

SCENTRE GROUP

RESPONSIBLE BUSINESS REPORT 2022

We create the places
more people choose
to come, more often,
for longer



20 March 2023

Scentre Group Limited
ABN 66 001 671 496



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We acknowledge the Traditional Owners and communities of the lands on which our business operates.

We pay our respect to Aboriginal and Torres Strait Islander cultures and to their Elders past and present.

We recognise the unique role of Māori as Tangata Whenua of Aotearoa/New Zealand.

ABOUT US

Scentre Group owns and operates 42 Westfield destinations with 37 located in Australia and five in New Zealand. Our destinations are in close proximity to 20 million people. The Group's total assets under management are \$51.2 billion represented by \$35.0 billion SCG investment, and \$16.2 billion of third-party funds.

The Group employs 3,129 people across Australia and New Zealand. Approximately 93% of our workforce is located in Australia.

Our strategy is to create the places more people choose to come, more often, for longer.

OUR REPORTING SUITE

This document is part of a suite of Responsible Business documents, including:

[Responsible Business Data Pack](#)

[Climate Statement](#)

[Modern Slavery Statement](#)

Also available:

[Annual Financial Report](#)

[Corporate Governance Statement](#)

[Property Compendium](#)

[Reconciliation Action Plan](#)

Cover: Tracey Carter accepting the \$20,000 Westfield Local Heroes grant on behalf of Michael Carter from Overflow Foundation, Westfield Mt Gravatt Local Hero 2022.

A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

Creating a positive legacy

Operating as a responsible, sustainable business underpins our ambition to grow. It's an important part of how we create long-term value for our stakeholders.

During 2022 we successfully executed our leadership transition. I feel very privileged to lead a team committed to progressing and embedding our responsible business approach deeper into our decision-making and how we operate our Westfield destinations.

This year we continued to progress our \$355 million development at Westfield Knox. The project exemplifies how we incorporate responsible business into every element of our business, future planning, design, ongoing operations and the daily activation of our Westfield destinations for local communities. You can read more on page 9.

We have continued to make progress on our net zero pathway. We have signed an agreement to source electricity from 100% renewable sources for our Queensland portfolio of Westfield destinations from 2025. This agreement will help us deliver our interim emissions reduction target of 50% by 2025. Since the beginning of 2022 our New Zealand centres are being powered by renewable sources.

We have released our first standalone Climate Statement to coincide with the launch of this report. It builds on our public commitment to the Taskforce on Climate-related Financial Disclosures and provides our stakeholders with a detailed view of our net zero pathway progress.

Another highlight of our year is the development of an Integrated Environmental Plan to map initiatives to improve our performance across energy efficiency, waste, water, biodiversity and embodied carbon.

We play an integral role in our communities and continue to invest in them. Over the past four years we have contributed \$21 million in financial and non-financial support.

We released our third Reconciliation Action Plan during the year which includes a focus on Aboriginal and Torres Strait Islander employment and procurement opportunities within our business.

Creating the place where talent can thrive is our people vision. In the most competitive talent attraction environment we've experienced, we were pleased to welcome over 500 new permanent team members to the organisation, including 57 alumni.

Ensuring we are financially sustainable is critical to our strategy and growth ambition. Our strong operational performance in 2022 was pleasing with Funds From Operations and distribution both exceeding guidance.

Delivering long-term growth in a responsible, sustainable way requires ongoing review and focus. We are committed to listening, learning and adapting as we pursue our strategy.

I'm very proud of our team and thank them for their focus on our responsible business targets and plan.

Thank you for your ongoing support of Scentre Group.



Elliott Rusanow
Chief Executive Officer

20 March 2023

 [Westfield Knox case study](#)

 [Responsible Business Data Pack](#)

 [Climate Statement](#)

 [Reconciliation Action Plan](#)



2022 highlights

Our Community

\$21m 

Community investment
over past four years



\$355m

investment in
Westfield Knox to create
community destination



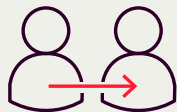
Launched Auslan
Santa pilot program

Our Talent

93% 


of key talent
retained

Successful CEO
and CFO leadership
transition

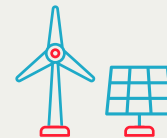


5 days
'Life Leave' introduced
for our people

Our Environmental Impact

38% 

Scope 1 and 2 emissions
reduction since 2014



Qld, NZ

renewable electricity
agreements



Achieved Retail
NABERS Energy
4.5 star portfolio
average

Our Economic Performance

\$1,040m 

Funds From Operations
up 20.6%



15.75 cents

distribution per security
up 10.5%



3,409
lease deals completed,
a record for our business

Our targets

- ☒ Achieved
☐ On track
☐ In progress

Our Community

Community plan

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

- ☒ 100% agreed priority initiatives delivered in 2022

Customer advocacy – Westfield Local Heroes

Maintain customer advocacy greater than 70% for Westfield's ability to connect and enrich the community

- ☒ 72% customers agreed that the program connects and enriches the community



Our Talent



Employee engagement

Maintain engagement greater than 85%

- ☒ 85% Engaged & Inspired score as measured in our 2021 employee survey

Key talent retention greater than 90%

- ☒ 93% of key talent retained

Gender

Representation of 40% female, 40% male and 20% either gender across all levels of management by 2025

- ☒ 46% female representation across all levels of management in 2022

Our Environmental Impact

Energy and emissions

Achieve net zero Scope 1 and 2 emissions by 2030 for our wholly-owned Westfield destinations from a 2014 baseline

- ☐ 38% reduction in emissions across our total portfolio since 2014 – on track to achieve our target

Scentre Group portfolio to reach an average Retail NABERS Energy rating of 4.5 stars by 2025

- ☒ Portfolio average 4.5 stars achieved

Recycling and waste management

Increase waste recovery from operations to 90% by 2030

- ☐ 52% waste recovered in 2022

Maintain waste recovery rate above 95% for all major developments

- ☐ Average 89% waste recovery from four major developments in progress across 2022

Buildings

New developments will align to best practice environmental design and development benchmarks*

- ☐ In progress



* We continue to observe environmental benchmarks and have evolved our approach to capture broader industry-aligned initiatives.

OUR STRATEGY

Extraordinary places and experiences

Our Strategy

Our Purpose – creating extraordinary places, connecting and enriching communities – underpins our strategy, growth ambition, responsible business approach and culture. It guides our decision making and recognises the integral role our Westfield destinations play in the lives of our customers and communities.

Our Plan – to create the places more people choose to come, more often, for longer – reinforces our customer strategy. By remaining focused on what our customers want and activating our centres to drive visitation, we have strengthened our core business and put ourselves in a strong position to grow.

Our Ambition – to grow the business by becoming essential to people, their communities and the businesses that interact with them – is made up of three interrelated pillars: people and communities, businesses and our platform.

Our DNA

To achieve Our Purpose, Our Plan, Our Ambition and responsible business objectives, we are guided by our DNA. These are the values and standards of behaviour we expect of ourselves and of others.

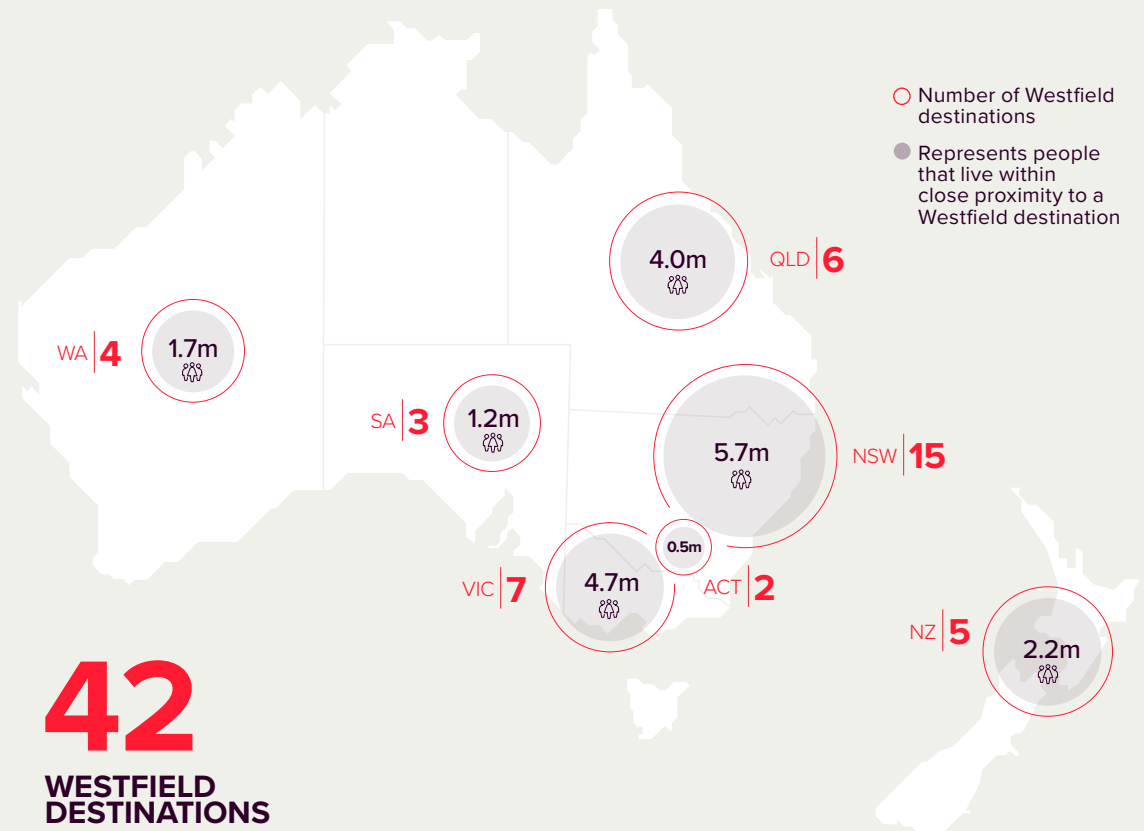
Our DNA is a central part of our approach to business integrity and our Code of Conduct. It is how we put our culture into action.

Code of Conduct

Our Code of Conduct is at the heart of our business integrity framework. It sets out the basis on which our policies and procedures foster and support a strong ethical culture.



Code of Conduct



42
WESTFIELD
DESTINATIONS

20 million

People live within close proximity to a Westfield destination

3.2 million

Westfield members

\$26.7 billion

Business partner sales

480 million

Customer visits

OUR STRATEGY

Our approach to responsible business

Our strategy is to operate as a responsible, sustainable business with initiatives that address the four pillars of our approach – our community, talent, environmental impact and economic performance.

We cross reference our responsible business pillars with the UN Sustainable Development Goals to align our approach to global challenges.

Responsible, sustainable business framework

Our Community



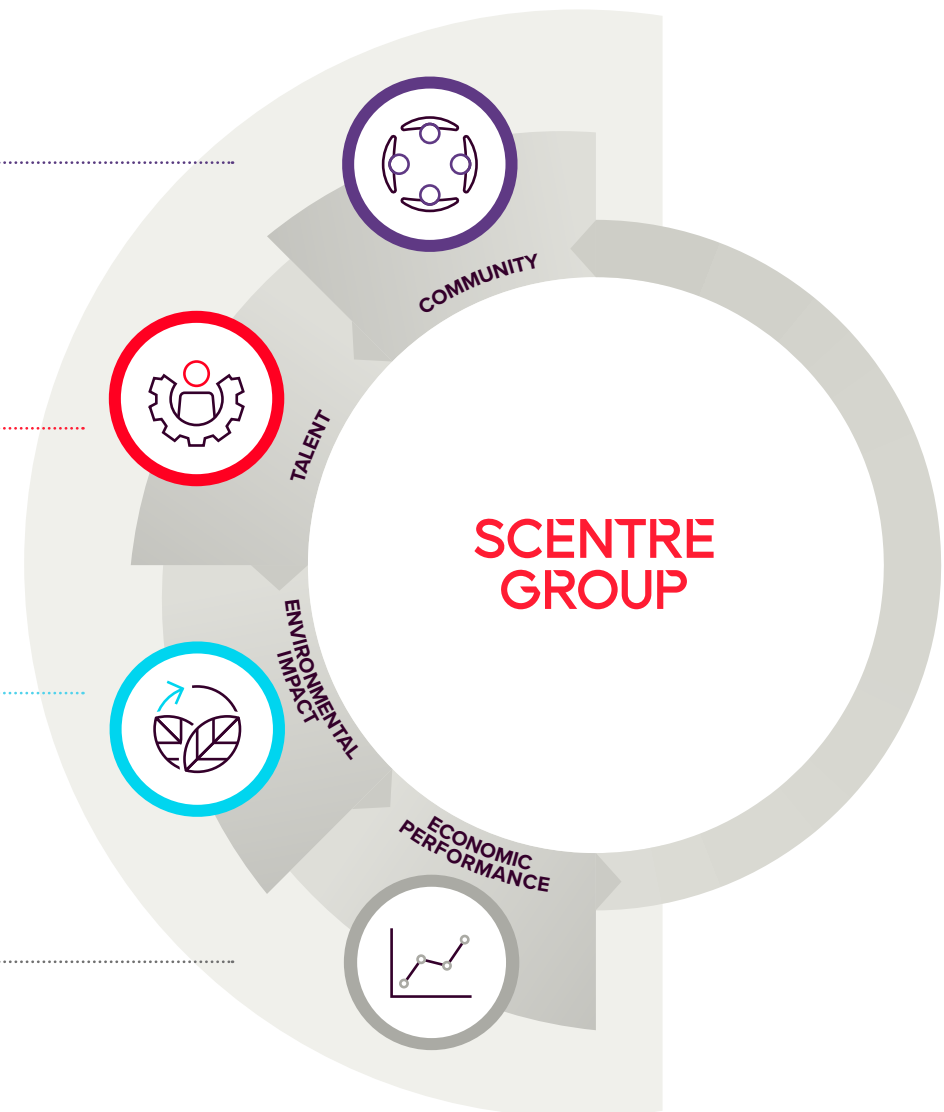
Our Talent



Our Environmental Impact



Our Economic Performance



Our approach continued**The issues that matter**

To identify the responsible business issues that matter most to our business, each year we engage our teams to share the Environmental, Social and Governance (ESG) issues being raised by our internal and external stakeholders. We also consider material topics raised in external ESG surveys, including MSCI, ISS and Sustainalytics, and leverage guidance from external advisers about environmental trends.

