



SCENTRE GROUP

2017

SUSTAINABILITY REPORT PERFORMANCE DATA

INTRODUCTION

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 2016 and 2017.

The scope of this report covers assets owned, operated, and under the operational control of Scentre Group including shopping 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 shopping centre portfolio in joint venture agreements 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.

The impacts of suppliers, service providers and tenants are excluded from this report unless otherwise indicated.

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 4 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 retailers and contractors (external boundary).

Scentre Group's 2017 Sustainability Performance Data Pack was developed in alignment with the Global Reporting Initiative (GRI) G4 Reporting Principles and Standard Disclosures, GRI G4 Implementation Manual and the GRI G4 Construction and Real Estate Sector Supplement.



Boundaries

Interpretations relating to operational boundaries:

Tenants' 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 shopping 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 retailer and on-sold to tenants (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 tenants but do not use sub-metering to calculate the tenant portion of use have been included in the reporting.

Development, Design and Construction (DD&C) emissions:

For Australia, DD&C transport and stationary fuel consumption (Scope 1) was estimated based on contractor declarations from the Westfield Chermside, Plenty Valley, Carousel, Whitford City and Coomera projects. DD&C electricity usage (Scope 2) and natural gas usage (Scope 1) was estimated based on actual usage data from meters at the Carousel, Chermside and Whitford City projects. DD&C total emissions were estimated through extrapolating the data above (average quantity per dollar spent) to the top 10 major projects by dollar spent in the reporting period.

For New Zealand, DD&C transport and stationary fuel consumption (Scope 1) was estimated based on contractor declarations from the Newmarket project, for which early works started during 2017. This was the only major project in New Zealand during the year, and being early works only was mainly at the demolition and excavation stages, meaning there was therefore no electricity and gas usage.

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 included comprise electricity consumed in shopping 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 included electricity, natural gas and fuel (stationary and transport) transmission and distribution losses, employee commute emissions, solid waste disposal to landfill (shopping 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 (DEFRA) Emissions Factors excel file for 2017. Taxi emissions factors have been obtained from the NZ 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 2017.

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

Water: Our reporting scope for water is based on whole building water consumption, which includes water consumed by our tenants 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 gross lettable area (GLA).

Energy production: Our energy production includes electricity generated by our Sydney tri-generation plant and our solar system at Marion shopping mall car park.

Boundaries

Data sources:

Transport fuels: Ten months of actual information from fleet reports and expenses management reports and two months of extrapolated data.

Stationary fuels: Ten 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: Ten months of actual data obtained from utility providers and two months of extrapolated data.

Water: For the majority of our sites, 11 months of actual data obtained from utility providers and one month of extrapolated data. For a number of sites – nine to six months of actual data obtained from utility providers with the remaining data extrapolated due to the billing frequency nature (quarterly or biannually).

