

The background image shows a vibrant outdoor playground area. In the foreground, several children are playing in a shallow water feature with various play elements like a water wheel and a ball. Adults are supervising the children. The playground is surrounded by lush greenery, trees, and modern architectural elements like large white canopies and wooden structures. The sky is clear and blue.

SCENTRE  
GROUP

# 2018 SUSTAINABILITY REPORT

Creating extraordinary places,  
connecting and enriching communities



# About this Report

**Scentre Group's (the Group) 2018 Sustainability Report provides an account of our sustainability performance from 1 January 2018 to 31 December 2018.**

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

It includes standard disclosures, as outlined by the Global Reporting Initiative's (GRI) sustainability reporting guidelines, consistent with the principles of the GRI Standards for defining report quality: balance, comparability, accuracy, timeliness, clarity and reliability. Indicators covering greenhouse gas emissions, water, energy and waste have been externally and independently assured by EY.

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

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

- Stakeholder engagement
- Defining material issues
- Disclosing our management approach (DMAs)
- GRI Content Index
- Past reporting

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# Message from the CEO



**Scentre Group's purpose has been constant since our company was established in 2014, guiding our culture and decision-making as we have grown our business: *creating extraordinary places, connecting and enriching communities.***

As the owner and operator of 41 Westfield living centres across Australia and New Zealand, we are conscious of delivering on our purpose with a responsible business mindset and approach. This is supported by our DNA — the values that underpin our organisation.

Our Sustainable Business Framework includes four focus areas: our community, our people, our environmental impact and our economic performance. It encapsulates how we create a long-term sustainable business that satisfies the needs of stakeholders, including our employees, securityholders, retail partners, suppliers, communities and customers.

Whilst we have been delivering to internal targets for our people and environmental impact since we were established, this report marks the first year we have externally communicated targets for these focus areas. This reflects our efforts to be more transparent and create awareness of what we have achieved to date and clarity on our future priorities. In 2018 we achieved our target to reduce emissions intensity (based on Gross Lettable Area or GLA) by 25 per cent across our Australian operations ahead of our target year of 2025. We have updated this target to reduce emissions intensity by 35 per cent by 2025 portfolio-wide compared with our 2009 baseline.

During 2018, we continued to rise to the challenge of meeting customers' needs against the backdrop of a dynamic retail sector and ever-changing expectations. Advocacy for the experience we provide in our living centres has improved significantly, demonstrating that our focus on listening and responding to customers is delivering results.

One of the strengths of our business is our vertical integration. We are able to design, build, operate and market our centres with the future requirements of our customers in mind. This end-to-end approach also reflects the way we manage risks. 'People Protecting People' is embedded into our culture and encapsulates how each of our teams takes responsibility and accountability for safety. I am proud of our teams in Western Australia and Queensland who were acknowledged with awards from their respective work safety authorities.

Westfield Local Heroes was launched in 2018 to shine a light on the exceptional contribution many individuals make to the social fabric of our communities. Through this \$1.17m community recognition and grants program, we supported 117 individuals representing diverse and valuable organisations in individual communities.

Our aspiration to be 'the place where talent thrives' continues to drive strong Employee Engagement and retention, and our targets are focussed on maintaining this leadership position. We were proudly acknowledged by the Workplace Gender Equality Agency (WGEA) as an Employer of Choice for Gender Equality. We have built high levels of Employee Engagement and our Diversity and Inclusion strategy is gaining momentum across our company, as more leaders complete our inclusive management program and employees voluntarily engage in the activities of our working groups.

On a personal note, I have continued to participate in initiatives that focus on leadership engagement to support gender equality through my role as a Male Champion of Change in the property industry. Within our company, I'm pleased to report we have no pay gap for like roles by gender and females represent 41 per cent of all people managers and 26.5 per cent at senior executive level.



We reduced electricity usage across our living centre portfolio by 4.1 per cent during 2018. There are many contributing factors to this result but the most important is our people's behaviour and local decisions to ensure our assets perform more efficiently. We have continued to invest in solar energy across our portfolio and now have a generation capacity of nine Gigawatt hours (GWh) per year.

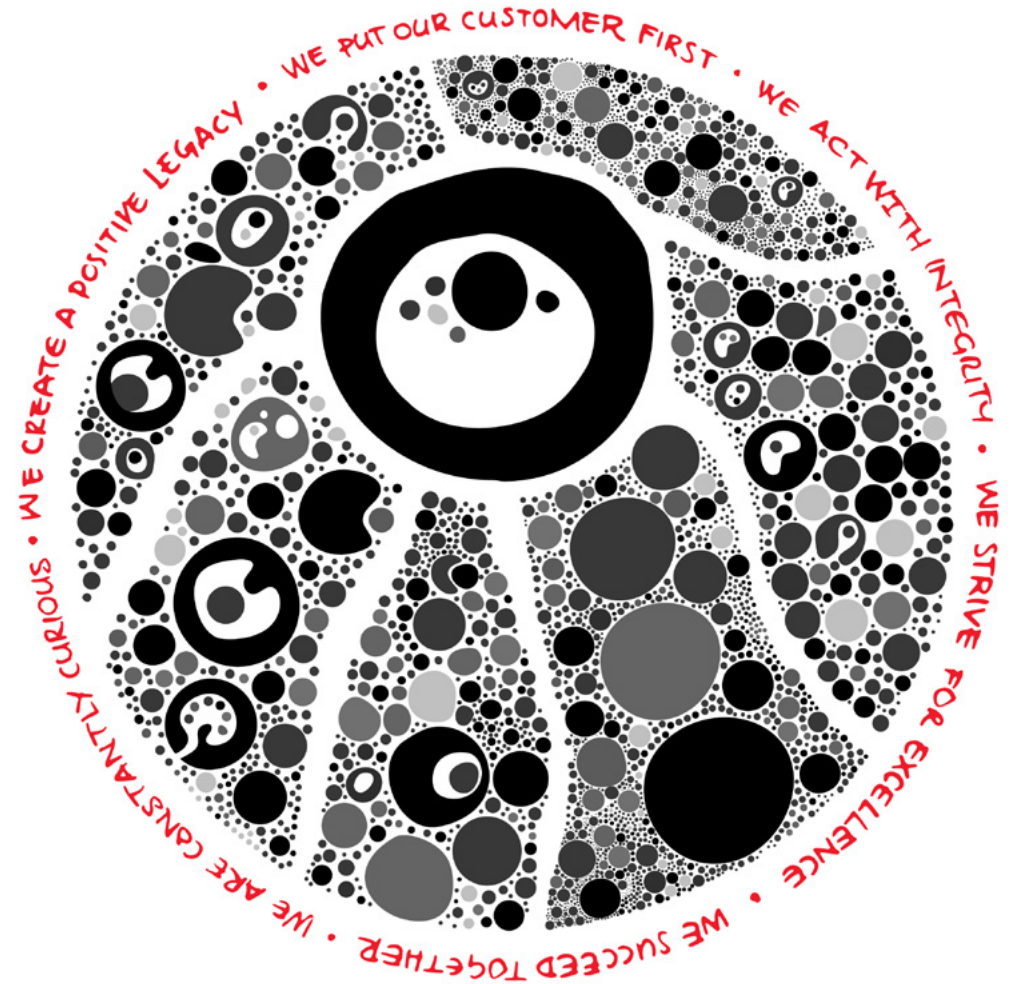
This year, we opened more than \$1.1 billion worth of development works across four Australian states, creating an estimated 15,000 jobs in construction and 1,400 permanent retail roles. A key highlight was the opening of our first greenfield centre — Westfield Coomera — on Queensland's Gold Coast.

For 2019 and beyond, I know there is more we can do. I am excited about our company's ability to remain focussed on the future, continuing to adapt to what our customers want and ensuring our centres continue to play an essential role in our customers' lives and their communities.