In 2022 the areas considered to have a 'high' influence and impact for our business and our stakeholders have remained consistent. They are:

- energy and greenhouse gas emissions
- waste
- water
- health and safety
- physical and online security
- employment and labour practices.

Our Enterprise Risk Management Framework is used to assess the impact of the issues identified.

These issues inform our annual responsible business priorities. Key deliverables are monitored by the executive leadership team quarterly and endorsed by the Board through its review of this Report.

Stakeholder engagement

Engaging with internal and external stakeholders supports our understanding of our most significant responsible business issues.

A diverse range of internal and external stakeholders have an interest in Scentre Group's business. Primary stakeholders include:

- Our customers
- Our business partners
- Our investors
- Our people.

Other stakeholders include suppliers, government, industry bodies, joint venture partners, community partners and the communities in which we operate.

We have established communication channels and feedback loops to maintain awareness and are responsive to our stakeholders' issues and concerns.

An overview of how we engage with our stakeholders is provided in more detail in the Disclosures of Management Approach for each of the four pillars of our sustainable business framework, which can be found in the Responsible Business Data Pack.



Responsible Business Data Pack



Climate Statement



CASE STUDY

A whole of business approach – Westfield Knox

Westfield Knox is one of our largest destinations. The centre is undergoing a significant transformation which will be completed in 2023.

This development showcases how we are integrating responsible business into our planning and delivery to create the places more people choose to come, more often, for longer.

We continue to invest in our destinations and enhance the customer offer and experience.

Our whole of business approach to transforming Westfield Knox delivers on our growth ambition to become essential to people, their communities and the businesses that interact with them.

Stewart White, Director Development, said: “Westfield Knox will be a destination that people visit for recreation and community connection. We will layer that with extraordinary customer experiences and an enhanced retail offering.”

To inform our design, we sought to understand more about who our local community is, their approach to life and what they want. We looked at CX Loop customer data, reached out to our Westfield research community and connected with local councils. We also engaged the community directly to form the vision.

Westfield Knox Centre Manager, Kristian Nicholls, said: “Receiving validation from the community that our vision for Westfield Knox meets their needs and wants, reinforces our community-focused approach as the right one.”

Once complete, Westfield Knox will offer people access to the new 2,000 sqm public library, a competition grade full-size basketball court, an outdoor playground featuring local flora and fauna, a multi-purpose community space, a swim school, co-working space and a new gourmet marketplace.

In designing the development to include these new community-focused elements, our team was guided by our Destination Principles. These Principles are future focused and consider four areas: health reimaged, regenerative networks, branded villages and full spectrum retail.



“Receiving validation from the community that our vision for Westfield Knox meets their needs and wants, reinforces our community-focused approach as the right one.”

Kristian Nicholls,
Westfield Knox Centre Manager

Westfield Knox case study *continued*

“We are reimagining what Westfield Knox looks like and offers the community, whilst only increasing gross lettable area by 3,000 sqm.”

Kylie Soltani,
Scentre Group Design Studio Principal

Importantly, the team focused on reducing our environmental impact through design.

To minimise our carbon footprint, rather than demolishing and rebuilding the centre, we are retaining and repurposing existing space and buildings.

We will install electric heat pumps in place of gas and a new solar array of over 3,500 solar panels. This aligns with our planned transition to renewable energy.

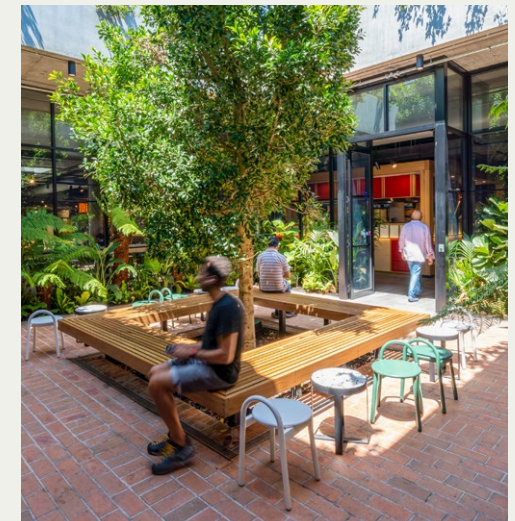
To encourage biodiversity thousands of trees, shrubs and plants are being planted throughout the centre, the majority of which will be irrigated using on-site rainwater tanks.

Biophilic design will bring people closer to nature with more than 10 locally grown mature trees throughout the internal mall.

There is also a timber skylight that is reminiscent of a tree canopy. It spans 1,800 sqm and provides customers with a dappled light quality inside that they would normally experience outdoors walking beneath the trees. The timber is sustainably grown Victorian Ash from a local provider.

Other environmental initiatives helping to improve the centre’s energy, water and emissions intensity include a new onsite glass crushing system, a food waste composting system and new smart bin recycling technology in the food court.

Our \$355 million investment (SCG share: \$178 million) will also positively impact the local economy once the destination is complete in 2023.



Our Community

HIGHLIGHTS



\$21m

Community investment over past four years



\$355m

investment in Westfield Knox to create community destination



Launched Auslan Santa pilot program



Data Pack

UN SUSTAINABLE DEVELOPMENT GOALS



Shining a light on domestic and family violence

Coinciding with the International Day for the Elimination of Violence Against Women, in November 2022 we lit up Westfield Sydney Tower, Westfield Bondi Junction and Westfield Penrith as part of the Property Champions of Change Coalition's Purple Lights campaign.

The campaign raised awareness of domestic and family violence, and was conducted in memory of those who have lost their lives to domestic and family violence.

Our Community

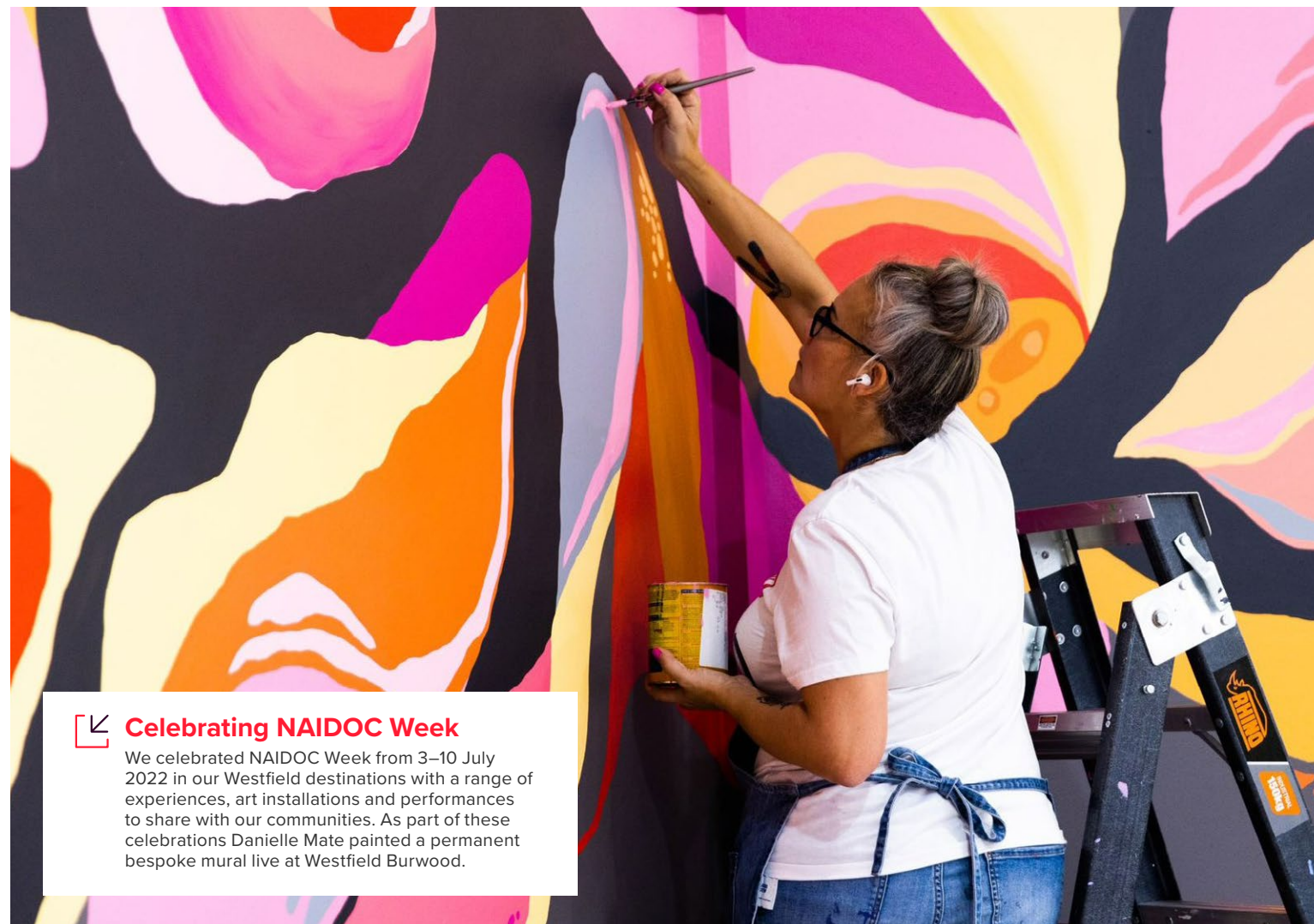
Our close connection to customers and communities underpins Our Plan to create the places more people choose to come, more often, for longer.

Our Westfield destinations are community hubs that people visit for unique experiences, to connect with others and to access services.

In 2022, we had 480 million customer visits across our Westfield portfolio, an increase of 67 million over 2021.

We continue to evolve our destinations to deliver what customers and communities want and need, while feeling safe, welcome and included.

We engage with our local communities in ways that are relevant and meaningful to them, and that drive positive outcomes for people and organisations in our trade areas.



Celebrating NAIDOC Week

We celebrated NAIDOC Week from 3–10 July 2022 in our Westfield destinations with a range of experiences, art installations and performances to share with our communities. As part of these celebrations Danielle Mate painted a permanent bespoke mural live at Westfield Burwood.

Investing in our communities

We invest in our local communities to create meaningful human connections that contribute to thriving and inclusive communities.

\$21 million

Community investment over past four years

This investment includes:

- Westfield Local Heroes community grants
- donations
- foregone income for space provided in our Westfield destinations for community use
- workplace giving contributions – SCG matched \$
- volunteering time
- in-kind contributions.

Westfield Local Heroes

Our Westfield Local Heroes program highlights local individuals and organisations who work hard to make a positive impact on their communities and environment.

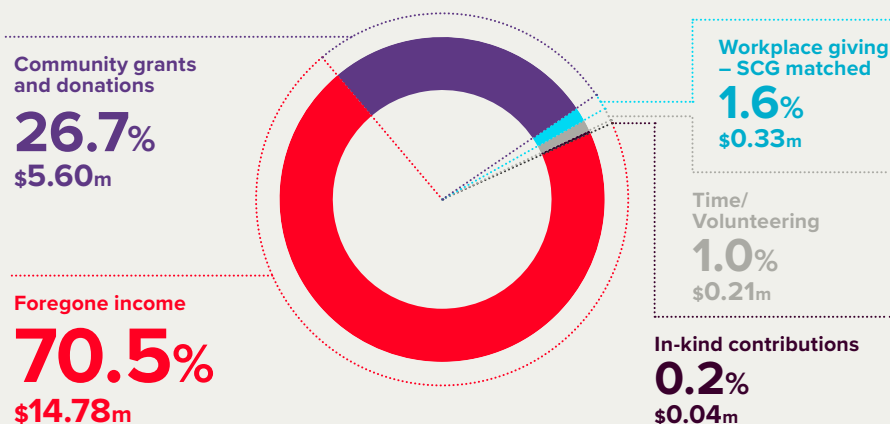
Westfield Local Heroes are nominated by their communities. Three finalists for each Westfield centre go through to a community vote. The successful hero for each of our 42 destinations is awarded a \$20,000 grant for the organisation or group they represent, and each finalist receives a \$5,000 grant for their organisation or group.