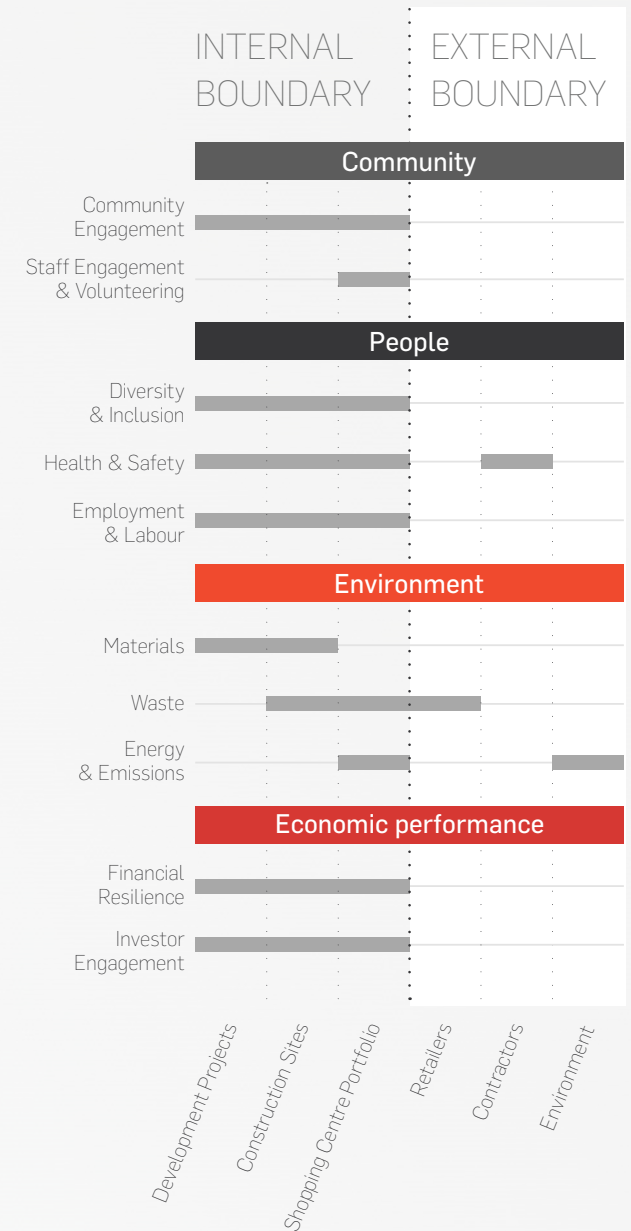
Employee commute: Survey conducted in January 2015 across all Australia and New Zealand employees extrapolated to 2017 employee headcount.

Air travel: Actual data from travel services agent.

Taxi and car hire: Actual data from expenses management reports and car hiring agency.

Waste: Actual tonnage reports from service provider.

Electricity production: Actual data obtained from meter readings.



■ Indicates aspect / issue is material and data included in this report

Social: Employee Statistics

Table 1: Employment type and contract 2017 and 2016

Employment type / Contract	2017		2016	
	Headcount	Percentage	Headcount	Percentage
Full time	1,738	62%	1,745	63%
Casual	760	27%	719	26%
Part time	233	8%	225	8%
Temporary	95	3%	87	3%
Total	2,826	100%	2,776	100%

Table 2: Employees and contractors by country at 31 December 2017 and 2016

Employment type	2017			2016		
	AU	NZ	Total	AU	NZ	Total
Employees	2,585	241	2,826	2,569	207	2,776
Contractors	3,157	198	3,355	3,755	202	3,957

Table 3: Employee totals, new hires and departures in year by gender, age group and country 2017

Category	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%
Total	2,826	735	26%	679	24%

* including casuals in Australia, excluding independent contractors

88% 
employee engagement
score (85% in 2016)

38% 
reduction in employee
turnover in the first
3 months of employment

13,628 
total training hours
(6,609 in 2016)

Achieved **98%** 
retention of key talent
exceeding target of >85%

Table 4: Employee totals, new hires and departures in year by gender, age group and country 2016

	Employee headcount (at 31 December 2016)	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	834	376	14%	288	10%
30-50 years	1,461	256	9%	304	11%
> 50 years	481	54	2%	112	4%
Male	1,382	310	11%	338	12%
Female	1,394	376	14%	366	13%
Australia	2,569	646	23%	620	22%
New Zealand	207	40	1%	84	3%
Total	2,776	686	25%	704	25%

* including casuals in Australia, excluding independent contractors

Table 5: Gender ratio by employee category 2017 and 2016

Employee categories	Gender	% of employees by gender for employee category	
		2017	2016
Senior managers (M1 and above)	Male	9%	9%
	Female	2%	2%
Managers and professionals	Male	54%	49%
	Female	40%	40%
Support	Male	37%	42%
	Female	58%	58%

Table 6: Employee benefits

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

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

Social: Parental Leave

Table 7: Total number of employees who were entitled to parental leave, by gender and the total number of employees who took parental leave, by gender 2017 and 2016

Gender	2017		2016	
	Total number of employees who were entitled to parental leave in 2017	Total number of employees who took parental leave in 2017	Total number of employees who were entitled to parental leave in 2016	Total number of employees who took parental leave in 2016
Female	1,041	3	1,064	4
Male	930	61	906	66
Total	1,971	64	1,970	70