Peter Allen  
Chief Executive Officer

Our DNA  
Established in 2014  
Refreshed in 2018

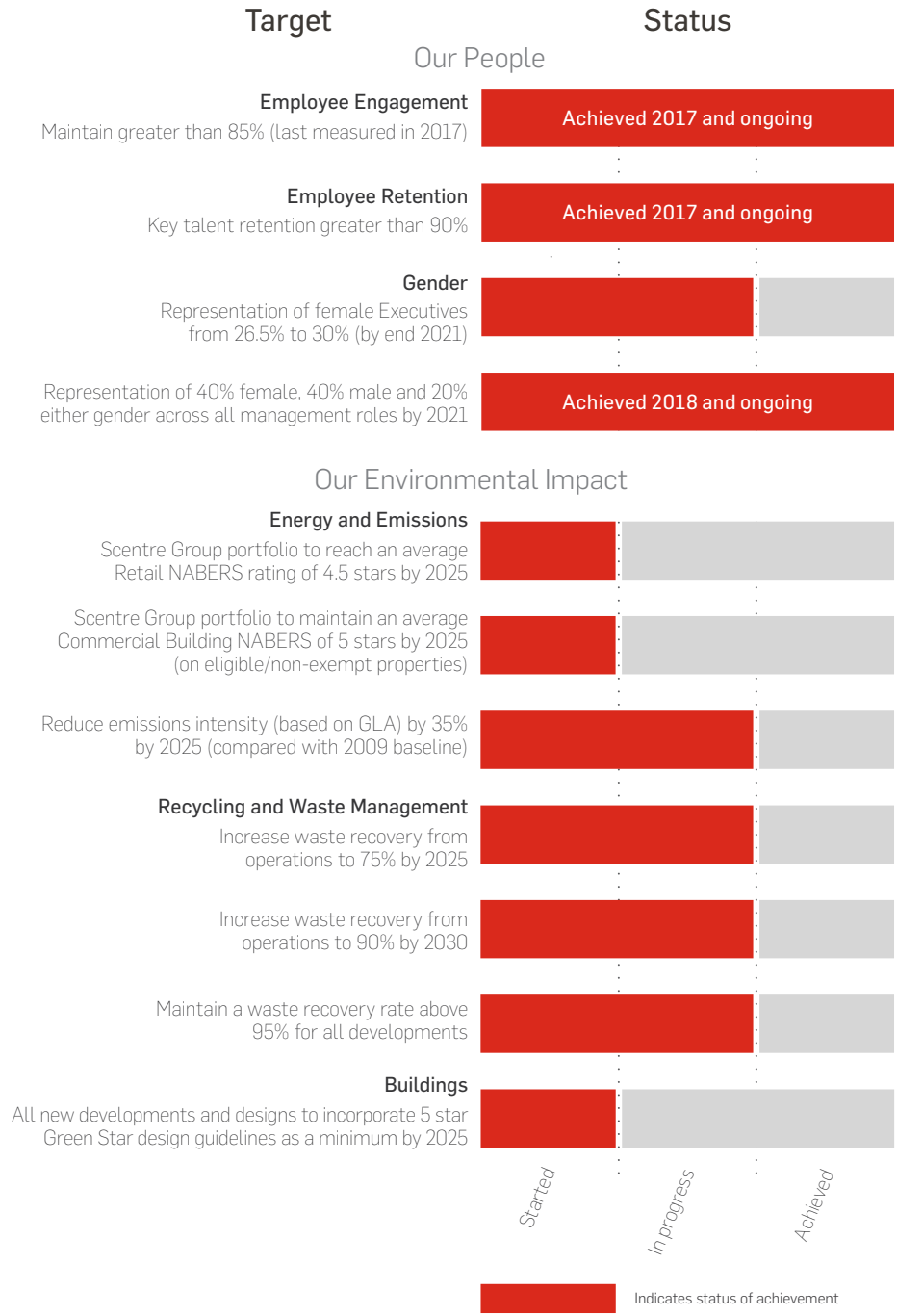






Westfield Stirling (WA), render

# Our Targets



# Scentre Group at a Glance

**11,246**

Retail Outlets

**3.6m/sqm**

GLA

**\$37.7bn**

Scentre Group Interest

**\$13.7bn**

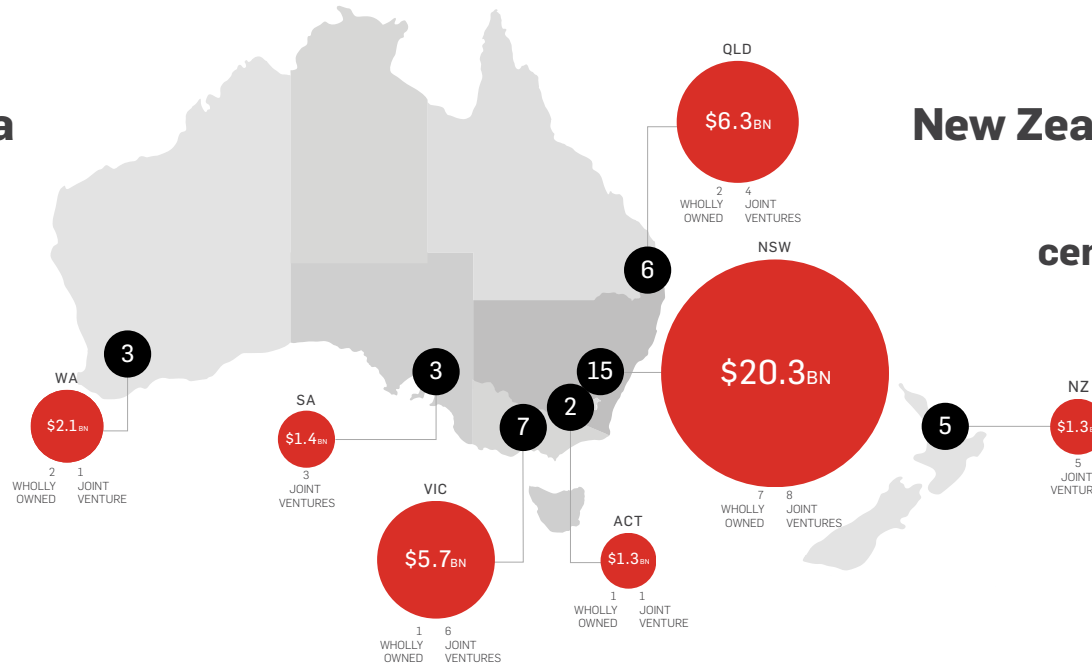
Joint Venture  
Partner Interests

**\$51.4bn**

Assets Under  
Management

**Australia**

**36**  
centres



**New Zealand**

**5**  
centres

**814**

Retail Outlets

**0.2m/sqm**

GLA

**\$1.4bn**

Scentre Group Interest

**\$1.4bn**

Joint Venture  
Partner Interests

**\$2.8bn**

Assets Under  
Management

## TOTAL AUSTRALIA AND NEW ZEALAND

# Retail Outlets	GLA	Scentre Group Interest (bn)	Joint Venture Partner Interests (bn)	Assets Under Management (bn)	Weighted Average Capitalisation Rate	Occupancy Rate
12,060	3.8m/sqm	\$39.1 <sup>1</sup>	\$15.1	\$54.2	4.76%	99.3%

<sup>1</sup> Includes construction in progress and assets held for development of \$0.8bn






# 2018 Highlights

Jobs created   
**16,400**  
**15,000** construction  
**1,400** permanent retail


  
**383**  
employee days  
used for volunteering

  
Awarded  
**BRONZE**  
at 2018 Australian Workplace  
Equality Index (AWEI) Awards

  
Endorsed by  
**WGEA**  
as an Employer of  
Choice for Gender Equality

Reduced living  
centre portfolio  
energy use by   
**4.1%**


 **117**  
Westfield Local Heroes received  
**\$10,000**, totalling **\$1.17m**

  
Dollar matched  
**\$96,478**  
employee donations

  
No pay  
discrepancies for like  
**WORK**  
between genders

  
**41 living centres**, valued at  
**\$54.2bn**  
assets under management

  
Added  
**106,000**  
sqm across our portfolio

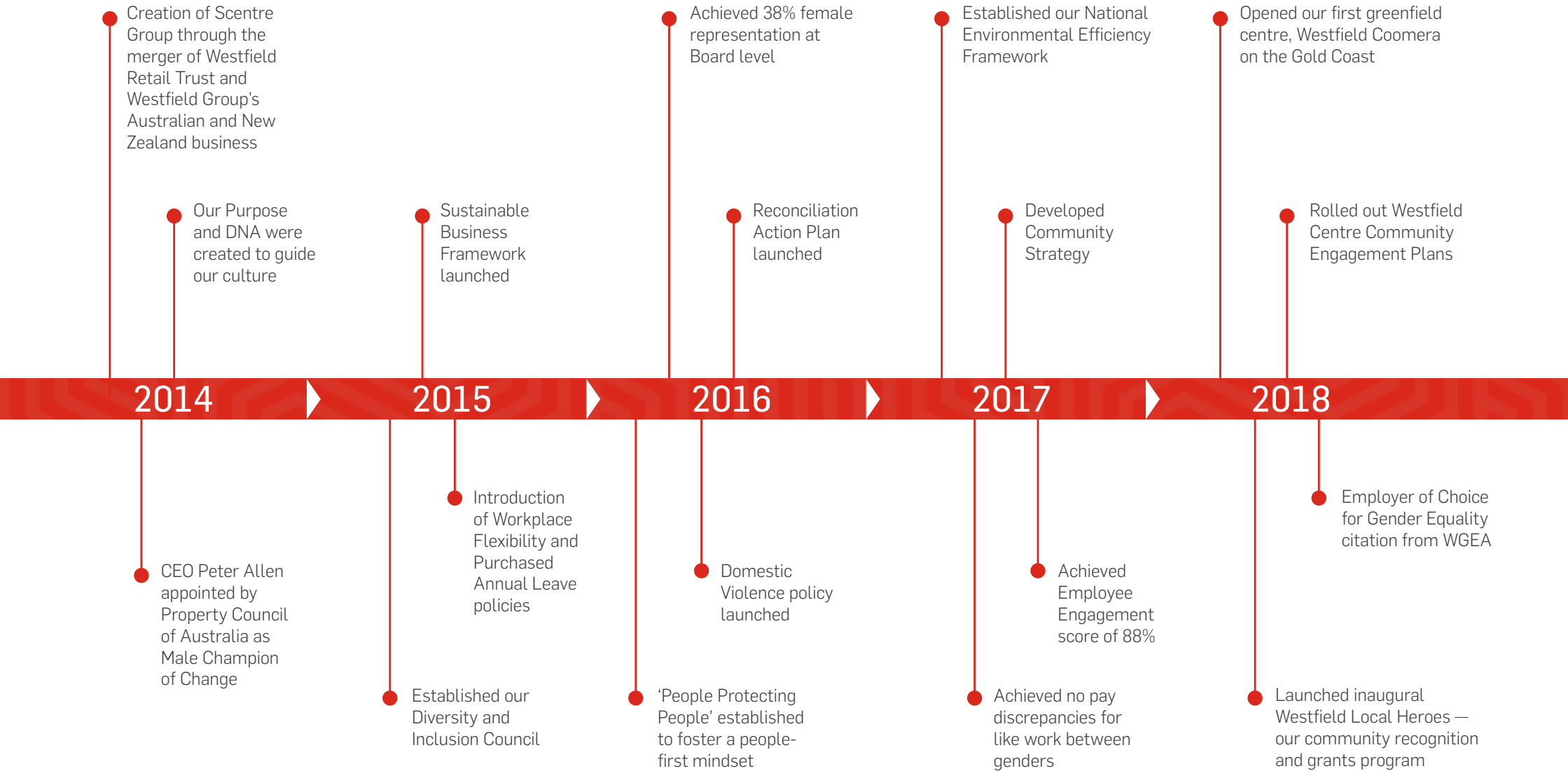
  
Solar systems at five centres,  
with a generation capacity of  
**9 GWh**  
of energy p.a.

  
**GRESB\* 2018:**  
**Performance:** 67  
(up from 63 in 2017)  
**Disclosure:** Rated B  
(global average is C)

\* GRESB (Global Real Estate Sustainability Benchmark)



# Timeline of Achievements





# Our Approach as a Responsible, Sustainable Business

Delivering our strategic priorities in a manner consistent with being a responsible business means that we aspire to connect and enrich the communities we serve, including our people, securityholders, retail partners, customers, suppliers and those who live and work in the trade areas of our living centres.

Our Sustainable Business Framework is anchored in four areas: our community, our people, our environmental impact and our economic performance.

Each of our living centres plays an integral role in the lives of our customers and broader communities, so it's important that we operate them with a responsible and sustainable business mindset.