In 2022, the value of the Westfield Local Heroes grants program was \$1.255 million.

Every year we consult community, customers, program participants and our people to understand how we can improve and grow the program. In 2022 we changed the format of the program to celebrate a single Westfield Local Hero at each centre while still recognising and rewarding all the finalists. This maximises the impact we have, improving and elevating the program overall.

We exceeded our advocacy target of 70% with 72% of customers agreeing that the program connects and enriches the community.

Community investment over past four years



- [Westfield Local Heroes \(Aus\)](#)
- [Westfield Local Heroes \(NZ\)](#)

Left: Michael Carter from Overflow Foundation, Westfield Mt Gravatt Local Hero 2022.

Investing in our communities **continued**

Connecting communities to services they need

We forego income for space provided to community organisations and charities in our destinations, enabling those services to connect with our customers.

.....
In 2022, the value of this space was \$3.6 million.

Some of the ways the space in our destinations is used are:

- Lifeline Australia opened a new crisis call centre in Westfield Bondi Junction
- Beyond DV established The HOPE Hub, a multi-service community space at Westfield Carindale
- Magnolia Place is a dedicated multi-service space for victims of domestic and family violence at Westfield Helensvale
- public libraries
- community organisations and charities connect with customers in centre at our community sites.

Opportunities to give

To provide an 'always-on' invitation to customers to donate to causes that matter to them, in December 2022 we introduced charity donation terminals to all Australian Westfield destinations.

Through these terminals, we will promote fundraising appeals for local, regional and national charities including our existing partner Lifeline Australia, our Westfield Local Hero alumni and community charity partners.



CASE STUDY

The HOPE Hub opens at Westfield Carindale

In April 2022, Beyond DV opened The HOPE Hub at Westfield Carindale.

The HOPE Hub offers people access to holistic information and support services for social issues including domestic violence and mental health in a secure and accessible location.

Since opening, over 900 women, children and men have visited The HOPE Hub.

Beyond DV specialises in support services and programs for women and children rebuilding their lives after the trauma of experiencing domestic violence.

Carolyn Robinson, Founder of Beyond DV, said: "We are extremely grateful to have been given such an innovative opportunity by Westfield Carindale to create a safe, accessible space where we can offer support to vulnerable community members."

Beyond DV also works with over 10 community partners that offer their services to the community through The HOPE Hub, meaning there is end-to-end holistic support services available for vulnerable community members.



This level of partnership engagement with the Hub demonstrates the needs of the community and the importance of having this space available for organisations to connect with them.

.....
"Donating space to support Beyond DV establish The HOPE Hub demonstrates our commitment to supporting the local community address the challenges of domestic violence affecting families directly and indirectly."

Karen Skinner,
General Manager Centre Experience

Investing in our communities **continued**

Our people give back

We provide our team members with two volunteer days per year and match charitable donations made by our people dollar-for-dollar.

In 2022, our people donated 2,307 hours or 288 days of their time to work with charities, not-for-profit organisations or community-focused groups.

They donated their time to a range of organisations, including Westfield Local Hero alumni.

At the request of our people, we provide access for donations to more than 155 charities through our Workplace Giving platform.

In 2022, the largest percentage of our contributions were for charities supporting community and welfare.

Our combined employee and company workplace giving contributions totalled \$148,251.

Community partnerships

We have 58 active community partnerships in place, and more in discussion for implementation in 2023.

Each community partnership is tailored to the local community and the partner organisation.

We will provide a combination of financial contributions and in-kind contributions – including in-centre events, coverage on local Westfield digital channels, volunteers and opportunities to communicate with our Westfield members.



Volunteering

Our Westfield Booragoon team volunteered with Secondbite WA, one of their Westfield Local Heroes alumni organisations. The team sorted rescued food, packed food hampers and collected deliveries. Retail Manager, Robbie Corcoran said: “The team were able to donate 160 hours of valuable time to the organisation and it was a resoundingly positive experience”.

Engaging our communities

We are committed to creating places that reflect our communities. Places our communities are proud to call their own.

Each of our 42 Westfield destinations has a Community Plan that details how we will engage with local services and organisations, leaders, customers, community members and business partners to celebrate, support and raise awareness of local opportunities and challenges.

As restrictions eased in 2022, we planned inclusive and impactful experiences to help people connect in person.

We hosted more than 15,400 centre events and exhibitions, and recognised more than 3,500 cultural, community and Westfield Local Hero moments.

In doing this we achieved our target of delivering 100% of our agreed priority community initiatives and programs set out in our 2022 Community Plans.

We have seen correlation between the events, community engagement activities and centre vibrancy our teams deliver and a growth in customer advocacy measured through our net promoter score.

Some of the other tailored experiences delivered this year included:

- **celebrations** of Diwali, Ramadan, Matariki and Lunar New Year
- **awareness raising** NAIDOC Week celebrations
- **safety initiatives** including Coffee With a Cop and our New Zealand centres promoting Bright Sky, Vodafone NZ Foundation's app that provides practical support and information about how to respond to domestic abuse and violence
- **seniors' events** such as Westfield Walkers and Seniors Memory Cafes
- **all abilities inclusion initiatives** including Quiet Hour, a pilot program of Auslan Santa and launching the Hidden Disabilities Sunflower
- **LGBTI+ inclusion and celebration** through Living Proud Santa sets in WA and Mardi Gras activations
- **family events** which included Westfield Eastgardens hosting Winter Skate Jam in partnership with Bayside Council and Westfield Warringah Mall hosting Sensory Friendly Fun Day in partnership with Little Freddie
- **charity gift wrapping** at key retail moments such as Christmas and Mothers' Day.



From top left circular: Diwali celebration at Westfield St Lukes; Non-binary family: Mum Cynara Miles, daughter Ivy Eaton and non-binary child Ronan Miles at our Living Proud Santa set in WA; Lunar New Year wishing tree; Westfield Sydney Mardi Gras celebrations.

Engaging our communities *continued*



CASE STUDY

Launching Auslan Santa

We launched an Auslan Santa pilot program in Westfield Parramatta, Westfield Chermside and Westfield Southland.

This experience offered children who use Auslan as their primary form of communication the chance to share their Christmas wish-list directly with an Auslan-fluent Santa.

The program was developed in collaboration with Deaf Australia and included longer sessions with helpers and an interpreter on hand to facilitate.

“A Deaf Santa contributes to the magic of the Christmas experience for Deaf and hard of hearing children who can communicate with them in their own language, so we are delighted to work with Westfield on this experience.”

Jen Blyth,
Deaf Australia Chief Executive Officer

National Community Manager, Pam Wilson, said: “Auslan Santa continues our commitment to make the magical Santa experience more inclusive and accessible to more of our customers.

“All the available sessions were fully booked and received positive customer feedback.

“We plan to launch the customer experience more widely in 2023 and beyond.

“The introduction of Auslan Santa follows the national launch of Sensitive Santa in 2019, a tailored experience for those with sensory challenges, anxiety, disabilities, or families who simply require more time.

“Auslan Santa and Sensitive Santa are both initiatives that bring our approach to diversity, equity and inclusion to life for our customers. By offering experiences tailored to diverse communities we are actively including them and providing opportunities for them to equitably enjoy our destinations.”



Engaging our communities *continued*



CASE STUDY

Reinvigorating CBDs

Our Westfield destinations are located close to where the majority of the population live, work and choose to spend their time. Our destinations are considered community hubs, visited by millions of customers annually.

In 2022, the NSW Government selected five Westfield centres to participate in its CBD Revitalisation Program, designed to support local businesses attract visitors back to CBD areas following the easing of COVID restrictions.

Westfield Sydney, Westfield Chatswood and Westfield Hurstville were each awarded financial grants to create and host large-scale events in April.

The centre teams worked in collaboration with their local council, business partners and community organisations to bring a series of experiences that celebrated their local community to life.

The events elevated customer advocacy which increased each centre's monthly customer Net Promoter Score above the month prior, and above the NSW monthly average.

Reflecting the high customer advocacy the April activations received, these centres received grants again in September. Westfield Parramatta and Westfield Penrith were also awarded grants in September.



From left: Westfield Sydney – Pitt Street Alive, Westfield Hurstville – Seastainable, Westfield Parramatta – Your Sports Field, Westfield Sydney – Pitt Street Alive, Westfield Hurstville Eggsville Community Art Trail.

Listening and responding

We curate experiences and services in our Westfield destinations to meet customers' needs and wants. We want to strengthen our business partnerships by providing essential solutions and exceptional value.

People and their communities

CX Loop is our customer feedback and insights program. We gather public reviews and use them to generate our Net Promoter Score (NPS).

By focusing on our NPS, we listen and act on customer feedback to improve their experience.

Our 2022 portfolio average NPS was 40, +2 points compared to 2021.

Feedback showed our customers enjoy the range of retail and dining experiences in our Westfield destinations, the friendly service from our team and business partners, and the cleanliness of our centres.

An area of focus continues to be parking as we know a convenient experience for customers is key to driving advocacy. Responding to customer insights and feedback allowed us to continually improve parking NPS across our portfolio.

Planning for the future

Listening and engaging with customers is integral to our Strategic Asset Planning (SAP) process.

We implemented a new SAP process, leveraging a research project undertaken to better understand how community needs are changing.

The new SAP process was completed by all 42 Westfield centre teams. It explored a set of Destination Principles that focused on the growth of our destinations and the potential Westfield customer audience.

Our business partners

We are committed to our business partners' success.

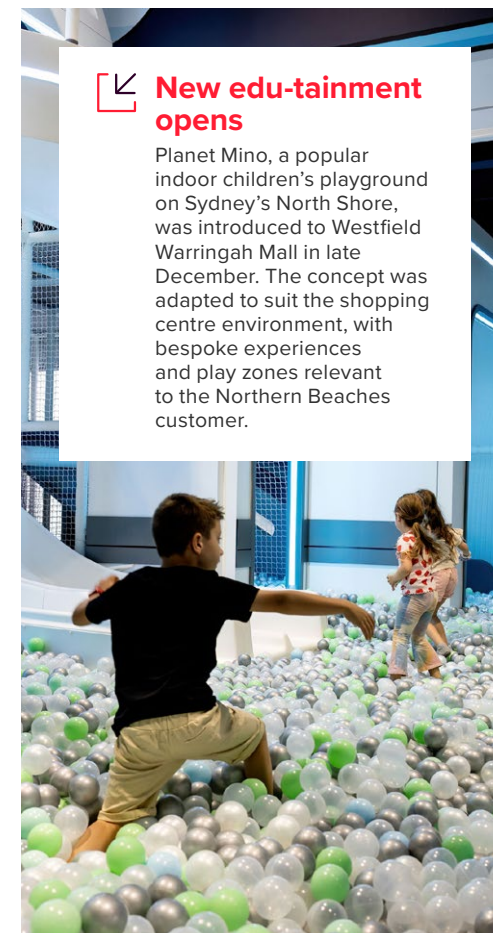
In 2022 we implemented Partner Loop, a program that seeks our business partners' feedback and generates our Partner Net Promoter Score. For the first time we sought feedback via a relationship survey from over 3,000 of our business partner contacts. These contacts represented 45% of brands active across our portfolio. The feedback received was used to define areas of opportunity for us to improve our services and processes.

We also trialled a new account management model, establishing key relationship teams to create consistency for our business partners.

To support our business partners further develop their knowledge and expertise we continued to deliver partner education sessions throughout 2022 with the support of external service providers.

New edu-tainment opens

Planet Mino, a popular indoor children's playground on Sydney's North Shore, was introduced to Westfield Warringah Mall in late December. The concept was adapted to suit the shopping centre environment, with bespoke experiences and play zones relevant to the Northern Beaches customer.



Safe and secure places

Extraordinary places are safe and welcoming places for people to spend time and connect.

Safety and security

The safety and security of customers, business partners and people in our Westfield destinations is fundamental to delivering extraordinary experiences every day.

Our approach to security is based on the key principles of prevention, preparation, response and recovery. We have a mature security framework that is embedded at all levels of our organisation.

We have measures in place to help deter and prevent incidents from taking place, and our teams are equipped and ready to respond in the event of an emergency.

Central to this approach is our strong external partnerships with police, government agencies, industry bodies, community and business partners. We know that nurturing these partnerships at a local, national and global level is essential to maximising the safety of our communities.

We expanded our bespoke Mental Health First Aid training for our customer-facing team members with an online module that supports the existing facilitated training.



CASE STUDY

Director of Security, John Yates, QPM, received the Australian Security Medal under the Australian Security Medals Foundation's awards program. This medal recognises his contribution to security professionalism and providing examples of outstanding citizenship, positive leadership, insights and influence at a strategic management level.

This training builds confidence and skills to engage and support people who may be experiencing mental health distress in our centres. Since launching the Mental Health First Aid training in 2021, more than 250 team members have completed it.

We launched our refreshed counter terrorism training framework across our portfolio. This framework strengthens our security defences and equips our teams with the knowledge to identify potential security risks. It provides guidance on how to respond in the event of an emergency, includes new training material and processes for our centre teams, as well as a business partner safety and security awareness campaign. This framework was endorsed by the NSW Police Counterterrorism Division.