Table 8: Total number of employees who returned to work after parental leave ended, by gender 2017 and 2016

Gender	2017			2016		
	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 (%)	Total number of employees whose parental leave ended in 2016	Total number of employees who returned to work after parental leave ended in 2016	Return to work rate (%)
Male	4	4	100%	2	2	100%
Female	55	46	84%	56	51	91%
Total	59	50	85%	58	53	91%

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 2017 and 2016 (NB: One year lag)

Gender	2016 → 2017			2015 → 2016		
	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 (%)	Total number of employees who returned to work from parental leave in 2015	Total number of employees who were still employed 12 months after they returned to work	Retention rate (%)
Male	2	2	100%	0	0	0%
Female	48	42	88%	52	51	98%
Total	50	44	88%	52	51	98%

Table 10: Number of employees initiating parental leave during the years 2014 – 2017

	2014	2015	2016	2017	2014–2017
Employees who went on leave	50	46	70	64	230
Employees who returned from leave	46	39	57	7	149
Employees who terminated	4	7	8	1	20
Employees still on leave	0	0	5	56	61

Table 11: Percentage of employees initiating parental leave during the years 2014 – 2017

	2014	2015	2016	2017	2014–2017
Employees who returned from leave	92%	85%	81%	11%	65%
Employees who terminated	8%	15%	11%	2%	9%
Employees still on leave	0%	0%	7%	88%	27%

Social: Governance Bodies

Table 12: Composition of governance bodies by gender and age group 2017 and 2016

Diversity Category	2017		2016		
	Total number of workforce within governance bodies per category (at 31 December 2017)	% of individuals within governance bodies	Total number of workforce within governance bodies per category (at 31 December 2016)	% of individuals within governance bodies	
Age Group	<30 years	0	0%	0	0%
	30-50 years	4	11%	4	12%
	>50 years	31	89%	30	88%
Gender	Male	27	77%	26	76%
	Female	8	23%	8	24%
Total	35	100%	34	100%	

Social: Training

Table 13: Hours devoted to training personnel, by gender 2017 and 2016

Gender	2017		2016	
	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	7,292	5.4	3,434	2.5
Female	6,336	4.3	3,175	2.3
Total	13,628	4.8	6,609	2.4

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

Table 14: Percentage of employees receiving regular performance and career development reviews, by gender and by employee category 2017 and 2016

		2017			2016		
		Total number of employees	Total number receiving regular performance and career development reviews	% of employees receiving regular performance and career development reviews	Total number of employees	Total number receiving regular performance and career development reviews	% of employees receiving regular performance and career development reviews
Senior managers (M1 and above)	Male	124	124	100%	124	124	100%
	Female	36	36	100%	31	31	100%
Managers and professionals	Male	722	722	100%	674	672	100%*
	Female	592	592	100%	553	551	100%*
Support	Male	494	227	46%	584	298	51%
	Female	858	365	43%	810	375	46%
Total		2,826	2,066	73%	2,776	2,051	74%

* Figure rounded to closest decimal point

Social: Discrimination

Table 15: Total number of incidents of discrimination and corrective actions taken 2017 and 2016

	Report the total number of incidents of discrimination	Number of incidents reviewed by the organisation	Number of remediation plans being implemented	Number of remediation plans have been implemented and results reviewed through routine internal management review processes	Number of incidents no longer subject to action
2017					
Total	0	0	0	0	0
2016					
Total	0	0	0	0	0

Social: Workplace Safety

Table 16: Total group safety data 2017 and 2016

	2017	2016	Notes
Lost time injury frequency rate	4.19	5.09	LTIFR = $(\text{number of Lost Time Injuries} / \text{total hours worked}) \times 1,000,000$. This covers both employees and contractors.
Average lost day rate	5.72	5.39	ALDR = $\text{Total number of Lost Time Days} / \text{Total number of Lost Time Injuries}$. This covers both employees and contractors. It represents the average number of days lost per lost time injury.
Total fatalities	0	0	
Total absentee rate (as a percentage)	1.93	1.67	AR = $\text{Total number of Absentee days} / \text{Total number of days worked} \times 100$. This covers employees only, as absentee days data is not available for contractors.