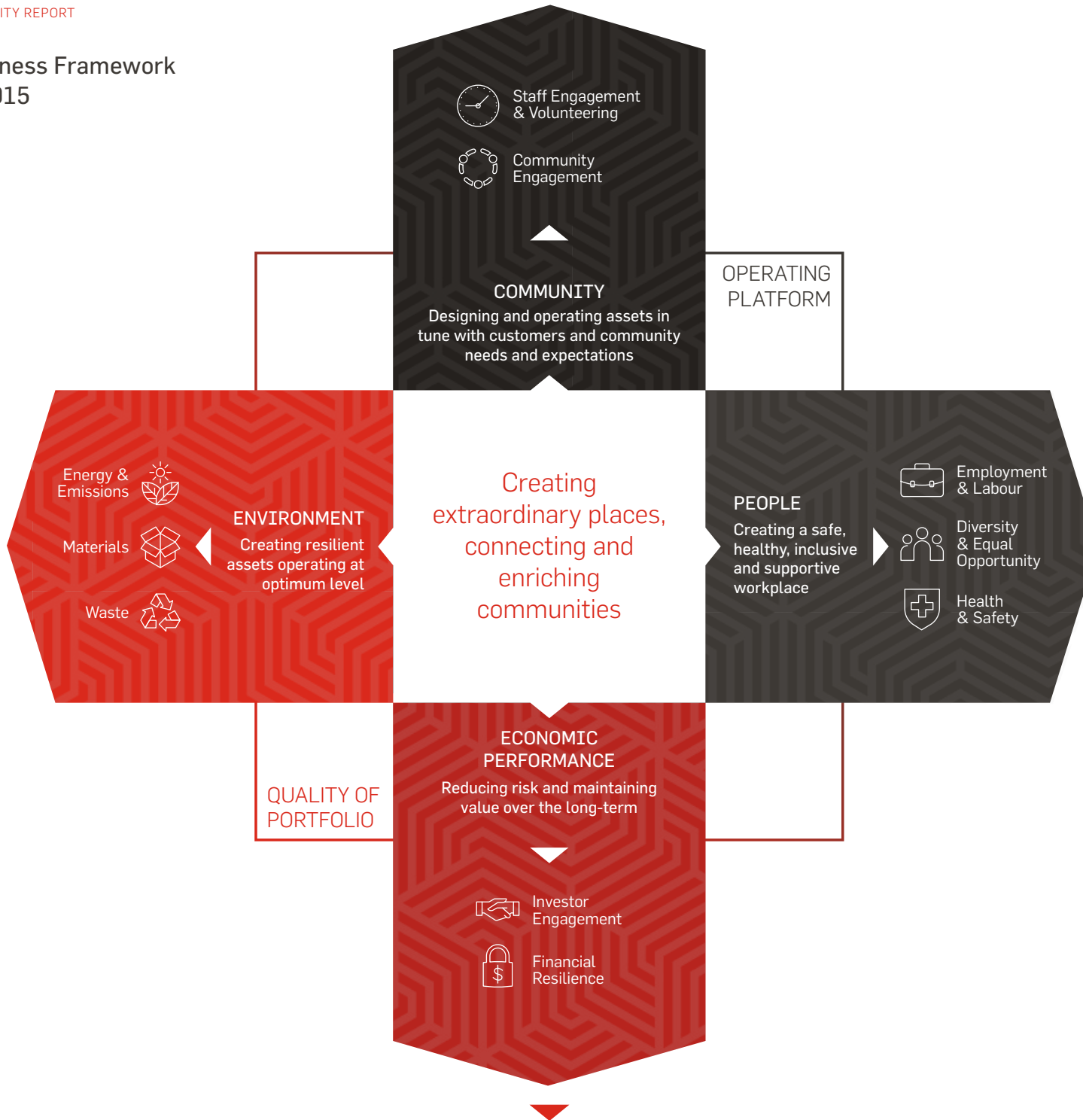
This means fostering a highly engaged workforce, operating safely and efficiently, using design and technology to conserve energy and reduce waste and delivering sustainable financial returns.

The following sections of this report share our 2018 sustainability highlights across the four key areas of our Sustainable Business Framework.



Westfield Bondi Junction (NSW)

# Sustainable Business Framework Established in 2015





# Our Community

At Scentre Group, our communities are at the heart of our organisation's purpose — creating extraordinary places, connecting and enriching communities. Our engagement with the communities we serve is fundamental to our success and contributes to strengthening social wellbeing and cohesion.

Our four community programs allow our people to connect with their communities:

- Westfield Local Heroes — our community recognition and grants program celebrates individuals who promote social wellbeing and/or harmony in our communities
- Westfield Centre Community Engagement Plans — we work with communities to cultivate living centres our communities proudly call their own
- Workplace giving and volunteering — we dollar match employee charitable donations and give our people two paid volunteer days annually
- National and State partnerships — we provide partners support through financial donations, fundraising, in-kind sponsorship and employee volunteering



**383**  
employee  
days used for  
volunteering



**117**  
Westfield Local Heroes  
received \$10,000,  
totalling  
**\$1.17m**



Dollar matched  
**\$96,478**  
employee donations



2018 Westfield Local Heroes



## Our Living Centres in the Community

### Westfield Local Heroes

In April 2018, we launched Westfield Local Heroes, our community recognition and grants program. The program celebrates individuals who promote social wellbeing and harmony in our communities across Australia and New Zealand.

We asked our communities and employees to nominate their Local Heroes. 1,037 individuals were nominated and over 77,000 votes were cast. Our 117 inaugural Westfield Local Heroes each received a grant of \$10,000, totalling \$1.17 million. Our 2019 Westfield Local Heroes program has now opened for nominations, with a funding pool of \$1.2 million available, reflecting the growth of the Westfield portfolio.



Tea Tree Plaza (SA)

### Westfield Centre Community Engagement Plans

In 2018, we developed centre engagement plans to drive community engagement. Our centre teams are active in their communities, resulting in living centres that reflect our communities' needs and create places they can proudly call their own.

In 2018, we opened four redevelopments; Westfield Carousel (WA), Westfield Kotara (NSW), Westfield Tea Tree Plaza (SA), Westfield Plenty Valley (VIC) and our greenfield centre, Westfield Coomera (QLD). We engaged with these communities to create places where people come to connect and socialise and commercial value follows naturally.

### Youth Engagement Leads to Positive Relationships

In 2018, Westfield North Lakes (QLD) partnered with YMCA's The Space program for disengaged youth to help our team develop better relationships with local youth.

The Space and Westfield North Lakes (QLD) run a monthly community BBQ to help local youth connect with role models in a safe environment, thus establishing more respectful relationships.

Our employees, retail partners and local police have seen an increase in positive behaviour among youths. Our North Lakes team, including security, supports The Space basketball competitions, and donated coins retrieved from centre ponds to fund Year 12 students' school formal.





# Our People in the Community

## Workplace Giving and Volunteering

Our workplace giving program dollar matches our employee donations and we give our people two paid volunteer days annually.

In 2018, we increased volunteering and awareness of the prevalence of domestic and family violence, through a Diversity and Inclusion focussed volunteering program. We worked with community service providers and many of our Westfield Local Heroes partners, 15 per cent of whom work with those affected by domestic and family violence.

We saw an uplift in volunteering of 211 per cent, compared to the 2017 pilot, with activities including hosting a BBQ for homeless people, packing donated items for those who need them most and preparing meals for a local women's refuge.

## National and State Partnerships

Scentre Group supports long-standing community partners, such as female footballers at all levels. Now in our 11th season of support, we have been there from the start and played a key role in the promotion and growth of women's football in Australia. We have naming rights of the Westfield Matildas, Westfield W-League, Westfield Young Matildas and Westfield Youth Championship for Girls.

In 2016, we became an accredited partner in Australia's MATES in Construction (MIC) program to help reduce high suicide levels among Australian construction workers. Similarly, the New Zealand construction industry has high suicide levels compared to other industries. In 2018, our New Zealand construction team recognised a gap in support programs and is now working with MIC Australia to help set up the program in New Zealand, with our Westfield Newmarket (NZ) development a potential pilot site.

Visit [our website](#) to read more stories about Our Community.



Westfield Young Matildas



# Our People

**Our people vision is to be the place where talent thrives.**

We are creating a diverse and inclusive culture where everyone feels safe to bring their whole selves to work. This starts with the behaviours of our leaders, inspired by our DNA. This means that our leaders are accountable for creating an extraordinary employee experience within a workplace where people can be their best selves and achieve great business outcomes.

We were endorsed by WGEA as an Employer of Choice for Gender Equality and awarded bronze status at the 2018 AWEI Awards for being one of the leading employers in LGBTI inclusion.

Our dedication to creating a strong culture of 'People Protecting People' received several industry and individual accolades.



No pay  
discrepancies for like  
**WORK**  
between genders



Awarded  
**BRONZE**  
at 2018 AWEI Awards



Endorsed by  
**WGEA**  
as an Employer of  
Choice for Gender  
Equality



Our Diversity and Inclusion Council



## Diversity and Inclusion

**Our commitment to Diversity and Inclusion is endorsed by our CEO and Executive Committee and led by our employees through seven working groups focussed on LGBTI, Mental Health and Wellbeing, Domestic and Family Violence, Gender Representation, Reconciliation Action Plan, Cultural Capability and All Abilities.**

Our Inclusive Management Program trains people managers on Diversity and Inclusion to gain inclusive communication and management skills. In 2018, we established KPIs for leaders and introduced an employee recognition award to drive an inclusive culture. Employee Engagement and leadership in Diversity and Inclusion has increased, with many employees sharing personal experiences.

Scentre Group was endorsed by the WGEA as an Employer of Choice for Gender Equality, which is a personal and business priority for our CEO, Peter Allen — a Property Male Champion of Change (PMCC) and WGEA Ambassador for Pay Equity.



NAIDOC Week event (internal)

Our achievements are:

- No pay gap for like work between genders
- Female promotion rate of 65 per cent, average female tenure of 6.1 years, vs. 5.4 in 2015
- Appointment of two additional senior females at Executive Committee level. Women now represent 41 per cent of all people managers

Recognising the work of our LGBTI Working Group, we were awarded bronze status at the 2018 AWEI Awards as leading employers in LGBTI inclusion. During 2018, we released our Reconciliation Action Plan Progress Report as an overview of the progress we've made since its launch in July 2016.