Cyber security and privacy

We recognise that safeguarding our business and our customers from cyber-attacks is essential to fostering trust with the community.

We have standards, policies and systems in place to address cyber, privacy and data governance risks which are regularly reviewed to respond to the changing cyber threat environment. In 2022, the number and severity of cyber-attacks in Australia continued to increase. In response, our cyber security and privacy frameworks continued to evolve addressing the lessons learnt.

Our security monitoring service works to identify and address cyber threats early to minimise impacts on our business. We also undertake readiness exercises so we can respond quickly and effectively in the event of a cyber-attack.

We invest in appropriate cyber security and disaster recovery systems and personnel. We implement information security and cyber security training across our business, and we maintain a compliance program which includes periodic external audits of our cyber security program.

We continue to enhance our approach to privacy addressing regulatory guidance in Australia and New Zealand.



CASE STUDY



Award winner

Emily Hunt, National Risk & Security Operations Manager, was announced as the Most Outstanding Woman in Protective Security at the Source2Create Women in Security Awards.

Emily plays a critical role in keeping our customers, business partners and people safe in our Westfield destinations every day. The award recognises a strong female leader who delivers successful and highly-valued services, and demonstrates commitment to excellence.

Our Talent

HIGHLIGHTS



of key talent retained



Successful CEO and CFO leadership transition



5 days 'Life Leave' introduced for our people



Data Pack

UN SUSTAINABLE DEVELOPMENT GOALS



In October 2022, our new CEO hosted an inaugural Ambition Forum to formally seek feedback from our people. This is attendee Nazneen Azher, Cyber Security Analyst, from our technology team.

Our Talent

We aspire to be the place where talent can thrive by keeping our people engaged and fulfilling their potential. We are focused on building a workforce that has the capability to grow the business.

We are guided by our DNA. These are the values and standards of behaviour we expect of ourselves and of others. Our DNA is a central part of our approach to business integrity and our Code of Conduct. It is how we put our culture into action.



In October 2022, our new CEO hosted an inaugural Ambition Forum to formally seek feedback from our people. These are Centre Manager attendees Kerry Davenport and Kelsey Parisi.

Our culture in action

During the year we successfully transitioned our CEO and CFO leadership.

Elliott Rusanow commenced in the role of Chief Executive Officer on 1 October, following the decision of our inaugural CEO Peter Allen to step down. Andrew Clarke commenced in the role of Chief Financial Officer at the same time. Both were internal appointments which is testament to the strength of our succession and talent pipeline.

Our leader-led model and culture is our strength and a unique point of difference in the talent market.

This was highlighted in 2021 when we received an Engaged and Inspired score of 85% in our Employee Survey and the best overall result of all four employee surveys we have conducted since Scentre Group's inception.

To maintain this high engagement as economic conditions changed we kept in touch with our people's views through a comprehensive Engagement and Listening Strategy.

This strategy uses a mix of virtual and in person forums to engage, listen and respond. "You Can Ask That" events offer our people the opportunity to ask our CEO anything.

In addition, we continue to receive ongoing feedback about our culture and the people experience from our more than 600 people leaders and Employee Resource Groups.

To formally seek feedback from our people, our new CEO hosted an inaugural Ambition Forum in October 2022.

The aim was to understand our people's experience at Scentre Group in relation to two questions:

1. What are we doing well at Scentre Group that shows we are highly aligned to achieving Our Ambition?
2. What barriers do you experience that limit our potential to accelerate the achievement of Our Ambition?

Approximately 460 people attended, representing 14.7% of our total organisation. For the first time the group included representation from our customer-facing team members, in addition to leaders from all levels in our business.

In response to the 2022 Ambition Forum questions, our people identified our strengths as:

+ The quality of our culture and people, including how we bring the DNA and Diversity, Equity and Inclusion to life.

+ The camaraderie and collaboration in how we work within our teams.

+ The quality of our brand and our destinations, especially how we prioritise the customer and community engagement.

The barriers or areas of opportunity to improve were identified as:

↑ Better alignment across teams to avoid conflicting priorities and duplication, and to speed up decision-making.

↑ Resourcing teams with the right capabilities to reduce excessive workloads.

↑ Ensuring we have the technology, processes and tools to do our jobs productively so we can work better together and focus on serving our customers and business partners.

Having listened to feedback from our people we simplified our structure to better enable how we will achieve our ambition for growth through creating the places more people choose to come, more often, for longer.

In addition, our executive leadership team has aligned their plans and priorities for 2023 so that every team and individual will be clear on how their effort contributes to achieving Our Ambition.

Diversity, equity and inclusion

Our Diversity, Equity and Inclusion strategy underpins our culture and recognises and celebrates all the ways we are different. This is a key driver of team engagement.

Our approach

For us, diversity means recognising and valuing the contribution of people with different backgrounds, different perspectives and experiences.

Equity means we support each of our people to recognise their individual circumstances, and to help them overcome any personal challenges or barriers so they can realise their unique potential.

Inclusion means we ensure that all our peoples' differences are welcome and respected.

Under the governance of a Diversity, Equity and Inclusion (DEI) Council, we have seven working groups. Each working group is charged with identifying and implementing strategies to achieve our commitment to be a diverse, equitable, inclusive and supportive workplace.

Our DEI working groups are All Abilities, Domestic & Family Violence, Gender Equity, LGBTI+, Mental Health and Wellbeing, Multicultural Capabilities and Reconciliation Action Plan.

Since we introduced "equity" into our strategy in 2021, our DEI working groups reviewed how to align their future plans and activities to this concept.

We celebrated and acknowledged days of significance aligned to each of our working groups.

Part of our approach to DEI is having leading people policies and guidelines in place. These include:

- **New Life Leave Policy** provides eligible team members with an additional five days of paid leave per year, pro-rated for part-time team members, aimed at helping our people achieve a better work life balance.
- **Parental Leave Policy** offering 18 weeks gender neutral parental leave with no qualifying period and four weeks paid leave for secondary carers. The policy also includes support for stillbirth, premature birth, IVF treatment and foster care/adoption.
- **Domestic & Family Violence Policy** providing financial and non-financial assistance for employees.
- **Workplace Adjustment Guidelines** detailing modifications to our work practices and physical work environment to enable people with disabilities to perform in their roles.
- **Gender Affirmation/Transition Guidelines** to provide tailored support to the individual and education for their team.
- **Flexible Working Arrangements** all the ways we can accommodate flexibility for people so they can balance their personal and work priorities.



CASE STUDY



Launching the Hidden Disabilities Sunflower

To empower customers of all abilities to equitably experience our Westfield destinations with dignity and respect, we launched the Hidden Disabilities Sunflower initiative across all 42 Westfield destinations in 2022.

The Hidden Disabilities Sunflower is a globally recognised symbol for non-visible disabilities, also known as hidden disabilities or invisible disabilities. We make sunflower lanyards available to customers, allowing them to choose to let people around them know they have a non-visible disability and that they may need a helping hand, understanding or simply more time.

We trained our team to identify the Hidden Disabilities Sunflower, gain a deeper understanding of hidden disabilities and learn how to approach and support customers. Trained team members wear pins to identify themselves to customers.

Diversity, equity and inclusion *continued*

Mental Health and Wellbeing

We invested in an online resource for our people and their families to use at work or home to support their wellbeing.

Titled MyWellbeing, the platform addresses wellbeing across five pillars – physical, social, emotional, financial and career. We have approximately 500 active users on the platform.

This is in addition to our Employee Assistance Program, a free and confidential service that is available to our people and their families to support them with work or personal issues.

To support our people's physical and mental wellbeing, we also invited them to participate in the Mind-Your-Step BUPA challenge. Over the four-week challenge over 600 team members walked over 139,000 kms.

On R U OK? Day we hosted an all staff event where team members shared their personal experiences of struggling with mental health. Through openly discussing mental health and sharing personal stories, we aimed to reduce stigma and nurture a safe, open and supportive culture for our people. We also promoted R U OK? Day across our Westfield customer media channels.

All Abilities

We celebrated International Day of People with Disability by sharing a conversation with Kurt Fearnley AO.

We also launched the Hidden Disabilities Sunflower initiative for our teams and customers across all our offices and Westfield destinations.

The Hidden Disabilities Sunflower is a globally recognised symbol for non-visible disabilities, also known as hidden disabilities or invisible disabilities.

LGBTI+

We were named a Silver Employer in the Australian Workplace Equality Index (AWEI) 2022 Australian LGBTQ Inclusion Awards. We were disappointed not to maintain our Gold recognition from 2021.

We also introduced the ability for all our team members to add their preferred pronouns to their email signatures, providing an easy way for anyone affirming their gender to let their colleagues know their preferred gender pronouns. It also provides another opportunity for our people to choose to openly support our trans and gender diverse community.



Top: Kurt Fearnley AO in conversation with Phoebe White – Scentre Group's All Abilities working group deputy lead.

Bottom from left: Max Roberts – Mental & Wellbeing Working Group Leader, Emma Reynolds – Regional Marketing Manager NZ and Developments, Dr Anna Brooks – Chief Research Officer Lifeline Australia, John Yates – Mental & Wellbeing Working Group Executive Sponsor, and Pam Wilson – National Community Manager, team presenting our all staff event on R U OK? Day.

Diversity, equity and inclusion continued

Reconciliation Action Plan

Ahead of National Reconciliation Week in May, we launched our third Reconciliation Action Plan (2022–2024) (RAP), endorsed by Reconciliation Australia.

Our RAP focuses on four strategies to maximise our ability to create change:

1. **Understanding** – build greater awareness, knowledge and cultural competence in our people to achieve our RAP vision.
2. **Improving employment opportunities** – embed and enhance an enterprise-wide recruitment and retention strategy to address the lack of Aboriginal and Torres Strait Islander representation in our workforce.
3. **Economic partnerships** – embed and enhance our procurement strategy to increase and expand the number of Aboriginal and Torres Strait Islander businesses we engage with.
4. **Community connection and engagement** – continue to connect with our customers and communities in fulfilling our vision.

In line with our focus on improving employment opportunities, we reviewed our recruitment process to confirm it is bias free. Since 1 January 2022, we have hired seven First Nations people, of which five are in casual roles, one is permanent part time. The seventh team member is part of the CareerTrackers program.

CareerTrackers is a national organisation that supports pre-professional Indigenous university students and links them with employers to participate in paid, multi-year internships. We have participated in this program since 2019.

In 2022 we spent \$14.6 million with Supply Nation-accredited Aboriginal and Torres Strait Islander owned businesses, up \$6.9 million on 2021. This increase is mostly attributed to our contract to ARA Indigenous Services (ARAIIS), worth almost \$12 million over five-years, to provide fire maintenance services beginning in 2022, as well as other non-contractual services.



Reconciliation Action Plan



Westfield Kotara 2022 NAIDOC Week activation.

Diversity, equity and inclusion **continued****46%**

females across all levels of management

3% above 2020

6% above target of 40:40:20

35%

females in senior executive roles

8% above 2020

5% above target of 30%

54%

female permanent hires

7% above 2020

4% above target of 50%

60%

female promotions

1% above 2020

10% above target of 50%

Gender Equity

We have improved our team's gender balance since implementing a Gender Equity Strategy in 2020.

As part of Chief Executive Women and Champions of Change Coalition's Leadership Shadow initiative, all our leaders have personal commitments that support the improvement of gender equity across our business embedded in their scorecards.

In 2022, 60% of our promotions were women, representing 190 moves by our female talent. This will support gender representation balance across our business over time.

We identified Technology, Design & Construction, Leasing and Retail Solutions, and BrandSpace as 'tough spots' for recruiting women. Despite challenges in the talent market, this year we recruited:

TECHNOLOGY**14 women**

48% of hires were female

BRANDSPACE**13 women**

52% of hires were female

DESIGN & CONSTRUCTION**36 women**

31% of hires were female

LEASING AND RETAIL SOLUTIONS**38 women**

77% of hires were female

For the second year, we implemented our Emerging Female Leaders program. This program supports our female talent to be ready for broader roles across our business.

The six-month program includes group workshops and individual executive coaching sessions, before participants complete an assignment to demonstrate value creation and business acumen.

Of the 2021 cohort, 11 out of 16 participants have either received a promotion, a transfer into a different role/team, or both. Of the 2022 cohort, five out of the 21 women have already received promotions, transferred into a new team or have broader responsibility.

In 2023 we will seek to elevate our emerging female talent to forums or advisory roles with our senior leaders to foster sponsorship.

**International Women's Day**

To celebrate International Women's Day (IWD), we hosted a live event for our people with Scentre Group Board Directors Catherine Brenner, Ilana Atlas, Margie Seale and Carolyn Kay.

Guided by our General Manager Customer Experience, Karen Skinner, our most senior female leaders explored the 2022 IWD theme #BreakTheBias, sharing experiences that shaped their careers and times they encountered bias and how they tackled it.



People protecting people

The health, safety and wellbeing of our people, contractors, business partners and customers is our priority. Everyone is expected to play their role in creating workplaces that keep us all safe. It is part of our culture of people protecting people and being a responsible business.