Table 17: Percentage of total workforce represented in formal joint management – worker health and safety committees that help monitor and advise on occupational health and safety programs 2017 and 2016

	2017			2016		
	Total number of employees represented (at 31 December 2017)	Total workforce (at 31 December 2017)	% of total workforce represented	Total number of employees represented (at 31 December 2016)	Total workforce (at 31 December 2016)	% of total workforce represented
Australia	1,550	2,585	60%	2,449	2,569	95%
New Zealand	241	241	100%	207	207	100%
Total	1,791	2,826	63%	2,656	2,776	96%

Table 18: Percentage of the organisation operating in verified compliance with an internationally-recognised health and safety management system 2017

100% of Westfield's workforce, including independent contractors, are operating under AS4801, an internationally-recognised health and safety management system.

Community: Australia

\$1.76m
 donated to charity
 in 2017  

271 
 employee days
 used for volunteering

Table 1: \$ million raised (since 2008)

2017	
\$m raised	Details
17.13	Westfield Community Program – dedicated program to provide support for Australian children living with disabilities and their families. Every Westfield shopping centre and support office has an ongoing relationship with a charity that is a registered disability service provider. We supported these charities through fundraising efforts, grants and donations of gift cards for charity fundraising events and 100% of all support from Scentre Group goes to directly fund much needed therapy, equipment, early intervention programs and respite services for children with disabilities and their families. In 2017 a new strategy was developed which moved away from fundraising and this charity partner model.

Table 3: Workplace giving – Staff giving through salary (pre-tax)

Reporting period	\$ raised	SG \$ matched	Total (\$)
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 2: \$ million funded

2017	
\$m funded	Details
1.76	2017 was the final year of the Westfield Community Program dedicated to providing support for children living with disabilities and their families. A one-off donation was presented to the 30 charity partners who have had an ongoing relationship with Scentre Group and Westfield centres since 2008.

Table 4: Volunteering days

Reporting period	Number of days
2017	271
2016	369
2015	408
2014	471

Environment: Energy Consumption

Table 1a: Direct energy consumption by primary use 2017 and 2016

	Type	2017 (GJ)	% contribution	2016 (GJ)	% change year-on-year
Non-renewable sources	Natural gas	87,126	65%	88,809*	(2%)
	Non-transport fuel combustion	38,606	29%	22,431	72%**
	Transport fuels (controlled vehicles)	5,618	4%	7,034	(20%)
	Tri-gen electricity	515	0%	0%	na
Renewable sources	Renewables	1,981	1%	3	65,807%
Total		133,845	100%	118,277*	13%**

*The natural gas usage has been revised during the 2017 reporting period due to a legacy error in one of our centre's data reporting. As a result, the natural gas energy usage for this centre has been recalculated and adjusted accordingly. The 2016 and 2017 trend reflects these adjustments.

**The year-on-year increase of direct energy consumption is primarily attributable to the 'greenfield' development underway at Westfield Coomera and the associated on site use of non-transport fuels. Excluding the impact of the Coomera project, the direct energy consumption in 2017 decreased by 4%.

Table 1b: Direct energy consumption by primary source 2017 and 2016

	Type	2017 (GJ)	% contribution	2016 (GJ)	% change year-on-year
Non-renewable sources	Natural gas	87,126	65%	88,809*	(2%)
	Diesel	38,569	29%	24,552	57%**
	Fuel oil – light	9	0%	0	na
	LPG	2,154	2%	2,300	(6%)
	Petrol	3,492	3%	2,613	34%
	Tri-gen electricity	515	0%	0	na
Renewable sources	Renewables	1,981	1%	3	65,807%
Total		133,845	100%	118,277*	13%**

*The natural gas usage has been revised during the 2017 reporting period due to a legacy error in one of our centre's data reporting. As a result, the natural gas energy usage for this centre has been recalculated and adjusted accordingly. The 2016 and 2017 trend reflects these adjustments.