### Improving the Employee Experience

We've improved an employee's first year experience by introducing new technologies, Page Up and Enboarder.

Page Up helps prospective employees navigate our recruitment systems using mobile devices. The technology has helped improve the average time from letter of offer to applicant acceptance, from 10 to two days. Following an employees' acceptance, Enboarder delivers practical multimedia messages to mobile devices in the lead up to Day One, through their first 12 months — helping them settle in.

Many candidates said they would recommend Scentre Group as an employer. Our Candidate NPS in 2018 was 89 per cent, up from 69 per cent in 2017.

## Employee Engagement

In 2017, our engagement score was 88 per cent favourable, placing us within the top 2 per cent of organisations globally. While our next survey is due in 2019, other measures tell us we've maintained robust Employee Engagement levels:

- 2018 retention rate was 97 per cent
- 92 per cent of leavers are open to returning
- Candidate NPS is 89 per cent

Our CEO, Peter Allen, dedicates significant time to Employee Engagement. Peter hosts quarterly new-starter welcome breakfasts, and travels to Australia and New Zealand to meet all new team members. He hosts lunches for new parents on leave, ensuring they remain connected, regular informal lunches with employees and bi-annual 'Team Talks' with the full workforce, with presentations broadcast live nationally.



Our Mental Health and Wellbeing Working Group

## People Protecting People

Our culture of 'People Protecting People' ensures that our centres are safe places for our people and our communities. Since launching 'People Protecting People' in 2016, our employee LTIFR<sup>1</sup> has stayed low, currently 2.7. Over the same period, the number of employee injuries that resulted in five or more days off work has fallen by 71 per cent. In 2018, we received several accolades, highlighting that we're leading the way on safety.

Our Design and Construction (D&C) team at Westfield Carousel (WA) was awarded WorkSafe's Platinum Certificate, two employees at Westfield Kotara (NSW) were recognised as ambassadors for MATES In Construction and the Westfield Coomera (QLD) D&C team received the Workplace Health and Safety Queensland Safe Work and Return to Work Award.

In 2018, our Mental Health and Wellbeing Working Group's national RUOK? campaign reached around 6 million people through our living centres and secured RUOK? media partner status.

Visit [our website](#) to read more stories about Our People.

<sup>1</sup> LTIFR means lost time equal to or greater than five days.



# Our Environmental Impact

Central to our Sustainable Business Framework is preserving resources for future generations and leaving a positive legacy.

We continue to reduce our energy consumption, build our assets to be climate resilient, divert waste from landfill and promote recycling.

In 2018, we reduced our electricity use<sup>1</sup> by 4.1 per cent and carbon emissions by 4.6 per cent for our living centre portfolio. Through our influence, retail partners reduced their annual energy use by 5.4 per cent.

Scentre Group is actively designing developments to be climate resilient. In 2018, we undertook a portfolio scenario analysis.

We reduced our total construction waste by 32 per cent and increased our recycling rate of building materials to 99.8 per cent.



Solar systems at five centres, with generation capacity of

**9 GWh**  
of energy p.a.



**GRESB**  
**2018:**

**Performance:** 67  
(up from 63 in 2017)  
**Disclosure:** Rated B  
(global average is C)



Reduced living centre portfolio energy use by

**4.1%**



Westfield Coomera (QLD)

<sup>1</sup> Electricity consumption provided is for Scentre Group Shopping Centres portfolio only and excludes electricity from construction and marketing.



## Energy and Emissions

In 2018, our portfolio emitted 282,342 tonnes of carbon emissions for Scope 1 and 2, with electricity representing 93.5 per cent of total Scope 1 and 2 emissions. We set a target for our Australian operations to reduce our emissions intensity by 25 per cent from our 2009 baseline year. We achieved a 29 per cent reduction, despite an 11.7 per cent increase in GLA. We have updated this target to reduce our emissions intensity by 35 per cent by 2025, portfolio-wide (compared with our 2009 baseline).

In 2018, our centres implemented initiatives recommended through our National Environmental Efficiency Framework, reducing electricity use<sup>1</sup> by 4.1 per cent. We reduced carbon emissions by 4.6 per cent — equivalent to the amount of energy used by almost 1,500 family homes or the emissions produced from over 2,000 cars driven annually.

Westfield Penrith (NSW) reduced electricity use by 13.6 per cent and Westfield Geelong (VIC) by 11.4 per cent from tuning their Building Management System, improving lighting schedules and adjusting temperature set points.

Centres can access a dashboard that tracks energy consumption, and a digital platform, Maintenance Connection, captures asset equipment performance data for analysis and optimisation.

Our solar systems at Westfield Marion (SA), Westfield Plenty Valley (VIC), Westfield Carousel (WA), Westfield Kotara (NSW) and Westfield Coomera (QLD) have a generation capacity of 9 GWh per year and are contributing to a reduction in carbon intensity. Some weeks, Coomera's solar generation accounts for over half of the centre's peak electrical load.



Westfield Penrith Plaza (NSW)

<sup>1</sup> Electricity consumption provided is for Scentre Group Shopping Centres portfolio only and excludes electricity from construction and marketing.

# Waste

**Annually, our living centres produce around 49,595 tonnes of general waste, 27,399 tonnes of recycled waste and 10,000 tonnes of organics.**

In 2018, we reduced our construction waste by 32 per cent and achieved a recycling rate of 99.8 per cent for developments. The cost of disposing waste to landfill continues to increase and Australian companies can no longer rely on China as a recycled waste income source. Only four waste contractors are of sufficient scale to service our portfolio's waste needs.

When our five-year waste contract came up for renewal in July 2018, we looked for innovative providers to engage proactively to improve retail partners' waste management. We've partnered with two providers to engage proactively with us and help improve retail partners' waste management. Although it's too soon to show quantitative improvements, we've had some early wins.

Our compactor technology advises us when bins are full, decreasing fuel emissions from unnecessary truck pick-ups. Weight technology identifies the volume of waste retail partners place in compactors, providing data for incorrect waste separation. One provider will send our waste to their Processed Engineered Fuel facility next year to be turned into fuel, instead of going to landfill.

Across our portfolio of 41 living centres in Australia and New Zealand, we carefully curate the right mix of product, service and experience, tailored for each living centre. In 2018 we introduced 437 new brands to our portfolio and many of our retail partners evolved and innovated to create engaging and extraordinary customer experiences. We work closely with our retail partners to minimise waste — including during the construction of shop fit-outs by encouraging reuse of major fit-out components and materials from existing fit-outs. This has reduced the amount of waste being sent to landfill and has saved the energy used in the production of new materials that would have otherwise been used in fit-outs.

Visit [our website](#) to read more stories about Our Environmental Impact.

Please refer to page 5 of this report for the targets we have set to improve our recycling and waste management.

## Climate Resilience

**In 2018, we engaged an external consultant to undertake a portfolio-wide climate scenario analysis and risk assessment. This included an assessment of our portfolio's exposure to historic and future climate extremes, as well as asset-level analysis on specific climate variables.**

In our annual Carbon Disclosure Project (CDP) submission, we responded to the Task Force on Climate-Related Financial Disclosures (TCFD). Our benchmarked performance was higher than the average respondent in our sector and region.

We consider our portfolio-wide level of risk to be 'low' based on this scenario analysis as well as additional internal analyses conducted during the year.

In 2019, subject matter experts will help to identify and prepare our portfolio for any operational impacts and to ensure our centres are climate resilient. The analysis will be conducted down to centre level to provide a centre-based vulnerability score and adaptation plan for any asset that is rated as vulnerable.



# Our Economic Performance

Scentre Group delivers solid financial results for securityholders, underpinned by strong operating performance. Our responsible business approach helps us to deliver long-term, sustainable returns for our securityholders, with an enduring responsibility to deliver growth and create a positive legacy.

Scentre Group's 2018 results reflect strong financial performance and optimal capital structure.

Our pre-eminent living centre portfolio now includes 41 Westfield centres across Australia and New Zealand, valued at \$54.2 billion, around 11,500 outlets, more than 3.7 million sqm of retail space and a future development pipeline in excess of \$3 billion.

We opened four redevelopments across Australia — Westfield Carousel (WA), Westfield Kotara (NSW), Westfield Tea Tree Plaza (SA) and Westfield Plenty Valley (VIC) — and a new greenfield centre, Westfield Coomera (QLD). Collectively, these developments added 106,000 sqm to the portfolio. In July 2018, Scentre Group also acquired a 50 per cent interest in Westfield Eastgardens (NSW) in Sydney's south-eastern suburbs.

Our centres stimulate significant local economic activity and improve the quality of local infrastructure and social amenities. This year, our development program generated almost 15,000 jobs in construction, with a further 1,400 permanent roles in retail.



Added  
**106,000**  
sqm across our portfolio



Jobs created  
**16,400**  
15,000 construction  
1,400 permanent retail



**41 centres**, valued at  
**\$54.2bn**  
assets under management



Westfield Plenty Valley (VIC)



## Financial Resilience

**Imperative to our financial resilience is meeting the current and future needs of local communities. Our living centres are the heartbeat of our communities, for people to connect with others, not just to shop.**

Scentre Group owns seven of the top 10 centres in Australia and four of the top five in New Zealand.

During 2018, we introduced 437 new brands to our portfolio, and 317 existing brands grew their store network with us. This demonstrates the important role of physical stores in attracting and retaining customers, building brand advocacy and influencing sales in-store and online.

More than 35 per cent of the stores across our platform are experience-based offerings, providing retail services and experiences like dining, entertainment, health, fitness and beauty services, which can only be consumed on-site.

Westfield Coomera (QLD), our first greenfield development, opened in October 2018. More than 40 per cent of the centre is dedicated to experience offers, including dining, leisure, entertainment and services, with a featured outdoor space for families, The Backyard.

Our redevelopment at Westfield Carousel (WA) opened in August, delivering an open-air rooftop dining and entertainment precinct for customers. Westfield Kotara (NSW) launched a Youth and Urban precinct as part of its redevelopment in October, and Westfield Tea Tree Plaza (SA) unveiled a new dining and leisure precinct.