A continued focus on safety

Throughout 2022 we continued to improve our safety performance reporting. We enhanced the suite of safety dashboards for our operational teams so they can identify trends and insights, particularly in relation to incidents, contractors and risk management.

We also introduced comprehensive guidance about the SafeWork Australia safety definitions for our people. This elevated their understanding and enabled more consistent reporting, especially with regard to the “potential consequence” of events that occur in our business.

During the year, we revised our Design and Construction Safety Management System. To support this, we introduced a new fully integrated online tool that captures site-based safety related processes to improve governance and compliance in areas such as plant and equipment, competency of onsite personnel and risk management.

We continue to actively monitor our operational risks by conducting quarterly asset risk register reviews across the portfolio confirming all identified risks have detailed mitigation plans in place and ‘high’ and ‘very high’ risks have adequate oversight. Our end of month reporting confirms key safety initiatives and actions are closely monitored and adequate resources are allocated to address any emerging trends.

Contact with live electricity continues to be a key risk for operational teams. In the second half of the year we commenced a detailed revision of our Permit to Work and our Electrical Hazard Identification processes. These reviews were to confirm all personnel who work in our centres and projects understand the potential risks associated with hazardous energy and competent electricians identify and isolate all sources of electricity prior to work commencing.

Our governance structures enable transparency and visibility over safety performance with operational teams reviewing performance monthly. Detailed reports and analysis are tabled at the Audit and Risk Committee and the Executive Risk Management Committee. Our extended life safety team and Executive Life Safety Working Group regularly meet to assess trends and emerging themes as well as sign off and monitor strategic life safety plans.

Our safety performance

In 2022, we had no high consequence injuries (Class 1 Injuries) to our employees or contractors across our portfolio.

We had one moderate consequence injury (Class 2a injury) to an employee in 2022 which is a frequency rate of 0.23 per million hours worked.

We had three Class 2a injuries to our contractors which is a frequency rate of 0.5 per million hours worked.

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The total recordable injury frequency rate (TRIFR) for our employees has continued to fall from 8 in 2019, to 5 in 2022.

Site safety awards

Michael Hubber, General Manager Construction – Sundry Projects, presents Craig Soutar, Senior Construction Project Coordinator, with the monthly Site Safety Award. We aim to create a culture where work health and safety considerations are integrated into the way our teams work. One way we do this is through a monthly safety award to team members for outstanding efforts in this area.



People protecting people continued

Our cleaning and security partners continue to work closely with us to improve safety in our Westfield destinations.

In 2022, in partnership with our cleaning contract providers we elevated our focus on safety. We introduced monthly Safety meetings to debrief the injuries that had occurred within our cleaning contractors in order to better understand and consult on how and why they occurred. These learnings were then shared broadly with our risk and security, facilities and cleaning contractors.

With this consistent focus on sharing and learning, we have seen an improvement, particularly within our cleaning teams. The cleaning contractor TRIFR fell from 13 in 2021 to 10 in 2022.

The overall contractor average number of lost days per injury has also fallen from 8 in 2019 to 5 in 2022.

Zero tolerance policy towards sexual harassment

We are committed to providing a safe workplace. We have zero tolerance for sexual harassment and take a zero-tolerance stance on proven breaches of the [Code of Conduct](#).

Fostering a culture where our people feel they have the freedom to voice any concerns about what they see or hear in their daily work is important. We have a [Whistleblower Protection Policy](#) for people to escalate critical matters they believe constitute unethical, unlawful or improper conduct.

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Our culture of ‘speaking up’ extends to having an open and honest dialogue across the business when things are not going well and alerting leaders about potential problems or improvements.

Employee survey results

| Questions | 2019 Result | 2021 Result |
|---|--------------------------|--------------------------|
| In my organisation gender-based harassment and sexual harassment is not tolerated | 95% favourable | 97% favourable |
| My immediate manager genuinely supports equality between genders | 91% favourable | 95% favourable |

Our past two Employee Surveys included questions provided by Workplace Gender Equality Agency related to sexual harassment and gender equity. The results we achieved give us confidence that serious instances of poor or criminal behaviour are not commonplace.

In November and December 2022, we conducted nine focus groups with a total of 126 women and men to explore whether the level of psychological and physical safety people feel to be their whole selves at work, irrespective of their gender, is aligned with our cultural aspiration of diversity, equity and inclusion.

The feedback reflected positively on our inclusive workplace culture. Some areas of continued focus were highlighted including the importance of leadership role modelling our culture of speaking up. Responses to this feedback will be built into our action plans in 2023.

Our people are required to complete an annual refresh of the online Code of Conduct training and our key operational teams attend annual Compliance Seminars where case studies related to the Competition and Consumer Act, Conflict of Interest, Fraud, Discrimination, Sexual Harassment and Bullying feature strongly.

Our CEO, Elliott Rusanow, is a member of the Property Council of Australia’s Champions of Change Coalition. As such, Elliott, alongside the senior leadership team, attended the Coalition’s Step Up Forum in October 2022 which focussed on preventing and responding to workplace sexual harassment.

Our senior leaders attended and continue to be active role models for Scentre Group’s commitment to having a safe, respectful and inclusive workplace.

We are developing an online training module with our Gender Equity working group that will explore and clarify the extent and nature of ‘everyday sexism’. The module will be accompanied by a toolkit designed to empower leaders to discuss respect, inclusion and expected standards in the workplace with their teams.

Attracting and retaining talent

We have the expertise to design, construct, operate, manage and market our portfolio of Westfield destinations. We aim to recruit diverse, high-performing talent and retain our existing key talent.

3,129
total workforce

506
new permanent team members welcomed across the business

57
alumni rehired

93%
key talent retained

5 days
life leave introduced

Attracting talent

A competitive market for talent prevailed into 2022. In response we leveraged our internal sourcing channels. Employee referrals were the dominant source of hire at 18.4%. We made 318 internal promotions and welcomed back 57 alumni. We also leveraged our agency partnerships to source high-quality talent.

Our LGBTI+, All Abilities, Multi-Cultural Capabilities, Reconciliation Action Plan and Gender Equity working groups each have a remit to recruit diverse talent.

With the exception of Gender Equity, each working group has an independent approach resulting in multiple tailored campaigns to attract diverse talent.

For example, our Christmas casuals campaign has been leveraged over the past three years to provide employment to First Nations Peoples, refugees and non-binary members of the LGBTI+ community.

While we have experienced some individual successes, we are not currently providing a meaningful number of employment opportunities to those who are marginalised in one or more of our diverse groups. To address this, we plan to implement a holistic Diverse Talent Strategy.

We will aim to address the unique needs of diverse candidates through our business-as-usual job briefs, recruitment, induction and onboarding practices.

Retaining talent

A competitive talent market meant our people were actively targeted. Despite this, our total turnover was 17.3%, below our benchmark of <20%, and we retained 93% of our key talent.

We lost 105 people with tenure of more than five years. However, in exit surveys 90% said they would recommend us as a place to work and 89% would return if the right opportunity arose.

In response to this environment, we developed targeted retention plans for those teams most greatly impacted.

At an enterprise level we also reviewed the support and benefits we offer our people to remain competitive and maintain high talent retention.

Remuneration is just one element of reward and recognition and our employee experience. We want to offer market-leading initiatives to promote the health and wellbeing of our people so in 2022 we introduced Life Leave.

Life Leave is an additional five days of paid leave for our people to use for whatever is important to them. It's designed to help our people improve the balance between work and life.

Life Leave is in addition to four weeks annual leave per year and paid sick leave entitlements. Eligible team members will receive the leave, pro-rated for part time team members, from 1 March 2023.



CASE STUDY



Charlene Lu, Fire and Hydraulic Engineer.

Celebrating a gender diverse workforce

Our design & construction team is taking a proactive approach to attract and develop female talent, including engaging with the National Association of Women in Construction (NAWIC).

Charlene Lu joined our team as an Engineering Technician in 2015 and was promoted to be a Fire and Hydraulic Engineer in 2021.

Charlene said:

"I have received a lot of help and support from my engineering services team which has seen my professional skills develop and grow. I feel supported and uplifted about the development opportunities and investment in my future career.

"The engagement with NAWIC, and the mentoring program I participated in as a mentee, have given me an even greater opportunity to meet different talented female engineers, expand my network, exchange information, ideas and solutions."

Supporting our people's growth and development

We invest in our people and help them succeed. Our leaders are encouraged and expected to support their people to succeed to the best of their ability.

Developing our leaders

To enable our leaders and people to thrive, in 2021 we designed an executive leadership development approach called Thrive Leadership. It focuses on building leadership capabilities in three areas:

1. Strategy and innovation
2. Alignment and delivery
3. Coaching and development

By June 2022, all our senior leaders and General Managers had completed Thrive Leadership. Positive feedback about the experience included that it was unique and tailored to our business needs, it used practical tools instead of classroom theory, and leaders could select the relevant tools for their team's needs.

In response to feedback that our leaders could be more consistent in the frequency and quality of career conversations, we continued to deliver Thrive People Conversations.

Thrive People Conversations equips our leaders with skills, knowledge and processes to coach their people and have important employee experience conversations about:

1. Goal setting and alignment
2. Coaching for performance
3. Career conversations
4. Flexible work conversations.

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110 leaders attended Thrive People Conversations during 2022, building on the 91 leaders who attended in 2021

Our next priority is to deliver New Leader Onboarding training. This will support new leaders to our business, first time leaders and those people who aspire to leadership roles to understand what we expect our leaders to do and how they can build high-performing teams.

Building people's capability

During 2022, we welcomed 506 new people into our business. This meant 48% of our people have less than three years' experience and demand for capability building remained high.

Compliance education

Our suite of online compliance education has steadily grown. We have added Modern Slavery training as a core element of governance for our organisation. This training provides awareness of modern slavery and Scentre Group's approach to addressing the risk of modern slavery in our supply chain and direct operations.

Career development

Our exit data continues to tell us that one of the three major reasons people join us is for a career and one of the three reasons they leave us is for career advancement.

An enterprise-wide Career Development working group has reimagined our approach to career development. The resources and tools they create will be launched to the business in 2023.

Customer Experience

Much of the growth in our workforce has been fuelled by investment in new technology-based customer experiences, including Westfield membership and Westfield online shopping.

To support customer needs aligned with these offerings in our Westfield destinations, we created new roles in the customer experience team.

To build the team's capability, the Customer Experience National Capability Manager launched a capability building approach which focuses on three pillars: our culture, strategic ambition and the team.

Leasing and Retail Solutions

Investment in our leasing and retail solutions team continued in 2022.

The National Sales Capability Manager continued to deliver sales capability education. The strategic focus of the sales education reflects our ambition to become essential to people, their communities and businesses that interact with them. In addition, onboarding materials were revised so new team members understand their potential to contribute to our overall business success.

Our Environmental Impact

HIGHLIGHTS

38% 

Scope 1 and 2 emissions reduction since 2014

Qld, NZ 

renewable electricity agreements

★★★★★

4.5 star Retail NABERS Energy portfolio average achieved

 Data Pack

 Climate Statement

UN SUSTAINABLE DEVELOPMENT GOALS



Renewable electricity agreement

Our agreement with CleanCo to power our Queensland Westfield destinations from renewable sources from 2025 will use electricity from the Western Downs Green Power Hub, Neoen Australia.

Our Environmental Impact

We are committed to reducing our environmental impact and leaving a positive legacy for our communities.

We own, design, develop, construct, operate, manage and market a significant portfolio of Westfield destinations and commercial assets. This breadth of functions means that our environmental impacts and considerations span the complete asset lifecycle – from concept design and construction through to ongoing operations.

In 2022 we were recognised with Global Sector Leader Status and received a GRESB 5 Star rating in the GRESB Real Estate Assessment. The GRESB 5 Star rating places us in the top 20% of the benchmark. This is recognition of our continuing commitment to environmental, social and governance transparency and improved performance.



 [Climate Statement](#)

 [Annual Financial Report](#)

Our approach to climate disclosure

We are committed to creating efficient and resilient assets which aligns with our strategic objective to operate as a responsible, sustainable business and create long-term value for our securityholders. We assess the impact of climate change on our business and acknowledge the contribution we can make to the decarbonisation of the economy.

We have been a public supporter of the Taskforce on Climate-related Financial Disclosures (TCFD) since 2020 and continue to enhance our disclosures across our annual reporting suite to align with the TCFD.

We have released our first standalone Climate Statement to build on our TCFD commitment and provide a detailed view of our net zero pathway progress as well as future initiatives to reduce our environmental impact.

A community destination

Westfield Knox is a destination created for the community. When designing, the team focused on reducing our environmental impact through design and incorporating biophilic design to bring people closer to nature.



Net zero emissions

We are committed to achieving net zero (Scope 1 and 2) emissions across our wholly-owned Westfield portfolio by 2030. In 2022 we achieved our 2025 NABERS Energy 4.5 star portfolio average target three years ahead of plan.

Our Scope 1 and Scope 2 carbon emissions reduced by 12% in 2022 compared to 2021.

Since 2014 we have achieved a 38% reduction in Scope 1 and Scope 2 emissions across our portfolio of Westfield destinations.