**The year-on-year increase of diesel fuel usage is primarily attributable to the 'greenfield' development underway at Westfield Coomera and the associated on site use of diesel for design and construction. Excluding the impact of the Coomera project, the diesel fuel usage in 2017 decreased by 24%.

3.7 
star average
NABERS energy rating

5 
MW added
solar capacity
by 2020

In 2017
99% 
design and construction
waste diverted from landfill

9,719kg
of greenhouse gases
were saved through
the electric vehicle
charging station initiative at
Westfield centres in Australia 

Table 2a: Supplementary country breakdown – Direct energy consumption by primary use 2017

Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources				
Natural gas	85,182	1,944	87,126	24,201,528
Non-transport fuel combustion	38,580	27	38,606	10,723,762
Transport fuels (controlled vehicles)	5,612	6	5,618	1,560,583
Tri-gen electricity	515	0	515	143,064
Renewable sources				
Renewables	1,981	0	1,981	550,365
Total	131,871	1,976	133,845	37,179,302

Table 2b: Supplementary country breakdown – Direct energy consumption by primary source 2017

Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources				
Natural gas	85,182	1,944	87,126	24,201,528
Diesel	38,543	27	38,569	10,713,500
Fuel oil – light	9	0	9	2,439
LPG	2,154	0	2,154	598,274
Petrol	3,487	6	3,492	970,133
Tri-gen electricity	515	0	515	143,064
Renewable sources				
Renewables	1,981	0	1,981	550,365
Total	131,871	1,976	133,845	37,179,302

Table 3: Indirect energy consumption by primary source 2017 and 2016

Type	2017 (GJ)	% contribution	2016 (GJ)	% change year-on-year
Non-renewable sources				
Electricity	1,182,647	93%	1,196,051	(1%)
Renewable sources				
Hydro energy	85,140	7%	111,305	(24%)
Total	1,267,787	100%	1,307,357	(3%)

Table 4: Supplementary country breakdown – Indirect energy consumption by country 2017

Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources				
Electricity	1,182,647	0	1,182,647	328,513,094
Renewable sources				
Hydro energy	0	85,140	85,140	23,650,038
Total	1,182,647	85,140	1,267,787	352,163,132

Environment: Energy Production

Table 5: Energy production by source 2017 and 2016

	Type	2017 (GJ)	2016 (GJ)
Non-renewable sources	Tri-gen electricity	515	0
Renewable sources	Renewables	1,981	0
Total		2,496	0

Environment: GHG Emissions

Table 6: Direct and indirect emissions (Scope 1 & 2) by source 2017 and 2016

Type	2017		2016	
	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 CO₂-e</i>	<i>tonnes CO₂-e</i>	<i>tonnes CO₂-e</i>	
Purchased electricity	275,808	93%	283,593	(3%)
Natural gas	4,494	2%	4,580*	(2%)
Non-transport fuel combustion	2,877	1%	1,657	74%
Synthetic gases	13,053	4%	11,841	10%
Transport fuels (controlled vehicles)	411	0%	521	(21%)
Total	296,644	100%	302,192*	(2%)

*The natural gas usage has been revised during the 2017 reporting period due to a legacy error in one of our centre's data reporting. As a result, the associated natural gas emissions from this centre have been recalculated and adjusted accordingly. The 2016 and 2017 trend reflects these adjustments.

Table 7: GHG emissions by scope and country 2017 and 2016

Market	2017			2016			% 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)
	tonnes CO ₂ -e	tonnes CO ₂ -e	tonnes CO ₂ -e	tonnes CO ₂ -e	tonnes CO ₂ -e	tonnes CO ₂ -e			
Australia	20,379	272,994	99,536	18,250*	279,914	102,128 */**	12%	(2%)	(3%)
New Zealand	457	2,814	3,880	348	3,679	4,784	31%	(24%)	(19%)
Total	20,836	275,809	103,417	18,599*	283,593	106,912*/**	12%	(3%)	(3%)

*The natural gas usage has been revised during the 2017 reporting period due to a legacy error in one of our centre's data reporting. As a result, the associated natural gas emissions from this centre have been recalculated and adjusted accordingly. The 2016 and 2017 trend reflects these adjustments.