To reduce our carbon intensity and energy costs over time, as well as respond to a changing climate, we installed new solar systems to Westfield Plenty Valley (VIC), Westfield Kotara (NSW) and Westfield Coomera (QLD), bringing our renewable generation capacity to 9 GWh per year.



## Investor and Industry Engagement

Through our Continuous Disclosure and Communication policy, we provide investors and the market with high quality, relevant, accurate and objective information. We provide timely communications, ensuring the Group's securities trade in a market that is efficient, competitive and informed.

We provide regular updates on financial performance and strategic priorities through investor roadshows, the annual general meeting, half-yearly results presentations, media announcements, webcasts and one-on-one investor meetings. During the year, our investors toured select Australian and New Zealand centres. We communicate regularly with our joint-venture partners, responding to information requests and reporting on the environmental performance of our assets.

50.3 per cent of securities are held in Australia, 7.4 per cent in the UK, 8.09 per cent in Europe (ex UK), 21.43 per cent in North America, 5.77 per cent in Asia, and 1.31 per cent in the rest of the world.

We report on sustainability and participate in investor-led sustainability surveys annually. The GRESB ranks our performance on environmental, social and governance aspects against industry and geographical peers. The CDP survey discloses to investors our climate-related risks, opportunities and performance. Our 2018 CDP benchmark showed that we are performing higher than the average respondent by sector and region.

In 2018, our CEO, Peter Allen, was re-elected Chairman of the Shopping Centre Council of Australia. With the retail sector under constant change, ensuring the industry is in-tune with emerging policy, regulatory drivers and trends, is critical.

Visit [our website](#) to read more stories about Our Economic Performance.



Westfield Stirling (WA), render

## Resilience through Innovation

**As digital disruption transforms our customers' retail experience, innovation is critical for our continued success.**

We partnered with human-centred design firms, entrepreneurs and venture capital investors to drive Ad Astra, our innovation program. The brief was to design new business ventures to deliver extraordinary customer experience and future growth.

Following a competitive process, five of our most innovative thinkers participated in a 14-week innovation sprint. Presenting their technology ideas, three were shortlisted for potential incubation. One venture, WhatsMine, unlocks customer rewards from multiple membership and loyalty programs. Released to market in December, the app has been well received by customers and our partners.





SCENTRE  
GROUP

# 2018 SUSTAINABILITY REPORT

Performance Data Pack



# Sustainability Performance Data Pack

The environmental, social and economic metrics reported in this Sustainability Performance Data Pack are absolute measurements of the managed operations of Scentre Group in 2017 and 2018.

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

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

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

The organisational and reporting boundaries, criteria and methodologies used for each indicator externally assured are defined in this report where specific organisational and reporting boundaries, criteria and methodologies have been applied. The table on page 27 provides an overview of the reporting boundary for each of the material issues and the inclusion of activity data from various areas of the business (internal boundary) or activity data including data from third parties such as retail and contractors (external boundary).

Scentre Group's 2018 Sustainability Performance Data Pack was developed in alignment with the GRI sustainability reporting guidelines, consistent with the principles of the GRI Standards and the GRI G4 Construction and Real Estate Sector Supplement.



Westfield Chermside (QLD)



# Boundaries

## Interpretations relating to operational boundaries

Retail partners' electricity and gas consumption: Scentre Group has adopted the position that individual tenancies, where separately metered by the electricity or gas provider within Scentre Group living centres, are treated as separate facilities and will not be included in the calculations of Scentre Group's Scope 1 and Scope 2 greenhouse gas (GHG) emissions.

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

## Design and Construction (D&C) emissions

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

Scentre Group includes the activities of D&C third-party contractors for the top 10 major projects by spend in the reporting period.

### Fuel emissions

For Australia, D&C transport and stationary fuel consumption (Scope 1) were estimated based on contractor declarations from Kotara (NSW), Carousel (WA), CBD Retail and Tea Tree Plaza (SA) projects. In the case of New Zealand, estimations were based on contractor declarations from Newmarket Project (the only major project in 2018 for New Zealand). Where data was not provided for certain fuel sources relating to Newmarket (NZ), the contractor data for Carousel (WA) was used to extrapolate total estimated usage based on the project spend for the year and similar project delivery characteristics.

## Electricity and natural gas emissions

For Australia, D&C electricity usage (Scope 2) and gas usage (Scope 1) were estimated based on actual usage data from meters at Kotara (NSW), Coomera (QLD), Carousel (WA) and Plenty Valley (VIC) projects. Where data was not provided for electricity and gas relating to Newmarket (NZ), the contractor data for Carousel (WA) was used to extrapolate total estimated usage based on the project spend for the year and similar project delivery characteristics.

### Total emissions

For Australia, D&C total emissions are estimated through extrapolating the data above, based on the average quantity consumed per dollar (\$) project spend by state considering the top 10 major projects by spend.

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

$$\begin{array}{l} \text{i.e. Average Qty per \$ of} \\ \text{Total Project Spend (A)} \end{array} \begin{array}{c} \text{=} \\ \text{=} \end{array} \frac{\text{Total Qty Consumed}}{\text{Total Project Spend \$}} \\ \text{Estimated Qty Consumed} \begin{array}{c} \text{=} \\ \text{=} \end{array} \text{A x Annual Project Spend \$}$$

### Waste

For Australia, D&C waste volumes were estimated based on information provided by D&C third party contractors from the Carousel (WA), Kotara (NSW) and Tea Tree Plaza (SA) projects. Data was extrapolated for the top 10 major projects by spend, based on the average quantity of waste generated per project per \$, by state.

In the case of New Zealand, waste volumes were estimated based on information provided by contractors for the Newmarket (NZ) project.

## Boundaries continued

### Applicable legislation

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

### Organisational boundaries

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

### Scope 1 emissions

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

### Scope 2 emissions

Sources include electricity consumed in living centre common areas, design and construction sites, leased areas in commercial buildings for the purposes of Scentre Group administrative activities and common areas of commercial buildings that are not tenanted by Scentre Group but where Scentre Group has operational control.

### Scope 3 emissions

Sources include electricity, natural gas and fuel (stationary and transport) transmission and distribution losses, employee commute emissions, solid waste disposal to landfill (living centre operations only), air travel, taxi travel, mileage and car hire. Scope 3 emissions factors for car hire, reimbursed mileage, air travel and employee commute have been obtained from the Department for Environment, Food & Rural Affairs Emissions Factors excel file for 2018. Taxi emissions factors have been obtained from the New Zealand Ministry for the Environment 2016 — Guidance for Voluntary Corporate Greenhouse Gas Reporting: Data and Methods from the 2014 calendar year. Other Scope 3 emissions factors were obtained from the Clean Energy Regulator's National Greenhouse Accounts Factors, July 2018.

### Waste

Scentre Group reports on whole building waste generation, which includes waste generated by our retail partners, with the exception of major retail partners, who report separately on their generated waste. Scentre Group also reports waste generated from D&C projects, which is estimated based on contractor declarations (similar to Scope 1 emissions for D&C).

### Water

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

### Energy production

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



# Data Sources

## Transport fuels

10 months of actual information from fleet reports and expense management reports and two months of extrapolated data.

## Stationary fuels

10 months of actual quantities based on contractor and third-party reports, as well as actual information from expense management reports and two months of extrapolated data.

## Refrigerants

Actual quantities contained on site for all units confirmed by third-party contractors.

## Synthetic gases

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

## Electricity

Actual data obtained from utility providers.

## Natural gas

10 months of actual data obtained from utility providers and two months of extrapolated data.

## Water

For the majority of our sites, 10 months of actual data obtained from utility providers and two months of extrapolated data. For a number of sites — six to nine months of actual data obtained from utility providers with the remaining data extrapolated due to the billing frequency nature (quarterly or bi-annually).

## Employee commute

Survey conducted in January 2015 across all Australia and New Zealand employees extrapolated to 2018 employee headcount.

## Air travel

11 months of actual data from travel services agent obtained with the remaining one month data extrapolated.

## Taxi and car hire

Actual data from expense management reports and car hiring agency.

## Waste

Actual tonnage reports from service provider.

## Electricity production

For electricity produced by our solar systems, actual data was obtained from meter readings. Electricity produced by our Sydney tri-generation plant includes six months of actual data with seasonal extrapolation estimates for the remaining six months.



## Community: Australia

**Table 1: \$ million funded**

2018

\$m funded

Details

From 2008 to 2016, Scentre Group fundraised and matched a total of \$17.13m to support charity partners in the disability sector. In 2017, Scentre Group donated \$1.76m to these charity partners as we explored a new approach to partnering and engaging with our communities. In 2018, Scentre Group launched its new Community Engagement Strategy, delivered through four key programs:

- Westfield Local Heroes — our community recognition and grants program provided \$1.17m worth of grants to 117 community organisations in 2018. The funding enables these organisations to continue their work to promote social wellbeing and harmony in their local regions.
- Westfield Centre Community Engagement Plans — we work with our local communities to discover, celebrate and contribute to what is important to them.
- Workplace giving and volunteering — we dollar match employee charitable donations and give our people two paid volunteer days annually.
- National and State partnerships — we work with partners to deliver shared value outcomes and provide support through financial donations, fundraising, in-kind sponsorship and employee volunteering.

1.17

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

Reporting period

\$ raised

SG \$ matched

Total (\$)

2018

96,478

96,478

192,954

2017

77,108

77,108

154,216

2016

44,838

44,838

89,676

2015

56,732

45,699

102,431

2014

44,468

35,220

79,688

**Table 3: Volunteering days**

Reporting period

Number of days

2018

383

2017

271

2016

369

2015

408

2014

471



## People: Employee Statistics

**Table 1: Employment type and contract 2018 and 2017**

Employment type / Contract	2018		2017	
	Headcount	Percentage	Headcount	Percentage
Full time	1,682	58%	1,738	62%
Casual	895	31%	760	27%
Part time	204	7%	233	8%
Temporary	105	4%	95	3%
<b>Total</b>	<b>2,886</b>	<b>100%</b>	<b>2,826</b>	<b>100%</b>

**Table 2: Employees and contractors by country at 31 December 2018 and 2017**

Employment type	2018			2017		
	AU	NZ	Total	AU	NZ	Total
Employees	2,595	291	2,886	2,585	241	2,826
Contractors	4,032	270	4,302	3,157	198	3,355

**Table 3: Employee totals, new hires and departures in year by gender, age group and country 2018 (2017 data on following page)**

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

\* Including casuals, excluding independent contractors.