While our current net zero commitment relates to Scope 1 and 2 emissions from our wholly-owned Westfield destinations, our focus on reducing our emissions is across our total portfolio.

Total Portfolio Scope 1 and 2 emissions (2014 baseline)¹



Measurements in tonnes of carbon dioxide equivalent

1. We are using 2014, the year Scentre Group was established, as our emissions reduction baseline.

[^] This figure is excluding sold centres. For ease of reference, our 2021 Responsible Business Report states the figure including sold centres at: 328,532 tonnes of carbon dioxide equivalent.

Net zero emissions continued

Optimise asset efficiency

As COVID restrictions eased we used more electricity.

Our electricity use increased by 2% from 2021 to 2022.

However, our long-term electricity-use trend is downwards. Compared to 2019 – the most recent year without COVID impacts – our 2022 electricity use is 12% less.

We achieved energy savings through upgrading lighting fixtures to LEDs across two further centres in 2022. We have completed 20 major lighting upgrades since 2020.

We have further LED upgrades planned across our South Australian and ACT destinations in 2023.

We also implemented our Next Gen Building Analytics initiative across a further 25 Westfield destinations. All Australian centres are now centrally supported to identify and action opportunities to optimise energy efficiency, ranging from maintenance to complex tuning and reprogramming of air conditioning and building management systems.

In 2023 we plan to implement our Next Gen Building Analytics initiative across our New Zealand centres, as well as continue driving efficiencies across our Australian centres.

We will also focus on chiller and major plant upgrade plans to enable our centres to operate as efficiently as possible.

We use the NABERS Energy program to rate the energy efficiency of our assets and benchmark our performance across regions.

In 2022 we increased the percentage of our portfolio with a certified 4.5 star rating from 67% to 78% and achieved our 2025 NABERS 4.5 star portfolio average target three years ahead of plan.

Renewable electricity

In 2022 we generated 7,806 MWh from solar installations at Westfield Carousel, Westfield Coomera, Westfield Kotara, Westfield Marion and Westfield Plenty Valley.

In January 2022 we began procuring 100% renewable electricity for our New Zealand destinations, contributing towards our net zero progress.

Our future pathway towards net zero

We have an interim target to achieve a 50% reduction in Scope 1 and 2 emissions across our wholly-owned Westfield destinations by 2025.

In 2022 we announced our agreement with CleanCo, the Queensland Government owned renewables, low emissions and hydro company, to power our Queensland Westfield destinations from renewable sources from 2025.

With this pathway in place, we are on track to achieve our interim 50% reduction target.

Our Scope 1 emissions are approximately 4% of our total Scope 1 and 2 emissions. To address our Scope 1 emissions we continue to focus on optimising our plant and equipment, and look to replace refrigerant gas in our chiller infrastructure with low emission potential products.

While our current net zero commitment relates to Scope 1 and 2 emissions from our wholly-owned Westfield destinations, we have the opportunity to set net zero commitments for all centres in our portfolio. In 2023 we will continue to engage with our joint venture partners to align on pathways to net zero.

Scope 3 emissions

While our net zero target does not include our Scope 3 emissions, we acknowledge the broader upstream and downstream emissions in our activities. We are currently working through defining those that are material to our business. We remain focused on our areas of greatest influence and impact and will continue to prioritise achieving the lowest emission outcome. For example, we recognise the role we can play in our value chain and are focused on assisting our business partners to understand and reduce their emissions through the procurement of renewable electricity as part of our existing electricity supply partnership.

Waste and materials

Our approach to waste minimisation continues to focus on design principles for circularity, operational efficiency and connecting with business partners and customers to support their waste minimisation goals.

Waste from operations

With our operations returning to normal without COVID impacts in 2022, our waste recovery was 52% compared to 54% in 2021.

However, our long-term waste recovery trend is improving. Compared to 2019 – the most recent year without COVID impacts – our 2022 waste recovery improved by 3%.

The return to normal operations provided an opportunity to re-establish waste recovery processes in collaboration with our business partners. As we worked on this we were impacted by external challenges associated with flooding in New South Wales which temporarily closed waste processing facilities and other supply chain issues.

As we continue to work towards our waste recovery target from operations of 90% by 2030, we will focus on continued process improvement, retailer and contractor collaboration, engagement and education, and the deployment of organic waste collection and processing infrastructure to support recovery.

Organics recovery

We increased our organics recovery by 7% from 2021 to 6,257 tonnes.

Our efforts in organics recovery over the past three years have highlighted that sustained success can only be achieved with collaboration between our business partners, waste services contractors, operational cleaning teams and our centre teams.

In 2022 we also deployed organics recovery at our Sydney support office, an initiative which encourages our own team members to take steps to reduce our environmental impact.

Soft plastics recycling

We increased our clear soft plastics recovery by more than 3% compared to 2021.

Our supply chain for soft plastics recycling was not impacted by various disruptions and closures in the market this year and we continued to review the integrity of our downstream supply chain with our contractors and service providers. We continue to offer our business partners clear soft plastic collections at all our centres.



CASE STUDY

Collaborating for positive results

During the year, in collaboration with our business partners, the team at Westfield Whitford City significantly increased the amount of organic food waste being diverted from landfill to compost.

To achieve this, the team undertook a facilities upgrade, engaged our business partners to focus on organic waste diversion including encouraging them to nominate organics champions in their teams, undertook daily waste contamination audits and launched a monthly newsletter to share results, lessons learnt and maintain momentum and engagement.

In the six months prior to this initiative the team was diverting a monthly average of 3,500kg of organic waste from landfill. Having engaged our business partners that increased to an average of 11,000kg of organic waste per month.

This approach will be implemented as the standard in all our Westfield destinations in 2023.

Waste and materials *continued*



CASE STUDY

Repurposing Westfield Bondi Junction's building façade

When we undertook a project to remove over 1,000 sqm of Westfield Bondi Junction's external façade the team engaged PanelCycle to re-purpose the old façade.

PanelCycle broke down the façade material and separated the aluminium from the core materials before repurposing them. The core materials were sent to a green ceramics manufacturer to manufacture tiles and benchtops, and the aluminium was used in the manufacturing of steel.

Another by-product of the façade was polyethylene. This was separated and repurposed to make a number of products including wheel stops. We purchased five wheel stops to install on our rooftop car park and hope to replace future wheel stops with these 98% recycled products.

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 “Previously, we would have been satisfied knowing we had sent materials to be recycled – rather than going to landfill. But to know they would be re-purposed extends the life of the materials and keeps them within the circular economy.”

Deb Akins,
 Regional Manager Facilities

E-waste recycling

In 2022, we updated a significant portion of our media assets within our Australian Westfield destinations.

To minimise the environmental impact of this necessary asset upgrade, metalwork, glass and electrical components of the original assets were recycled.

In total, with support from waste partners, we recycled 48 tonnes of metal waste and 36 tonnes of glass waste.

We also recycled the cardboard and polystyrene packaging from the new equipment. This included recycling 13 tonnes of cardboard.

When members of our team require technology upgrades and the items cannot be redeployed into the business, we recycle e-waste items, such as laptops and computer screens, with a specialist e-waste partner. In 2022, we recycled over 500 items in total, including 178 laptops, 35 tablets and 87 monitors.

Materials recovered from major developments

In 2022, we continued to progress construction at Westfield Knox, 101 Castlereagh Street in Sydney, Westfield Penrith and Westfield Parramatta. We achieved an average of 89% waste recovery across these major development projects.

Waste and materials *continued*



CASE STUDY

Contributing to a circular economy

To reduce our environmental impact, the facilities team at Westfield Manukau is upgrading the tabletops in the food court with tops made from repurposed plastic waste from the centre.

The plastic waste being used to create the tabletops would ordinarily have been recycled, but as we work to reduce our environmental impact, our teams are exploring opportunities to move beyond recycling and keep our materials within the circular economy.

“When I learnt that Critical Design had developed a process to repurpose plastic waste into furniture products, I was immediately keen to learn more because I was looking for a sustainable and responsible way to upgrade the tabletops in our food court.”

Darren Healy

Facilities Manager at Westfield Manukau

“We met Rui Peng, the co-founder of Critical Design, who is a local to the Manukau community and learnt more about the repurposing process which delivers a durable product which is perfect for our tabletops. As a locally-owned business with the factory close to our centre, our partnership has the added benefits of allowing us to support New Zealand business and keep associated transport emissions low.

“We set about establishing a process for collecting the plastic waste we would need to divert from our usual recycling process.

“Our cleaning team collected milk cartons from Westfield Manukau business partners and separated plastic bottles from customer recycling. We then transported it to Critical Design’s factory where it was shredded and processed into a panel which was cut into six tabletops.

“We reused the existing table bases with our repurposed tabletops and the outcome looks fabulous, is durable and is a responsible and sustainable way for us to upgrade our customer experience.

“Each individual tabletop is made of approximately 164 clear milk bottles and lids, and 18 clear plastic bottles. In total, our tabletops repurposed over 1,000 plastic bottles.



From left: Sanam Deshar – Millennium Cleaning Supervisor, Sergio Ganem Villegas – Facilities Co-ordinator and Darren Healy – Facilities Manager.

“I’m really proud that we have created something ‘new’ for our community to use and enjoy which has come from existing and repurposed materials. The more materials we can keep within the circular economy, the more we can reduce our environmental impact.”

The team is now in the process of upgrading all the remaining tabletops in the food court at Westfield Manukau.

Once the project is complete, we will have upgraded 95 tables with repurposed plastic tabletops made from over 6,000 plastic bottles.

Water

Future water scarcity in Australia is a risk that requires action to be taken now to mitigate future impact. Reducing water intensity through design efficiency, operational efficiency and business partner engagement across our portfolio continues to be a long-term focus.

As we returned to normal operations without COVID impacts, we used more water.

In addition, hotter than previous years' summers in South Australia and Western Australia resulted in increased centre cooling requirements which also contributed to increased water use.

Our water use increased by 11% in 2022 compared to 2021.

However, our long-term water-use trend is downwards. Compared to 2019 – the most recent year without COVID impacts – our 2022 water use is 11% less.

Across ACT, NSW and Qld our smart metering alert program enabled us to quickly respond to losses and leaks. Our smart metering contractor estimates our fast response time allowed us to save 77,654 kl of water.

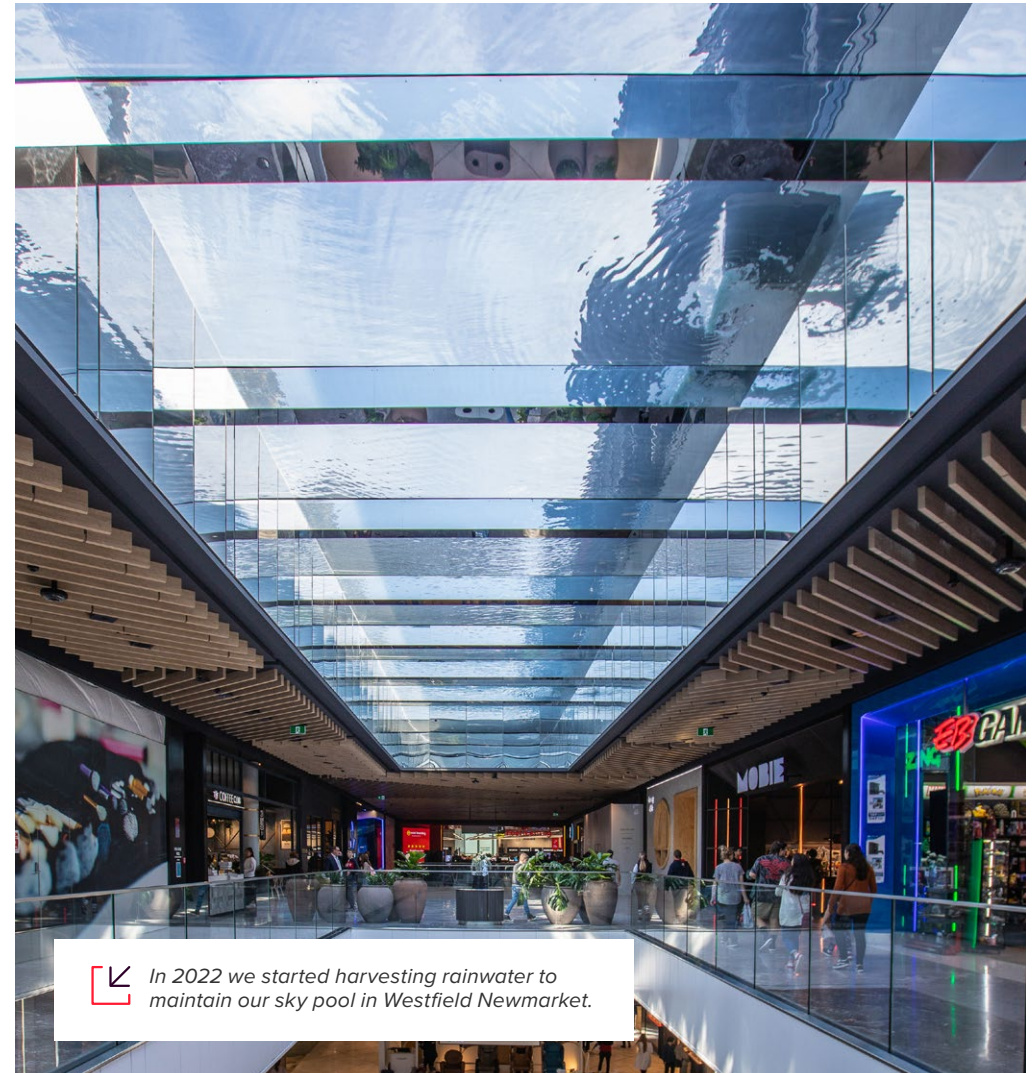
Our water use increased by **11%** in 2022 compared to 2021. However, our long-term water-use trend is downwards.