**The diversion from landfill figures based on the waste to landfill and recyclable materials collected has been revised during the 2017 reporting period due to a legacy error in our contractor's reporting and incorrect categorisation of waste processed through recycling recovery facilities and disposed in landfills with gas capture. As a result, the diversion from landfill performance result has been recalculated and adjusted accordingly as well as its associated emissions. The 2016 and 2017 trend reflects these adjustments.

Table 8: Other indirect emissions (Scope 3) 2017 and 2016

Activities which cause other indirect (Scope 3) emissions	2017 (tonnes CO ₂ -e)	% contribution	2016 (tonnes CO ₂ -e)	% change year-on-year
Air travel	3,147	3%	3,266	(4%)
Employee commute	1,740	2%	1,681	4%
Natural gas	570	1%	539*	6%
Purchased electricity	38,058	37%	40,331	(6%)
Taxi and car travel	197	0%	172	14%
Transport fuels (controlled vehicles)	21	0%	26	(20%)
Mixed waste to landfill	59,534	58%	60,811**	(2%)
Other (non-transport fuel)	149	0%	86	73%
Total	103,416	100%	106,912*/**	(3%)

Table 9: Supplementary country breakdown – Other indirect emissions (Scope 3) by country 2017

Activities which cause other indirect (Scope 3) emissions	AU (tonnes CO ₂ -e)	NZ (tonnes CO ₂ -e)	Total (tonnes CO ₂ -e)
Air travel	2,947	200	3,147
Employee commute	1,599	141	1,740
Natural gas	557	12	570
Purchased electricity	37,829	229	38,058
Taxi and car travel	183	14	197
Transport fuels (controlled vehicles)	21	0	21
Mixed waste to landfill	56,251	3,283	59,534
Other (non-transport fuel)	149	0	149
Total	99,536	3,880	103,416

*The natural gas usage has been revised during the 2017 reporting period due to a legacy error in one of our centre's data reporting. As a result, the associated natural gas emissions from this centre have been recalculated and adjusted accordingly. The 2016 and 2017 trend reflects these adjustments.

**The diversion from landfill figures based on the waste to landfill and recyclable materials collected has been revised during the 2017 reporting period due to a legacy error in our contractor's reporting and incorrect categorisation of waste processed through recycling recovery facilities and disposed in landfills with gas capture. As a result, the diversion from landfill performance result has been recalculated and adjusted accordingly as well as its associated emissions. The 2016 and 2017 trend reflects these adjustments.

Environment: Waste

Table 10: Breakdown of non-hazardous waste disposal by waste category 2017 and 2016 (Shopping Centre Operations)

Type	2017 – Shopping Centre Operations			2016 – 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	23,752	2,093	25,845	21,501	2,445	23,947
Landfill (off site)	46,876	2,905	49,782	47,189**	3,703	50,892**
Composting	12,548	0	12,548	9,507**	0	9,507**
Other (to licensed waste contractor facilities)	6,349	0	6,349	5,960	0	5,960
Total	89,525	4,998	94,524	84,158**	6,148	90,306**

Table 11: Breakdown of non-hazardous waste disposal by waste category 2017 and 2016 (Design & Construction)

Type	2017 – Design & Construction				2016 – 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	22,344	71,210	63,126	156,680	6,531	1,829	54,546	62,905
Landfill (off site)	0	0	2,050	2,050	0	0	6,138	6,138
Total	22,344	71,210	65,176	158,729	6,531	1,829	60,684	69,043

Table 12a: Breakdown of hazardous waste disposal 2017 and 2016

Type	2017 metric tonnes	2016 metric tonnes	% change year-on-year
Hazardous	258	155	67%

Table 12b: Total waste disposed 2017 and 2016

2017 metric tonnes	2016 metric tonnes	% change year-on-year
253,511	159,505**	59%

**The diversion from landfill figures based on the waste to landfill and recyclable materials collected has been revised during the 2017 reporting period due to a legacy error in our contractor's reporting and incorrect categorisation of waste processed through recycling recovery facilities and disposed in landfills with gas capture. As a result, the diversion from landfill performance result has been recalculated and adjusted accordingly. The 2016 and 2017 trend reflects these adjustments.