**Table 4: Employee totals, new hires and departures in year by gender, age group and country 2017**

	Employee headcount (at 31 December 2017)	Total number of new employee hires during the year*	Rate of new hires	Total number of employees who left employment during the year*	Rate of employees leaving employment
< 30 years	857	396	14%	267	9%
30-50 years	1,489	273	10%	301	11%
> 50 years	480	66	2%	111	4%
Male	1,340	310	11%	347	12%
Female	1,486	425	15%	332	12%
Australia	2,585	673	24%	604	21%
New Zealand	241	62	2%	75	3%
<b>Total</b>	<b>2,826</b>	<b>735</b>	<b>26%</b>	<b>679</b>	<b>24%</b>

\* Including casuals in Australia, excluding independent contractors.

**Table 5: Employee totals, Gender ratio by employee category 2018 and 2017**

Employee categories	Gender	% of employees by gender for employee category	
		2018	2017
Senior managers (M1 and above)	Male	9%	9%
	Female	2%	2%
Managers and professionals	Male	53%	54%
	Female	39%	40%
Support	Male	38%	37%
	Female	59%	58%

**Table 6: Employee benefits**

Emotional wellbeing	Physical wellbeing	Social wellbeing	Financial wellbeing
<ul style="list-style-type: none"> <li>Employee assistance program (emotional and counselling support and additional services)</li> <li>Flexible working arrangements</li> <li>Ability to purchase additional annual leave****</li> <li>Volunteer days: two days per annum^^</li> <li>Sabbatical leave*</li> <li>MATES in Construction**</li> </ul>	<ul style="list-style-type: none"> <li>Discounted gym memberships</li> <li>On site heart health checks</li> <li>On site flu vaccinations</li> <li>On site massages via BUPA</li> <li>BUPA Corporate health insurance rates</li> <li>Stepping Challenge</li> <li>Flexible work hours to allow for physical activity</li> <li>Naturopath monthly newsletters</li> <li>Safe work practices</li> <li>Skin checks**</li> <li>Quit smoking program**</li> <li>Provision of sanitary products***</li> <li>Access to showers***</li> <li>Bicycle storage facilities***</li> <li>Executive health checks</li> <li>SiSu Wellness Health Station***</li> </ul>	<ul style="list-style-type: none"> <li>Workplace social events (team building events)</li> <li>Flexible working arrangements</li> <li>Volunteer days: two days per annum^^</li> <li>Collaborative spaces and kitchen hubs***</li> <li>Parents at work portal^</li> <li>Forums and coaching support for parents returning to work^</li> <li>Annual Christmas party</li> <li>Ability to purchase additional annual leave****</li> </ul>	<ul style="list-style-type: none"> <li>Salary packaging (novated leases, laptops, mobiles)****</li> <li>Paid parental leave and return to work entitlements^</li> <li>Salary continuance via AMP Corporate Super Fund^^</li> <li>Refer-a-friend incentives^</li> <li>Study assistance and study leave^</li> <li>Paid superannuation while on unpaid parental leave^</li> <li>One-on-one superannuation 'health' checks with AMP</li> <li>Qantas points for business travel retained by the individual</li> <li>Workplace banking with CBA, including private banking offer</li> <li>Aussie Home Loan discounts</li> <li>Select retail offers</li> <li>Service recognition — 10, 15, 20, 25, 30, 40+ years</li> </ul>

Benefits are available to all employees except as noted below:

\* Permanent employees only

\*\* Employees in design and construction sites only

\*\*\* Employees in support office only

\*\*\*\* Salaried paid permanent employees only

^ Excluding casuals and fixed term employees

^^ Excluding casuals



## People: Parental Leave

**Table 7: Total number of employees who took parental leave, by gender 2018 and 2017**

Gender	2018		2017	
	Total number of employees who took parental leave in 2018		Total number of employees who took parental leave in 2017	
Male	13		3*	
Female	67		61*	
<b>Total</b>	<b>80</b>		<b>64</b>	

\*CY17 'Total number of employees who took parental leave in 2017' was incorrectly reported in 2017 Performance Data. Male has been re-stated from 61 to 3 and Female from 3 to 61.

**Table 8: Total number of employees who returned to work after parental leave ended, by gender 2018 and 2017**

Gender	2018			2017		
	Total number of employees whose parental leave ended in 2018	Total number of employees who returned to work after parental leave ended in 2018	Return to work rate (%)	Total number of employees whose parental leave ended in 2017	Total number of employees who returned to work after parental leave ended in 2017	Return to work rate (%)
Male	8	7	88%	4	4	100%
Female	62	58	94%	55	46	84%
<b>Total</b>	<b>70</b>	<b>65</b>	<b>93%</b>	<b>59</b>	<b>50</b>	<b>85%</b>

**Table 9: Total number of employees who returned to work after parental leave ended who were still employed 12 months after their return to work, by gender 2018 and 2017 (NB: One year lag)**

Gender	2017→2018			2016→2017		
	Total number of employees who returned to work from parental leave in 2017	Total number of employees who were still employed 12 months after they returned to work	Retention rate (%)	Total number of employees who returned to work from parental leave in 2016	Total number of employees who were still employed 12 months after they returned to work	Retention rate (%)
Male	4	2	50%	2	2	100%
Female	46	43	93%	48	42	88%
<b>Total</b>	<b>50</b>	<b>45</b>	<b>90%</b>	<b>50</b>	<b>44</b>	<b>88%</b>

**Table 10: Number of employees initiating parental leave during the years 2014–2018**

	2014	2015	2016	2017	2018	2014–2018
Employees who went on leave	50	46	66	64	80	<b>306</b>
Employees who returned from leave	46	39	56	53	14	<b>208</b>
Employees who terminated	4	7	10	3	1	<b>25</b>
Employees still on leave	0	0	0	8	65	<b>73</b>

**Table 11: Percentage of employees initiating parental leave during the years 2014–2018**

	2014	2015	2016	2017	2018	2014–2018
Employees who returned from leave	92%	85%	85%	83%	18%	<b>68%</b>
Employees who terminated	8%	15%	15%	4%	1%	<b>8%</b>
Employees still on leave	0%	0%	0%	13%	81%	<b>24%</b>

## People: Training

**Table 12: Hours devoted to training personnel, by gender 2018 and 2017**

Gender	2018		2017	
	Total number of hours devoted to training personnel	Average training hours per employee*	Total number of hours devoted to training personnel	Average training hours per employee*
Male	4,388	3.3	7,292	5.4
Female	2,928	1.9	6,336	4.3
<b>Total</b>	<b>7,316</b>	<b>2.5</b>	<b>13,628**</b>	<b>4.8</b>

\* Total number of hours per gender / Total number of employees by gender.

\*\* This reflects launch of significant programs including the majority of senior leadership training.



**Table 13: Percentage of employees receiving regular performance and career development reviews, by gender and by employee category 2018 and 2017\*\***

		2018			2017		
		Total number of employees	Total number receiving regular performance and career development reviews	% of employees receiving regular performance and career development reviews	Total number of employees	Total number receiving regular performance and career development reviews	% of employees receiving regular performance and career development reviews
<b>Senior managers (M1 and above)</b>	Male	117	117	100%	124	124	100%
	Female	35	35	100%	36	36	100%
<b>Managers and professionals</b>	Male	703	703	100%	722	722	100%
	Female	610	610	100%	592	592	100%
<b>Support</b>	Male	496	175	35%	494	227	46%
	Female	925	351	38%	858	365	43%
<b>Total</b>		<b>2,886</b>	<b>1,991</b>	<b>69%</b>	<b>2,826</b>	<b>2,066</b>	<b>73%</b>

\* Figure rounded to closest decimal point.

\*\* Only full time and part time employees participate in regular performance and career development reviews.

## People: Discrimination

**Table 14: Total number of incidents of discrimination and corrective actions taken 2018 and 2017**

	Total number of reported incidents of discrimination	Number of incidents reviewed by the organisation	Number of remediation plans being implemented	Number of remediation plans that have been implemented and results reviewed through routine internal management review processes	Number of incidents no longer subject to action
<b>2018</b>					
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2017</b>					
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## People: Workplace Safety

**Table 15: Total group safety data 2018 and 2017 — Employee data only**

	2018	2017	Notes
Lost time injury frequency rate	2.7	2.1	LTIFR = ([number of Lost Time Injuries / total hours worked] x 1,000,000). This covers Scentre Group employees.
Average lost day rate	4.8	8.6	ALDR = Total number of Lost Time Days / Total number of Lost Time Injuries. This covers Scentre Group employees. It represents the average number of days lost per lost time injury.
Total Recordable Injury Frequency Rate	5.9	5.4	TRIFR = ([number of Recordable Injuries* / total hours worked] x 1,000,000). This covers Scentre Group employees. * Recordable injuries are all injuries where medical treatment beyond first aid is required.
Total fatalities	0	0	
Total absentee rate (as a percentage)	1.6	1.9	AR = Total number of Absentee days / Total number of days worked x 100. This covers employees only, as absentee days data is not available for contractors.

**Table 16: Percentage of total workforce represented in formal joint management — worker health and safety committees that help monitor and advise on occupational health and safety programs 2018 and 2017**

	2018			2017		
	Total number of employees represented (at 31 December 2018)	Total workforce (at 31 December 2018)	% of total workforce represented	Total number of employees represented (at 31 December 2017)	Total workforce (at 31 December 2017)	% of total workforce represented
Australia	1,668	2,595	64%	1,550	2,585	60%
New Zealand	291	291	100%	241	241	100%
<b>Total</b>	<b>1,959</b>	<b>2,886</b>	<b>68%</b>	<b>1,791</b>	<b>2,826</b>	<b>63%</b>



## Economic: Performance

<b>Table 1: Direct economic value generated and distributed 2018 and 2017</b>		
	<b>2018</b>	<b>2017</b>
	<b>\$m</b>	<b>\$m</b>
<b>Direct economic value generated<sup>(i)</sup></b>		
<b>Revenues</b>	4,158	6,140
<b>Direct economic value distributed<sup>(i)</sup></b>		
<b>Operating costs</b>	(820)	(783)
<b>Employee wages and benefits</b>	(344)	(343)
<b>Payments to government by:</b>	(94)	(78)
- AU entities	(74)	(54)
- NZ entities	(20)	(24)
<b>Payments to government as agent by:</b>	(72)	(82)
- AU entities	(66)	(76)
- NZ entities	(6)	(6)
<b>Community investments</b>	(7)	(9)
<b>Total</b>	(1,337)	(1,295)
<b>Payments to providers of capital</b>	(1,903)	(1,935)
<b>Total economic value distributed</b>	(3,240)	(3,230)
<b>Direct economic value retained<sup>(i)</sup></b>	<b>918</b>	<b>2,910</b>

(i) GRI methodology applied: figures differ materially from International Financial Reporting Standards and cannot be compared to, or provide any accurate indication of, the Group's profitability as reported in its statutory accounts as at 31 December 2018. Under GRI methodology, significant variances in revenue can occur year to year due to material impacts of property revaluations.