We also commenced installing additional smart metering on our high water use equipment to further enhance our ability to respond to losses and leaks, and engage with our business partners.

To achieve efficiency through design we are committed to installing water efficient fixtures and fittings in our amenities for all new developments and upgrades. We are also incorporating rainwater harvesting into developments where viable.

In 2023 we will install a rainwater harvesting tank at Westfield Knox to irrigate our native flora landscaping. We will also continue to install submetering across high-water use zones in all centres.

We will share our data insights with business partners to raise awareness of water use and explore possible reduction strategies and water recycling plans in 2023.



In 2022 we started harvesting rainwater to maintain our sky pool in Westfield Newmarket.

Water continued



CASE STUDY

Green walls at Newmarket

We have started harvesting rainwater to maintain our native green walls, rooftop gardens and sky pool in Westfield Newmarket.

As we enhance our Westfield destinations our architects are using biophilic design to bring people closer to nature, the benefits of which have been shown to enhance feelings of wellbeing and reduce stress.

When our team designed Westfield Newmarket, we incorporated seven external green walls, rooftop gardens and a sky pool to create a calming, restorative place. To create a connection to the land on which our centre sits, two green walls are planted with 100% native vegetation found around the Tamaki Makaurau coastline. We believe the larger of these two walls is the biggest native green wall in the country.

To maintain some of these green spaces and the sky pool while also reducing our environmental impact, this year, we started using five 15,000 litre rainwater harvesting tanks in the centre, allowing us to collect up to 75,000 litres of rainwater at any one time.



“We want to maintain the biophilic design elements of the centre using harvested rainwater as much as possible because it means we are creating places that connect and enrich our communities, and doing so sustainably and responsibly.”

Pete Jones,
Senior Facilities Manager

“The rainwater we harvest will water three of our green walls, our rooftop gardens and hanging baskets, as well as top up the sky pool when needed. We also believe we will harvest enough rainwater to support some of the flushing water in the amenity blocks.

“Overall, we hope to reduce our water usage and environmental impact, while continuing to create a beautiful environment for our customers and community and contributing to the local biodiversity of the area.



“Green walls are planted at a much higher density than conventional gardens on the ground and as such provide food and habitat for birds, bees and insects. I’ve even seen some birds nesting in our green walls. With our green walls now maturing, since they were originally planted in 2019, they look fantastic and their benefits will continue to be felt.”



Building, development and destinations

Decisions we make now about our destinations will have a lasting impact because the opportunity to reduce carbon within buildings is highest when considered in early planning stages. We want to create a positive legacy through our Westfield destinations.

Destination Principles

We are considering the current and long-term future needs of our customers and communities.

In 2022, our annual Strategic Asset Planning process drew upon a series of Destination Principles for the first time. These principles were developed for the purpose of informing the long-term vision for each unique Westfield destination.

How we developed these Destination Principles was unique to our organisation. In collaboration with a specialist research and design agency, we undertook in-depth research involving focus groups and interviews with a diverse range of stakeholders, across multiple regions to obtain unique perspectives on the future.

Following this research, our senior leaders created a suite of Destination Principles across four areas of opportunity:

- ① **Exploring boundaries between physical and digital worlds.**
- ② **Actively enabling wellness to support a future that makes people healthier.**
- ③ **Sustainable communities, creating a positive impact for people and the planet.**
- ④ **Connecting our destinations to a broader network of community spaces.**

Our Destination Principles will be applied by our teams in different ways so that each asset reflects the unique communities they serve, but their focus will help us plan for strategic goals beyond our business-as-usual priorities.

Addressing carbon emissions through design

We acknowledge that early decision making in the planning and design phases can greatly influence the carbon outcomes of future Westfield destinations.

With this in mind, during 2022 we researched and evaluated built form initiatives that could address our carbon reduction commitments and bring our Destination Principles to life.

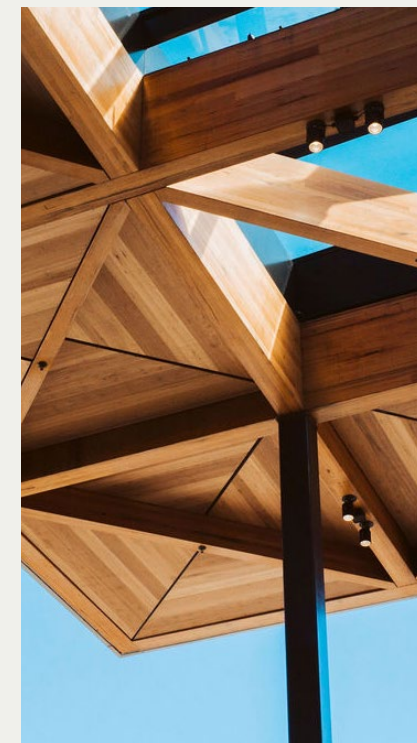
We identified and evaluated 40 initiatives that present opportunities to move towards carbon neutral and regenerative building outcomes while bringing at least one of our Destinations Principles to life.

We are now investigating 24 initiatives further to identify if we can adopt them now; other opportunities require further research or are limited to site specific opportunities.

In 2023 we will also explore the integration of sustainable elements into our Development and Design Principles and the key questions to consider throughout our development stages, alongside our Destination Principles.

Westfield Knox

At Westfield Knox, we implemented the built form initiative of using mass timber structures to reduce our reliance on concrete and steel. This resulted in a wooden skylight made from sustainably grown Victorian Ash that was locally sourced in regional Victoria.



Building, development and destinations *continued*



CASE STUDY

Introducing SkyParks gardens

In collaboration with Waverley Council, Westfield Bondi Junction introduced three SkyParks gardens.

Alison Muir, Westfield Bondi Junction Centre Manager, said: “The green spaces positively contribute to the environment while inviting customers to learn about the positive impact of greenery on our everyday lives.”

The bushtucker and coastal native gardens were created as part of the Council’s new SkyParks sustainability project aimed at cooling our cities.

“With limited ground-level space available to establish new parks or canopy, capturing opportunities to grow plants on top of built structures such as at Westfield is increasingly important.

Paula Masselos,
Mayor of Waverley

“It has been great to work with Scentre Group to investigate the benefits and performance of different vegetated surfaces, and test transferable and cost-effective ways to cool dense urban spaces and integrate more greenery into the built environment.



“We were delighted when this project won the Australian Institute of Landscape Architects Award of Excellence for Small Projects in 2022.”

Customers can visit the bush tucker garden on Level 6 and view the outdoor native garden from the Level 6 walkway.

The Gujaga Foundation contributed local Aboriginal language and cultural knowledge input from indigenous researchers, Elders and knowledge holders, including recommendations on local plants with language name uses and cultural importance, and guidance for local promotion that reflects seasonal, authentic and culturally appropriate information relevant to Country.

The project was delivered in collaboration with Waverley Council, Good Start Learning, BioFilta and UNSW. It is assisted by NSW Government and supported by Local Government NSW.

Supporting community and business partners achieve their goals

We want to create destinations that offer local communities the services and facilities they need to achieve their environmental goals.

Listening to engage and enrich

We know from asking our customers, that responsible and sustainable business practice is something they value and expect. We also know our customers have a healthy appetite to learn more about what responsible sustainable initiatives our business partners are undertaking.*

In 2022, we told our customers about our portfolio-wide progress to responsibly manage our materials, water and energy. At a local level, we also shared centre-specific initiatives.

Initiatives like Arnie's Recon electronics recycling collection days and Westfield Manukau's repurposed table tops are supported and shared through local centre digital and social channels. By engaging local communities we demonstrate what it means for us to be a responsible business, supporting and enriching a responsible community.

We know our customers also want to learn more about what our retailers are doing to reduce their environmental impact and they look to Westfield to share this information. To help, we've created [News for Better](#) – a webpage for each centre, where customers can find more about initiatives from relevant retailers, brand partners and local community members, as well as our own national and local initiatives to reduce our environmental impact.

Listening to our customers is important to us and we will continue to evolve our customer communication strategy into 2023, in line with our customers' evolving expectations.

Making sustainable choices convenient for our communities

As part of our convenience offer for communities, we continued to provide a platform for our customers to recycle over 37.5 million containers across eight NSW centres and four Qld centres. 2022 was the first year we have aligned to the Qld State government return to earn scheme.

Communities also donated 2,699 tonnes of clothing for charity and recycling across 35 centres.

In 2022 we surveyed our customers about what was important to them. Based on their responses we have set an objective to become the preferred choice in electric vehicle (EV) charging destinations.

In 2023 we will replace all our existing EV charging units to deploy consistent infrastructure across 14 Westfield destinations enabling scale of data analytics and maintenance efficiencies. We then plan to install EV charging units in additional locations and centres. Following this we will explore DC charging in regional locations requiring destinational top up charging.

37.5m
containers recycled
by local communities

2,699
tonnes of clothing donated
for charity and recycling

* Source: Westfield research community Responsible Sustainable Business Study 2022.

Supporting community and business partners achieve their goals *continued*



CASE STUDY

Community recycles electronics and appliances through Arnies Recon

Arnies Recon, a local organisation run by Lisa and Adrian Saunders, collects electronic equipment and appliances – from computers and phones to cameras, calculators and even dishwashers – and organises secure, sustainable recycling and destruction. In 2021 Arnies Recon was voted a Westfield Bondi Junction Local Hero.

To support our customers and business partners achieve their environmental goals, in 2022 we partnered with Arnies Recon to host complimentary electronics and appliances recycling collection days in Westfield Bondi Junction, Westfield Eastgardens, Westfield Chatswood and Westfield Warringah Mall.

Based on customer demand during these collection days, we now host regular collection days for our communities and business partners at Westfield Bondi Junction, Westfield Chatswood and Westfield Warringah Mall. We also have a collection day planned in Westfield Parramatta in 2023.



Lisa and Adrian Saunders.

Feedback Lisa has received from customers during our recycling days includes:

“Great service! It’s so easy to drop off and we have been looking for a way to keep our pieces out of landfill.”

“This has been really easy. Thank you.”

“We love your service.”

Planning for our future

In 2022, we developed an Integrated Environmental Plan to help prioritise initiatives that will reduce our environmental impact.

We have identified three global environmental megatrends. To help us address identified megatrends, we are focusing initiatives across five key areas that are within our sphere of control and influence. Coordinating our efforts and teams to these areas will ensure scale of impact and efficiency of resource and alignment to our net zero ambitions. Our five key areas are energy, waste, water, embodied carbon and reporting and benchmarking frameworks.

Three identified megatrends



Decarbonisation

The removal or reduction of CO₂ from the atmosphere, achieved by switching to renewable energy sources

Our approach

Continue to focus on energy efficiency and asset optimisation, renewable energy procurement and onsite generation, explore emissions associated with our embodied carbon and define our Scope 3 emissions.



Circular economy

A system where waste and pollution are designed out, products and materials are kept in high value circulation

Our approach

Consider the broader role we play in supporting our business partners and integrating circularity, recycling and operational efficiency into development and design principles.



Biodiversity

Encouraging nature to flourish and supporting balanced, healthy ecosystems

Our approach

Incorporating nature into our destinations and considering our impact on biodiversity through the management of the lifecycle of our assets – site acquisition, design, construction, and ongoing operational activities.



Climate Statement

Our Economic Performance

HIGHLIGHTS

\$1,040 million
Funds From
Operations up 20.6%



15.75 cents
distribution per security
up 10.5%



3,409
lease deals completed,
a record for our business



 **Data Pack**

UN SUSTAINABLE DEVELOPMENT GOALS



New openings

During the year we launched a range of first and new concepts into our centres. This included the opening of shopping centre first Decathlon at Westfield Miranda.

Financial performance

We are the long-term owner and operator of leading destinations. We create value and deliver long-term growth in a responsible, sustainable way.

Our business has demonstrated resilience through economic cycles, continuing to grow Net Operating Income year-on-year in the eight years Scentre Group has operated and the six decades Westfield has existed as a brand in Australia. The exception was 2020, where normal operations were impacted by COVID.

We delivered strong operational performance in 2022, driven by our proactive customer strategy to attract more people to our Westfield destinations.

In 2022, Funds From Operations was \$1,040 million (20.06 cents per security) up 20.6% and Distribution was 15.75 cents per security, up 10.5%, both exceeding guidance.

Outlook

Subject to no material change in conditions, the Group expects FFO to be in the range of 20.75 to 21.25 cents per security for 2023, representing 3.4% to 5.9% growth for the year. Distributions are expected to be at least 16.50 cents per security for 2023, representing at least 4.8% growth for the year.