Table 13: Breakdown of total waste disposal by waste category and country 2017

Waste management and disposal method	AU metric tonnes	NZ metric tonnes	% change year-on-year	
			AU	NZ
Recycling	175,594	6,931	108%	183%
Landfill (off site)	48,926	2,905	(8%)	(22%)
Composting	12,548	0	32%	0%
Other (to licensed waste contractor facilities)	6,349	0	7%	0%
Hazardous (to licensed waste contractor facilities)	180	78	16%	0%
Total	243,597	9,914	59%	(17%)

Environment: Water

Table 14: Water withdrawn 2017 and 2016

	2017			2016			% change year-on-year
	AU m ³	NZ m ³	Total m ³	AU m ³	NZ m ³	Total m ³	
Rainwater collected directly and stored by Westfield	2,192	0	2,192	2,868	0	2,868	-24%
Municipal water or other water utilities	4,294,348	306,206	4,600,554	4,191,306	356,139	4,547,445	1%
Total	4,296,540	306,206	4,602,746	4,194,174	356,139	4,550,313	

Environment: Energy, Water and Emissions Intensity


Table 15: Summary of energy, water and emissions intensity by site 2017 and 2016

Site	2017				2016			
	GLA m ²	Energy intensity GJ / m ²	Water intensity m ³ / m ²	Emissions intensity tCO2e/m ²	GLA m ²	Energy intensity GJ / m ²	Water intensity m ³ / m ²	Emissions intensity tCO2e/m ²
Australia								
Airport West	52,300	0.27	0.85	0.10	52,300	0.28	0.75	0.10
Belconnen	96,400	0.30	0.84	0.09	96,400	0.26	0.88	0.09
Bondi	130,600	0.50	1.81	0.15	130,600	0.55	1.86	0.17
Burwood	63,200	0.47	1.73	0.15	63,200	0.54	1.79	0.17
Carindale	136,400	0.42	1.02	0.13	136,400	0.39	0.97	0.12
Carousel	82,300	0.28	1.24	0.07	82,300	0.29	1.52	0.08
Chatswood	80,700	0.48	1.61	0.15	80,700	0.46	1.64	0.15
Chermside	156,200	0.44	1.18	0.13	150,700	0.35	1.00	0.11
Doncaster	122,200	0.39	1.08	0.13	122,200	0.37	0.84	0.13
Eastgardens	84,220	0.29	1.32	0.10	84,220	0.30	1.43	0.10
Fountain Gate	178,100	0.27	0.81	0.08	178,100	0.21	0.77	0.07
Garden City	140,500	0.42	1.41	0.13	140,500	0.44	1.23	0.14
Geelong	51,600	0.34	0.74	0.12	51,600	0.36	0.74	0.13
Helensvale	44,800	0.31	1.20	0.11	44,800	0.34	1.11	0.12
Hornsby	100,000	0.34	1.69	0.11	100,000	0.36	1.66	0.12
Hurstville	61,600	0.40	1.31	0.14	61,600	0.43	1.11	0.14
Innaloo	47,000	0.25	0.98	0.06	47,000	0.24	0.94	0.06
Knox City	141,300	0.27	0.63	0.08	141,300	0.33	0.62	0.09
Kotara	74,200	0.30	0.78	0.09	74,200	0.30	0.92	0.09
Liverpool	83,400	0.35	1.49	0.11	83,400	0.39	1.41	0.13
Marion	137,200	0.29	0.98	0.06	137,200	0.23	0.95	0.05
Miranda	129,000	0.35	1.48	0.12	129,000	0.41	1.48	0.13
Mt Druitt	60,100	0.34	1.85	0.11	60,100	0.34	1.67	0.11
North Lakes	85,300	0.33	1.12	0.11	85,300	0.33	0.95	0.10
Parramatta	137,700	0.48	1.78	0.15	137,700	0.50	1.78	0.16
Penrith	91,700	0.39	1.50	0.13	91,700	0.40	1.45	0.13
Plenty Valley	52,000	0.30	0.95	0.10	52,000	0.27	0.92	0.10
Southland	129,100	0.45	1.05	0.13	129,100	0.46	1.06	0.13
Sydney Retail	166,600	0.28	1.15	0.08	166,600	0.27	1.11	0.08
Tea Tree Plaza	95,200	0.29	0.65	0.06	95,200	0.30	0.53	0.06
Tuggerah	83,500	0.24	1.36	0.07	83,500	0.28	1.26	0.08
Warringah Mall	132,100	0.24	1.04	0.08	132,100	0.31	0.81	0.09
West Lakes	72,200	0.27	0.73	0.05	72,200	0.29	0.70	0.06
Whitford City	84,500	0.36	1.08	0.09	78,700	0.39	1.21	0.10
Woden	72,200	0.36	1.13	0.10	72,200	0.33	1.20	0.10
New Zealand								
Albany	53,400	0.25	0.92	0.02	53,300	0.26	0.26	0.02
Manukau	45,400	0.41	1.33	0.03	45,400	0.45	0.45	0.03
Newmarket	31,600	0.31	1.10	0.02	31,600	0.35	0.35	0.02
Riccarton	55,700	0.36	1.40	0.03	55,700	0.37	0.37	0.03
St Lukes	39,900	0.42	1.64	0.03	39,900	0.44	0.44	0.03
West City	36,300	0.21	0.39	0.01	36,300	0.42	0.42	0.03
Total	3,717,720	0.38	1.24	0.11	3,706,320	0.38	1.21	0.11