## Environment: Energy Consumption

**Table 1a: Direct energy consumption by primary use 2018 and 2017**

	Type	2018 (GJ)	% contribution	2017 (GJ)	% change year-on-year
<b>Non-renewable sources</b>	Natural gas	81,166	67%	62,747*	29%
	Non-transport fuel combustion	21,449	18%	47,642	(55%)
	Transport fuels (controlled vehicles)	9,104	8%	5,888	55%
	Tri-gen electricity	643	-	515	25%
<b>Renewable sources</b>	Renewables	8,347	7%	1,981	321%
<b>Total</b>		<b>120,708</b>		<b>118,774</b>	<b>2%</b>

\* CY17 Natural gas consumption has been re-stated from 87,126 to 62,747 GJ. Data correction from previous period reporting.

**Table 1b: Direct energy consumption by primary source 2018 and 2017**

	Type	2018 (GJ)	% contribution	2017 (GJ)	% change year-on-year
<b>Non-renewable sources</b>	Natural gas	81,166	67%	62,747*	29%
	Diesel	26,200	22%	47,861	(45%)
	Fuel oil — light	5	0%	10**	(55%)
	LPG	2,321	2%	2,154	8%
	Petrol	2,027	2%	3,505**	(42%)
	Tri-gen electricity	643	-	515	25%
<b>Renewable sources</b>	Renewables	8,347	7%	1,981	321%
<b>Total</b>		<b>120,708</b>		<b>118,774</b>	<b>2%</b>

\* CY17 Natural gas consumption has been re-stated from 87,126 to 62,747 GJ. Data correction from previous period reporting.

\*\* CY17 Fuel oil — light has been restated from 9 to 10 GJ. CY17 Petrol has been restated from 3,492 to 3,505 GL. This is due to transcription error.



**Table 2a: Supplementary country breakdown — Direct energy consumption by primary use 2018**

Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
<b>Non-renewable sources</b>				
Natural gas	79,925	1,241	81,166	22,546,095
Non-transport fuel combustion	16,300	5,149	21,449	5,957,922
Transport fuels (controlled vehicles)	3,503	5,601	9,104	2,528,908
Tri-gen electricity	643	-	643	178,574
<b>Renewable sources</b>				
Renewables	8,347	-	8,347	2,318,569
<b>Total</b>	<b>108,718</b>	<b>11,991</b>	<b>120,708</b>	<b>33,530,069</b>

**Table 2b: Supplementary country breakdown — Direct energy consumption by primary source 2018**

Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
<b>Non-renewable sources</b>				
Natural gas	79,925	1,241	81,166	22,546,095
Diesel	15,704	10,496	26,200	7,277,783
Fuel oil — light	3	2	5	1,312
LPG	2,317	4	2,321	644,754
Petrol	1,779	248	2,027	562,981
Tri-gen electricity	643	-	643	178,574
<b>Renewable sources</b>				
Renewables	8,347	-	8,347	2,318,569
<b>Total</b>	<b>108,718</b>	<b>11,991</b>	<b>120,708</b>	<b>33,530,069</b>

**Table 3: Indirect energy consumption by primary source 2018 and 2017**

Type	2018 (GJ)	% contribution	2017 (GJ)	% change year-on-year
<b>Non-renewable sources</b>				
Electricity	1,137,389	94%	1,182,647	(4%)
<b>Renewable sources</b>				
Hydro energy	75,705	6%	85,140	(11%)
<b>Total</b>	<b>1,213,094</b>		<b>1,267,787</b>	<b>(4%)</b>

**Table 4: Supplementary country breakdown — Indirect energy consumption by country 2018**

Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
<b>Non-renewable sources</b>				
Electricity	1,137,389	-	1,137,389	315,941,356
<b>Renewable sources</b>				
Hydro energy	-	75,705	75,705	21,029,180
<b>Total</b>	<b>1,137,389</b>	<b>75,705</b>	<b>1,213,094</b>	<b>336,970,536</b>

## Environment: Energy Production

**Table 5: Energy production by source 2018 and 2017**

Type	2018 (GJ)	2017 (GJ)
<b>Non-renewable sources</b>		
Tri-gen electricity	643	515
<b>Renewable sources</b>		
Renewables	8,347	1,981
<b>Total</b>	<b>8,990</b>	<b>2,496</b>

## Environment: GHG Emissions

**Table 6: Direct and indirect emissions (Scope 1 & 2) by source 2018 and 2017**

Type	2018		2017	
	Sum of direct and indirect emissions	% contribution of direct and indirect emissions (Scope 1 & 2) of GHG	Sum of direct and indirect emissions	% change year-on-year
	<i>tonnes CO<sub>2</sub>-e</i>	<i>tonnes CO<sub>2</sub>-e</i>	<i>tonnes CO<sub>2</sub>-e</i>	
Purchased electricity	264,028	94%	275,808	(4%)
Natural gas	4,185	2%	3,238*	29%
Non-transport fuel combustion	1,481	1%	3,318**	(55%)
Synthetic gases	12,005	4%	13,053	(8%)
Transport fuels (controlled vehicles)	643	0%	413	56%
<b>Total</b>	<b>282,342</b>		<b>295,831</b>	<b>(5%)</b>

\* CY17 Natural gas consumption has been re-stated from 87,126 to 62,747 GJ. Data correction from previous period reporting.

\*\* CY17 Fuel oil – light has been restated from 9 to 10 GJ. CY17 Petrol has been restated from 3,492 to 3,505 GL. This is due to transcription error.



**Table 7: GHG emissions by scope and country 2018 and 2017**

Market	2018			2017			% change year-on-year		
	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Other indirect emissions (Scope 3)	Direct emissions (Scope 1)	Indirect emissions (Scope 2)	Other indirect emissions (Scope 3)	(Scope 1)	(Scope 2)	(Scope 3)
	<i>tonnes CO<sub>2</sub>-e</i>	<i>tonnes CO<sub>2</sub>-e</i>	<i>tonnes CO<sub>2</sub>-e</i>	<i>tonnes CO<sub>2</sub>-e</i>	<i>tonnes CO<sub>2</sub>-e</i>	<i>tonnes CO<sub>2</sub>-e</i>			
Australia	16,925	261,525	93,517	19,123	272,994	99,441	(11%)	(4%)	(6%)
New Zealand	1,389	2,502	3,743	900	2,814	3,880	54%	(11%)	(4%)
<b>Total</b>	<b>18,314</b>	<b>264,028</b>	<b>97,261</b>	<b>20,023</b>	<b>275,808</b>	<b>103,321</b>	<b>(9%)</b>	<b>(4%)</b>	<b>(6%)</b>

**Table 8: Other indirect emissions (Scope 3) 2018 and 2017**

Activities which cause other indirect (Scope 3) emissions	2018 <i>(tonnes CO<sub>2</sub>-e)</i>	% contribution	2017 <i>(tonnes CO<sub>2</sub>-e)</i>	% change year-on-year
Air travel	2,368	2%	3,147	(25%)
Employee commute	1,952	2%	1,740	12%
Natural gas	578	1%	475	22%
Purchased electricity	32,748	34%	38,058	(14%)
Taxi and car travel	216	0%	197	10%
Transport fuels (controlled vehicles)	13	0%	21	(40%)
Mixed waste to landfill	59,326	61%	59,534	(0%)
Other (non-transport fuel)	59	0%	149	(61%)
<b>Total</b>	<b>97,260</b>		<b>103,321</b>	<b>(6%)</b>

**Table 9: Supplementary country breakdown — Other indirect emissions (Scope 3) by country 2018**

Activities which cause other indirect (Scope 3) emissions	AU <i>(tonnes CO<sub>2</sub>-e)</i>	NZ <i>(tonnes CO<sub>2</sub>-e)</i>	Total <i>(tonnes CO<sub>2</sub>-e)</i>
Air travel	2,045	323	2,368
Employee commute	1,788	164	1,952
Natural gas	571	8	578
Purchased electricity	32,544	204	32,748
Taxi and car travel	200	16	216
Transport fuels (controlled vehicles)	13	-	13
Mixed waste to landfill	56,298	3,028	59,326
Other (non-transport fuel)	59	-	59
<b>Total</b>	<b>93,517</b>	<b>3,743</b>	<b>97,260</b>

## Environment: Waste

**Table 10: Breakdown of non-hazardous waste disposal by waste category 2018 and 2017 (Shopping Centre Operations)**

Type	2018 — Shopping Centre Operations			2017 — Shopping Centre Operations		
	Operational Waste			Operational Waste		
	AU metric tonnes	NZ metric tonnes	Total metric tonnes	AU metric tonnes	NZ metric tonnes	Total metric tonnes
Recycling	25,315	2,085	27,399	23,752	2,093	25,845
Landfill (off site)	46,915	2,680	49,595	46,876	2,905	49,782
Composting	11,532	-	11,532	12,548	-	12,548
Other (to licensed waste contractor facilities)	6,855	-	6,855	6,349	-	6,349
<b>Total</b>	<b>90,617</b>	<b>4,764</b>	<b>95,381</b>	<b>89,525</b>	<b>4,998</b>	<b>94,524</b>