Enhancing our platform

We have a unique platform, combining physical stores with an online digital presence. We enhance and grow our platform to meet customer needs.

The Westfield platform is an ecosystem that integrates our 42 Westfield destinations, with our membership program, online shopping and digital destinations.

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In 2022, customer visitation reached 480 million.

Westfield destinations

Creating the most efficient platform for businesses to connect to more customers and opening that platform to more businesses is one way we create value. As at 31 December, we have 3,600 businesses across our portfolio, representing approximately 12,000 outlets.

Strong visitation is linked to our business partners' performance and demand for leasing space and accessing customers in our destinations.

We completed a record 3,409 lease deals during the year, an increase of 912 on 2021. This included 2,232 renewals and 1,177 new merchants, of which 288 are new brands to our portfolio. This has resulted in portfolio occupancy increasing to 98.9% at 31 December 2022, up from 98.7% at the end of 2021.

The strength of our business and platform, quality of our team and strategy to activate our valuable space continues to generate long-term growth for our securityholders.

We continue to invest in our Westfield destinations to enhance the customer offer and experience.

Our \$355 million investment at Westfield Knox (SCG share: \$178 million) progressed well during the year. The new gourmet food marketplace located on Level 1 of the centre opened in December 2022 and features new Woolworths and ALDI supermarkets. The remainder of the centre including new retail experiences, a swim school, full sized basketball court, Knox public library, co-working facilities and a multi-purpose community space, will open in stages throughout 2023.

Our \$55 million investment at Westfield Mt Druitt (SCG share: \$28 million) opened in March 2022, including a new rooftop dining, entertainment and leisure precinct, featuring 15 restaurants and indoor-outdoor spaces for the community, driving improvements to visitation and dwell time.

In November 2022 we completed our \$33 million investment at Westfield Penrith, including the introduction of new casual dining experiences, a Coles supermarket and an entertainment precinct.

Our \$33 million investment in Westfield Parramatta opened in December 2022. The new fresh food precinct features Coles, ALDI, and a Tong Li supermarket.

Our future development pipeline is in excess of \$4.5 billion. Pre-development work on future developments remain underway.

Strategic customer initiatives

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Our Westfield membership program now has more than 3.2 million members, an increase of more than 1 million members for the year.

During 2022, we focused on continuing to grow our member base, particularly through in centre activations and retail experiences, including the Win at Westfield promotion, Westfield Week of Offers and other member-only rewards and competitions.

In 2023, we plan to expand the range of member benefits from our membership program, enhancing the value of membership for our customers and business partners.

We will do this in a number of ways, including expanding the experience in-centre, enhancing our members' digital experience and uplifting personalised member communications.

During 2022, we continued to onboard business partners to Direct, bringing the total number of sellers to over 400. Direct is an extension of the Westfield experience and leverages our physical locations to offer customers aggregated Click and Collect and home delivery.

Creating economic value

Every Westfield destination generates economic activity, investment opportunities and provides direct and indirect employment through operations and redevelopments.

We recognise that our economic performance may be impacted by various risk factors and we constantly assess risk factors through our enterprise risk management processes to make decisions that minimise risk to our business and are in the best long-term interests of our investors.

Supporting Australian and New Zealand local businesses

During 2022, we engaged with over 3,100 local Australian businesses and over 780 New Zealand local businesses which provided goods to the value of over \$1.5 billion.

More than 98% of our business suppliers are with locally-based Australian and New Zealand businesses, and over 52% are Australian SMEs.

We made \$14.6 million of payments to Supply Nation-accredited Aboriginal and Torres Strait Islander owned businesses in 2022.

Scentre Group top categories by spend in 2022

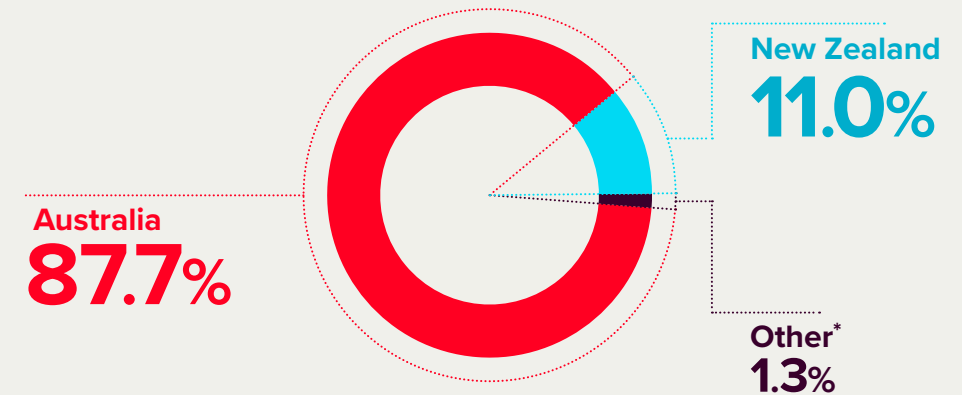
1. Construction/Maintenance (incl. Fitout)
2. Compliance (Government/Regulatory/ Insurance/Banking)
3. Labour Services (Cleaning and Security)
4. Professional Services (Technology/ Marketing/Management)
5. Utilities (Water/Energy/Waste/Telco)

Contributing to local employment

With approximately 12,000 outlets across our 42 Westfield destinations, more than 4% of people employed in retail in Australia and New Zealand work for businesses that operate within our Westfield destinations.

On average, Westfield destinations contribute more than half of the retail employment within their immediate community.

Locations of suppliers



* Includes suppliers from Belgium, Canada, China, Finland, Germany, Ireland, Israel, Netherlands, Philippines, Singapore, UK and US.

Supply chain management

We act with integrity and are committed to being a responsible business. We have strong governance frameworks.

We approach supply chain management and transparency through our approach to supplier selection, contracting and onboarding, as well as through ongoing engagement with our suppliers and their staff. This is integrated with our risk management framework, our approach to supplier due diligence and the way we conduct our operations day to day.

Supplier Code of Conduct

As part of our approach to supplier selection and contracting, we expect our suppliers to commit to our [Supplier Code of Conduct](#). For suppliers in high-risk areas such as cleaning and security, we conduct due diligence on their approach to employee conditions and modern slavery risk.

Our Supplier Code of Conduct is part of our commitment to high standards of ethical conduct and promoting and supporting a culture of ethical behaviour and good corporate governance. Through it, we seek to encourage and, where appropriate, mandate requirements to help us and our suppliers conduct business in a safe, accountable and equitable manner.

It sets out Scentre Group's expectations as to how our suppliers will address:

- diversity and inclusion
- workplace health and safety
- the environment
- labour and employment practices, including the risk of modern slavery in a supplier's operations and supply chain
- risk management
- supply chain management.

Our suppliers are required to observe this code in delivering products or services to us.

Supplier due diligence

As part of our supplier selection process, we conduct due diligence on our suppliers.

Suppliers are subject to a tender process during which we evaluate financial capacity, quality of past performance and reputational issues. We confirm key risks are addressed through contracts including work, health and safety, modern slavery, and cyber and privacy risks.

Once a supplier is selected, we closely monitor performance against contract requirements and proactively address issues as they arise. Higher risk suppliers are required to complete additional risk assessments or pre-qualification checks which may include financial, life safety, modern slavery and privacy and cyber assessments.

Suppliers are also required to have adequate insurance coverage in place.

Audit rights are embedded in several of our high-risk or high-spend supplier relationships, so we can understand the detail of our suppliers' activities if necessary.

We also complete an annual screening of all our suppliers to confirm sanctions compliance.

Speaking up

We regularly engage with our suppliers and their employees who perform work on our sites, through contract management meetings and team briefings.

Our [Whistleblower Protection Policy](#) encourages the reporting of instances of unethical, unlawful or improper conduct. This policy applies to our suppliers and employees of those suppliers. It provides an avenue for our suppliers and their employees to raise concerns about unethical, unlawful or improper conduct potentially involving Scentre Group, including through Scentre Whistleblower – a confidential and anonymous online portal.

Our Supplier Grievance Management Policy, which sets out our approach to managing grievances raised by suppliers and their employees, sits alongside this policy, and has been implemented across our centres and development sites.

Australian supplier payment code

We are a signatory to the Australian Supplier Payment Code, committing to paying eligible Australian small business suppliers within 30 days of receipt of a correct invoice or receipt of a correct product/service from the supplier (whichever is later).

Scentre Group met its obligations by reporting SME supplier payment performance under the Payment Times Reporting Scheme.

In the twelve months to 31 December 2022, 86% of all invoices and by value were paid within 30 days of receiving the invoice.

We are planning system upgrades to support continuous improvement in this area.

Supply chain management **continued**

Modern slavery

We are committed to respecting the dignity, wellbeing and human rights of our people and the communities in which we operate. This includes a commitment to playing our part in eradicating modern slavery. Our approach to engaging with the risk of modern slavery in our operations and supply chains is set out in our 2022 Modern Slavery Statement.

Representatives of key business areas periodically meet to confirm key modern slavery actions are delivered and our approach to modern slavery risk continues to be enhanced. We continue to engage with our stakeholders – for modern slavery, these include our people, suppliers, industry partners, investors and other stakeholders such as industry peers and advocacy groups – to inform our approach, and enhance and improve our disclosures and reporting.

Our 2022 Modern Slavery Statement details how we built on our 2021 actions in 2022, continuing to embed our approach across our business, including in our risk, procurement and contract management processes.

Highlights included:

- implementing our supplier grievance management policy and processes, including training sessions to over 240 customer-facing centre experience team members
- enhancing our centre-based supplier induction packs to reinforce our modern slavery risk management expectations
- engaging with our high-risk suppliers to report grievances as part of regular on and off-site meetings
- carrying out night audits and spot checks of our high-risk suppliers.

Supporting Aboriginal and Torres Strait Islander businesses

In 2022 we launched our third Reconciliation Action Plan (2022–2024), endorsed by Reconciliation Australia.

Our Reconciliation Action Plan (RAP) focuses on improving employment opportunities and economic partnerships with Aboriginal and Torres Strait Islander businesses.

We have been a corporate member of Supply Nation since 2017. In 2022, we spent \$14.6 million with Supply Nation-accredited Aboriginal and Torres Strait Islander owned businesses, up \$6.9 million on 2021. This increase is mostly attributed to our contract to ARA Indigenous Services (ARAIIS) to provide fire maintenance services, worth almost \$12 million over five-years, beginning in 2022, as well as other non-contractual services they provide.

In addition, the contract also stipulates we have Indigenous ARAIIS team members working on our account. Charlize, a proud Gangulu woman, maintains fire systems across our Westfield destinations as part of the ARAIIS team.

We also continued to focus on growing our existing Supply Nation-accredited business partnerships. Multana Property Services provides landscaping services at one of our commercial buildings in Chermide. Our landscaping needs expanded to include specialist arborist services. We successfully partnered with Multana to complete a multi-year contract to provide these additional services. This supported their business to grow, expanding their services and employing an additional team member to meet our evolving needs.

In 2023, we will continue to focus on building meaningful business partnerships with locally-based Supply Nation-accredited businesses to expand the number of Aboriginal and Torres Strait Islander businesses we engage with.



2022 Modern Slavery Statement

Benchmarking and external recognition

We align with global sustainability frameworks to support greater transparency and shareholder awareness of our progress. Being rated against our peers and competitors provides us with an opportunity to learn and improve.

The citations and awards we receive recognise our ongoing commitment to and the significant amount of work we've done to create diverse, equitable and inclusive places for our customers, communities and people.

BENCHMARKING



CITATIONS AND AWARDS



STAKEHOLDER INITIATIVES



CORPORATE REPORTING FRAMEWORKS



Scentre Group achieved an A- rating in CDPs Climate Change Survey 2022.

As of 2022, Scentre Group received an MSCI ESG Rating of AA. The use by Scentre Group of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Scentre Group by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

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About this report

Our 2022 Responsible Business Report provides a summary of overall sustainability performance from 1 January 2022 to 31 December 2022.

This report should be read in conjunction with the [2022 Responsible Business Data Pack](#) which is available online and includes our Global Reporting Initiative (GRI) Content Index, management approach and alignment to the UN Sustainable Development Goals (SDGs).

This report complements other documents in Scentre Group's (Group) annual reporting suite including our [Annual Financial Report](#), [Corporate Governance Statement](#), [Modern Slavery Statement](#), [Climate Statement](#) and [Reconciliation Action Plan](#), providing expanded disclosure on our approach to operating as a responsible business, detailing our non-financial performance, impacts and opportunities. The report has been prepared with reference to the GRI Standards.

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

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](#)
- [Past and complementary reporting](#)
- [Case studies](#)

Related policies available on our website include:

- [Code of Conduct](#)
- [Anti-Fraud, Bribery and Corruption Policy](#)
- [Diversity, Equity & Inclusion Policy](#)
- [Environmental Policy](#)
- [Human Rights Policy](#)
- [Supplier Code of Conduct](#)
- [Whistleblower Protection Policy](#)

- [Scentre Group Sustainability](#)
- [Responsible Business Data Pack](#)
- [Climate Statement](#)

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