²)	Water intensity (m ³ / m ²)	Emissions intensity (tCO ₂ e/m ²)
Marion	131,400	0.30	1.02	0.05	131,500	0.28	0.94	0.06
Miranda	128,300	0.31	1.45	0.10	128,500	0.33	1.44	0.11
Mt Druitt	59,800	0.31	1.87	0.10	59,700	0.31	1.84	0.10
North Lakes	84,600	0.32	1.06	0.10	84,200	0.35	1.15	0.11
Parramatta	133,700	0.46	1.78	0.14	134,200	0.48	1.86	0.15
Penrith	87,700	0.35	1.76	0.11	88,000	0.35	1.75	0.11
Plenty Valley	63,400	0.29	1.31	0.10	63,400	0.28	1.22	0.10
Southland	128,700	0.36	1.08	0.12	128,600	0.33	0.97	0.12
Sydney Retail	35,100	1.24	4.85	0.35	35,100	0.99	4.58	0.33
Tea Tree Plaza	89,500	0.26	0.97	0.05	89,100	0.28	0.77	0.06
Tuggerah	83,300	0.22	1.24	0.07	83,300	0.22	1.32	0.07
Warringah Mall	129,100	0.24	0.90	0.07	129,200	0.25	0.98	0.08
West Lakes	71,200	0.30	0.72	0.05	71,300	0.28	0.66	0.06
Whitford City	82,100	0.36	1.07	0.09	82,100	0.35	1.26	0.08
Woden	66,600	0.39	1.26	0.10	65,300	0.38	1.27	0.11
New Zealand								
Albany	52,400	0.26	0.97	0.02	52,400	0.27	0.98	0.02
Manukau	41,600	0.46	1.38	0.03	41,600	0.47	1.44	0.03
Newmarket*	74,000	0.17	0.29	0.01	17,300	0.20	0	0.02
Riccarton	54,900	0.35	1.46	0.03	55,100	0.36	1.47	0.03
St Lukes	39,500	0.43	1.30	0.03	39,500	0.44	1.40	0.03
Total	3,553,700	0.37	1.27	0.10	3,440,400	0.37	1.26	0.10

*Newmarket emissions are for a partial year only with progressive staged openings from the 29th August, 2019



Our Economic Performance

Table 1: Direct economic value generated and distributed 2019 and 2018

	2019	2018	Mvt
Direct economic value generated ⁽ⁱ⁾	\$m	\$m	\$m
Revenues	5,026	4,158	868
Direct economic value distributed ⁽ⁱⁱ⁾			
Operating costs	(2,838)	(820)	(2,018)
Employee wages and benefits	(324)	(344)	20
Payments to government by:	(81)	(94)	13
- AU entities	(50)	(74)	
- NZ entities	(31)	(20)	
Payments to government as agent by:	(74)	(72)	(2)
- AU entities	(68)	(66)	
- NZ entities	(6)	(6)	
Community investments	(2)	(7)	5
Total	(3,319)	(1,337)	
Payments to providers of capital	(1,835)	(1,903)	68
Total economic value distributed	(5,154)	(3,240)	
Direct economic value retained⁽ⁱⁱⁱ⁾	(128)	918	(1,046)

(i) GRI methodology applied: figures differ materially from International Financial Reporting Standards and cannot be compared to or provide any accurate indication of the Group's profitability as reported in its statutory accounts as at 31 December 2019.

(ii) Revenues include an incremental impact from proceeds of Property Disposals of \$2.0B in 2019 offset by Property Revaluation gains in 2018 of (\$1.1B). Refer to our Annual Report for further detail: https://www.scentregroup.com/getmedia/1eca105d-02a3-408b-9745-faea95f67d48/2019-Annual-Financial-Report_18Feb20_2.pdf

(iii) Operating costs include an incremental impact from Costs of Property Disposed of (\$1.9B) as well as Property Revaluation losses of (\$0.1B). Refer to our Annual Report for further detail: https://www.scentregroup.com/getmedia/1eca105d-02a3-408b-9745-faea95f67d48/2019-Annual-Financial-Report_18Feb20_2.pdf



Assurance Statement



Independent Limited Assurance Statement to the Management and Directors of Scentre Group Limited

Our Conclusion

Ernst & Young ('EY', 'we') was engaged by Scentre Group Limited ('Scentre Group') to undertake 'limited assurance' as defined by Australian Auditing Standards, hereafter referred to as a 'review', over Selected Sustainability Performance Data for the year ended 31 December 2019. Based on our review, nothing came to our attention that caused us to believe that the Selected Sustainability Performance Data has not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

What our review covered

We have carried out a limited assurance engagement over Scentre Group's Selected Sustainability Performance Data for the year ended 31 December 2019.