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

**Table 11: Breakdown of non-hazardous waste disposal by waste category 2018 and 2017 (Design & Construction)**

Type	2018 — Design & Construction				2017 — Design & Construction			
	Demolition metric tonnes	Excavation metric tonnes	Construction metric tonnes	Total metric tonnes	Demolition metric tonnes	Excavation metric tonnes	Construction metric tonnes	Total metric tonnes
Recycling	39,857	54,807	12,713	107,377	22,344	71,210	63,126	156,680
Landfill (off site)	-	-	130	130	-	-	2,050	2,050
<b>Total</b>	<b>39,857</b>	<b>54,807</b>	<b>12,843</b>	<b>107,506</b>	<b>22,344</b>	<b>71,210</b>	<b>65,176</b>	<b>158,729</b>

**Table 12a: Breakdown of hazardous waste disposal 2018 and 2017**

Type	2018 metric tonnes	2017 metric tonnes	% change year-on-year
Hazardous	1,878	258	628%

**Table 12b: Total waste disposed 2018 and 2017**

2018 metric tonnes	2017 metric tonnes	% change year-on-year
204,766	253,511	-19%



**Table 13: Breakdown of total waste disposal by waste category and country 2018**

Waste management and disposal method	AU <i>metric tonnes</i>	NZ <i>metric tonnes</i>	% change year-on-year	
			AU	NZ
Recycling	131,526	3,250	(25%)	(53%)
Landfill (off site)	47,045	2,680	(4%)	(8%)
Composting	11,532	-	(8%)	0%
Other (to licensed waste contractor facilities)	6,855	-	8%	0%
Hazardous (to licensed waste contractor facilities)	1,878	-	941%	(100%)
<b>Total</b>	<b>198,837</b>	<b>5,929</b>	<b>(18%)</b>	<b>(40%)</b>

## Environment: Water

**Table 14: Water withdrawn 2018 and 2017<sup>(i)</sup>**

	2018			2017			% change year-on-year
	AU <i>m<sup>3</sup></i>	NZ <i>m<sup>3</sup></i>	Total <i>m<sup>3</sup></i>	AU <i>m<sup>3</sup></i>	NZ <i>m<sup>3</sup></i>	Total <i>m<sup>3</sup></i>	
Rainwater collected directly and stored by Westfield	3,500	-	3,500	2,192	-	2,192	60%
Municipal water or other water utilities	4,312,320	252,937	4,565,257	4,294,348	306,206	4,600,554	-1%
<b>Total</b>	<b>4,315,821</b>	<b>252,937</b>	<b>4,568,758</b>	<b>4,296,540</b>	<b>306,206</b>	<b>4,602,746</b>	<b>-1%</b>

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

# Environment: Energy, Water and Emissions Intensity

**Table 15: Summary of energy, water and emissions intensity by site 2018 and 2017**

Site	2018				2017			
	GLA m <sup>2</sup>	Energy intensity GJ / m <sup>2</sup>	Water intensity m <sup>3</sup> / m <sup>2</sup>	Emissions intensity tCO2e/m <sup>2</sup>	GLA m <sup>2</sup>	Energy intensity GJ / m <sup>2</sup>	Water intensity m <sup>3</sup> / m <sup>2</sup>	Emissions intensity tCO2e/m <sup>2</sup>
<b>Australia</b>								
Airport West	52,300	0.25	0.62	0.09	52,300	0.27	0.85	0.10
Belconnen	95,800	0.34	1.21	0.09	96,400	0.30	0.84	0.09
Bondi	109,800	0.56	2.15	0.17	130,600	0.50	1.81	0.15
Burwood	63,200	0.48	1.96	0.15	63,200	0.47	1.73	0.15
Carindale	126,000	0.43	1.02	0.13	136,400	0.42	1.02	0.13
Carousel	109,700	0.27	1.08	0.06	82,300	0.28	1.24	0.07
Chatswood	81,000	0.39	1.61	0.13	80,700	0.48	1.61	0.15
Chermside	154,300	0.45	1.20	0.14	156,200	0.45	1.18	0.13
Coomera	57,400	0.08	0.22	0.02				
Doncaster	119,600	0.36	1.15	0.13	122,200	0.35	1.08	0.13
Eastgardens	79,100	0.28	1.40	0.10	84,220	0.29	1.32	0.10
Fountain Gate	175,400	0.25	0.87	0.08	178,100	0.24	0.81	0.08
Garden City	141,700	0.39	1.14	0.13	140,500	0.42	1.41	0.13
Geelong	51,700	0.31	0.80	0.11	51,600	0.34	0.74	0.12
Helensvale	43,900	0.29	1.25	0.10	44,800	0.32	1.20	0.11
Hornsby	99,200	0.34	1.65	0.11	100,000	0.34	1.69	0.11
Hurstville	62,000	0.36	1.33	0.12	61,600	0.40	1.31	0.14
Stirling (Innaloo)	37,800	0.28	1.21	0.07	47,000	0.25	0.98	0.06
Knox City	91,900	0.54	0.86	0.12	141,300	0.27	0.63	0.08
Kotara	83,100	0.28	0.79	0.08	74,200	0.30	0.78	0.09
Liverpool	83,500	0.35	1.47	0.11	83,400	0.35	1.49	0.11
Marion	131,500	0.28	0.94	0.06	137,200	0.29	0.98	0.06
Miranda	128,500	0.33	1.44	0.11	129,000	0.35	1.48	0.12
Mt Druitt	59,700	0.31	1.84	0.10	60,100	0.34	1.85	0.11
North Lakes	84,200	0.35	1.15	0.11	85,300	0.33	1.12	0.11
Parramatta	134,200	0.48	1.86	0.15	137,700	0.48	1.78	0.15
Penrith	88,000	0.35	1.75	0.11	91,700	0.39	1.50	0.13
Plenty Valley	63,400	0.28	1.22	0.10	52,000	0.30	0.95	0.10
Southland	128,600	0.33	0.97	0.12	129,100	0.34	1.05	0.12
Sydney Retail	35,100	0.99	4.58	0.33	166,600	0.28	1.15	0.08
Tea Tree Plaza	89,100	0.28	0.77	0.06	95,200	0.29	0.65	0.06
Tuggerah	83,300	0.22	1.32	0.07	83,500	0.24	1.36	0.07
Warringah Mall	129,200	0.25	0.98	0.08	132,100	0.24	1.04	0.08
West Lakes	71,300	0.28	0.66	0.06	72,200	0.27	0.73	0.05
Whitford City	82,100	0.35	1.26	0.08	84,500	0.36	1.08	0.09
Woden	65,300	0.38	1.27	0.11	72,200	0.36	1.13	0.10
<b>New Zealand</b>								
Albany	52,400	0.27	0.98	0.02	53,400	0.25	0.25	0.02
Manukau	41,600	0.47	1.44	0.03	45,400	0.41	0.41	0.03
Newmarket	17,300	0.20	-	0.02	31,600	0.31	0.31	0.02
Riccarton	55,100	0.36	1.47	0.03	55,700	0.36	0.36	0.03
St Lukes	39,500	0.44	1.40	0.03	39,900	0.42	0.42	0.03
<b>West City</b>								
	-	-	-	-	36,300	0.21	0.21	0.01
<b>Total</b>	<b>3,497,800</b>	<b>0.37</b>	<b>1.26</b>	<b>0.10</b>	<b>3,717,720</b>	<b>0.37</b>	<b>1.24</b>	<b>0.11</b>



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

### Our Conclusion

Ernst & Young ('EY', 'we') was engaged by Scentre Group Limited ('Scentre Group') to undertake 'limited assurance' as defined by Australian Auditing Standards, hereafter referred to as a 'review', over Selected Sustainability Performance Data for the year ended 31 December 2018. Based on our review, nothing came to our attention that caused us to believe that the Selected Sustainability Performance Data has not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

### What our review covered

We have carried out a limited assurance engagement over Scentre Group's Selected Sustainability Performance Data for the year ended 31 December 2018.

### Subject Matter

The Subject Matter for our limited assurance engagement included Selected Sustainability Performance Data, limited to those aspects listed below, for the year ended 31 December 2018:

- ▶ Scope 1 greenhouse gas ('GHG') emissions of 18,314 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-e)
- ▶ Scope 2 GHG emissions of 264,028 tCO<sub>2</sub>-e
- ▶ Scope 3 GHG emissions of 97,260 tCO<sub>2</sub>-e
- ▶ Energy consumption (direct and indirect) of 1,334 terajoules
- ▶ Energy production of 9 terajoules
- ▶ Water consumption of 4,568,758 cubic meters
- ▶ Waste recycled of 134,776 tonnes
- ▶ Waste to landfill of 49,725 tonnes.

The Subject Matter did not include:

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

### Criteria applied by Scentre Group

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

- ▶ The National Greenhouse Gas and Energy Reporting Act 2007 for Scope 1 and 2 greenhouse gas data
- ▶ Scentre Group's Global GHG Framework
- ▶ Scentre Group's Global GHG Methodology
- ▶ Scentre Group's NGER Basis of Preparation for the 2018 Reporting Period.

### Key responsibilities

#### EY's responsibility and independence

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

#### Scentre Group's responsibility

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



### Our approach to conducting the review

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

### Summary of review procedures performed

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

Our procedures included:

- ▶ Conducting interviews with personnel to understand the business and reporting processes
- ▶ Conducting interviews with key personnel to understand the process for collecting, collating and reporting the Selected Sustainability Performance Data during the reporting period
- ▶ Checking the calculation criteria had been applied in accordance with the methodologies outlined in Scentre Group's criteria
- ▶ Undertaking analytical review procedures to support the fairness of the data
- ▶ Additional procedures were undertaken in relation to natural gas consumption as a result of errors detected in the prior year. Scentre Group have restated natural gas figures for the prior year in the 2018 Sustainability Performance Data Pack which EY have considered in our testing
- ▶ Identifying and testing assumptions that supported calculations

- ▶ Checked emissions factors and considered their consistency with the reporting criteria
- ▶ Tested, on a sample basis, to underlying source information to check the accuracy of the data
- ▶ Reviewed the presentation of the information in Scentre Group's Sustainability Performance Data Pack.

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

### Other Matters

During the assurance procedures performed, it was found that an error had been identified by Scentre in relation to 2017 natural gas consumption reported in the 2017 Sustainability Performance Data Pack. This error has been restated in the 2018 Sustainability Performance Data Pack for comparative purposes. Our conclusion is not modified in respect of this matter.

### Limited Assurance

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

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





### Use of our Assurance Statement

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

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

Adam Carrel  
Partner  
Sydney, Australia  
1 March 2019

Ernst & Young

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