Subject Matter

The Subject Matter for our limited assurance engagement included Selected Sustainability Performance Data, limited to those aspects listed below, for the year ended 31 December 2019:

- ▶ Scope 1 greenhouse gas ('GHG') emissions of 20,583 tonnes of carbon dioxide equivalent (t CO₂-e)
- ▶ Scope 2 GHG emissions of 255,157 t CO₂-e
- ▶ Scope 3 GHG emissions of 94,540 t CO₂-e
- ▶ Energy consumption (direct and indirect) of 1,390 terajoules
- ▶ Energy production of 32 terajoules
- ▶ Water consumption of 4,679,866 cubic meters
- ▶ Waste recycled of 104,794 tonnes
- ▶ Waste to landfill of 50,431 tonnes.

The Subject Matter did not include:

Data sets, statements, information, systems or approaches other than the Selected Performance Data and related disclosures; and neither Management's forward-looking statements nor any companions made against historical data.

Criteria applied by Scentre Group

In preparing the Selected Sustainability Performance Data, Management determined the reporting criteria as set out in:

- ▶ The National Greenhouse Gas and Energy Reporting Act 2007 for Scope 1 and 2 greenhouse gas data
- ▶ Scentre Group's Global GHG Framework
- ▶ Scentre Group's Global GHG Methodology
- ▶ Scentre Group's NGER Basis of Preparation for the 2019 Reporting Period.

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the Selected Sustainability Performance Data, based on our review. We are also responsible for maintaining our independence and confirm that we have met the requirements of the APES 110 Code of Ethics for Professional Accountants, and that we have the required competencies and experience to conduct this assurance engagement.

Scentre Group's responsibility

Scentre Group's management is responsible for selecting the Criteria, and for preparing and fairly presenting the Selected Sustainability Performance Data in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with the Australian Auditing and Assurance Standards Board's Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ASAE 3000'), and Assurance Engagements on Greenhouse Gas Statements ('ASAE 3410'), as well as the terms of reference for this engagement as agreed with Scentre Group.

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Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the Selected Sustainability Performance Data and related information and applying analytical and other review procedures.

Our procedures included:

- ▶ Conducting interviews with personnel to understand the business and reporting processes
- ▶ Conducting interviews with key personnel to understand the process for collecting, collating and reporting the Selected Sustainability Performance Data during the reporting period
- ▶ Checking that the calculation criteria had been applied in accordance with the methodologies outlined in Scentre Group's criteria
- ▶ Conducting analytical review procedures to support the fairness of the data
- ▶ Identifying and testing assumptions that supported calculations
- ▶ Checking emissions factors and considered their consistency with the reporting criteria
- ▶ Testing, on a sample basis, to underlying source information to check the accuracy of the data
- ▶ Reviewing the presentation of the information in Scentre Group's Sustainability Performance Data Pack and Scentre Group's 2019 Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Further, our procedures did not include testing controls or performing procedures relating to checking the aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Scentre Group, or for any purpose other than that for which it was prepared.

Our review included web-based information that was available via web links as of the date of this statement. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement.

Elizabeth Rose *Ernst & Young*

Elizabeth Rose
Partner
Brisbane, Australia
25 March 2020

Ernst & Young

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Contact



Scentre Group

Scentre Group Limited
ABN 66 001 671 496

Scentre Group Trust 1

ARSN 090 849 746
(Responsible Entity:
Scentre Management Limited
ABN 41 001 670 579,
AFS Licence No 230329)

Scentre Group Trust 2

ARSN 146 934 536
(Responsible Entity: RE1 Limited
ABN 80 145 743 862,
AFS Licence No 380202)

Scentre Group Trust 3

ARSN 146 934 652
(Responsible Entity: RE2 Limited
ABN 41 145 744 065,
AFS Licence No 380203)

Registered Head Office

Level 30
85 Castlereagh Street
Sydney NSW 2000
Telephone: +61 2 9358 7000
Facsimile: +61 2 9358 7241

New Zealand Office

Level 2, Office Tower
277 Broadway
Newmarket, Auckland 1023
Telephone: +64 9 978 5050
Facsimile: +64 9 978 5070

Secretaries

Maureen T McGrath
Paul F Giugni

Auditors

Ernst & Young
200 George Street
Sydney NSW 2000

Investor Information

Scentre Group
Level 30
85 Castlereagh Street
Sydney NSW 2000
Telephone: +61 2 9358 7877
Facsimile: +61 2 9358 7881
Email: investor@scentregroup.com
Website: scentregroup.com/investors

Principal Share Registry

Computershare Investor
Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000

GPO Box 2975
Melbourne VIC 3001
Telephone: +61 3 9946 4471
Enquiries: 1300 730 458 (Australia only)
Facsimile: +61 3 9415 2500
Email: web.queries@computershare.com.au
Website: computershare.com

Listing

Australian Securities Exchange — SCG

Website

scentregroup.com

Scentre Group Corporate Affairs

Telephone: +61 2 9358 7000
corporateaffairs@scentregroup.com