At 31 December 2017 our portfolio of 39 assets was valued at

\$5.1bn 

an increase of >30% since the establishment of Scentre Group in 2014

Jobs created 
21,856
• 19,946 construction
• 1,910 retail

7 shopping centre openings & redevelopments 

Economic: Performance

Table 1: Direct economic value generated and distributed 2017 and 2016

	2017	2016
	\$m	\$m
Direct economic value generated⁽ⁱ⁾		
Revenues	6,140	5,080
Direct economic value distributed⁽ⁱ⁾		
Operating costs	(783)	(1,321)
Employee wages and benefits	(343)	(339)
Payments to government by:	(78)	(131)
- AU entities	(54)	(97)
- NZ entities	(24)	(34)
Payments to government as agent by:	(82)	(72)
- AU entities	(76)	(63)
- NZ entities	(6)	(9)
Community investments	(9)	(8)
	(1,295)	(1,871)
Payments to providers of capital	(1,935)	(1,556)
Total economic value distributed	(3,230)	(3,426)
Direct economic value retained⁽ⁱ⁾	2,910	1,654

(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 2017.

Assurance Statement

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



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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 2017. 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 over Scentre Group's Selected Sustainability Performance Data for the year ended 31 December 2017.

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 2017:

- Scope 1 greenhouse gas emissions of 20,836 tonnes of carbon dioxide equivalent (tCO₂-e)
- Scope 2 greenhouse gas emissions of 275,809 tCO₂-e
- Scope 3 greenhouse gas emissions of 103,417 tCO₂-e
- Energy consumption (direct and indirect) of 1,402 terajoules
- Energy production of 2.5 terajoules
- Water consumption of 4,602,746 cubic meters
- Waste recycled of 182,525 tonnes
- Waste to landfill and other methods to licensed waste contractor facilities of 70,986 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 2017 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 that the calculation criteria has been correctly applied in accordance with the methodologies outlined in Scentre Group's criteria

- Undertaking analytical review procedures to support the reasonableness of the data
- Identifying and testing assumptions supporting calculations
- Testing, on a sample basis, to underlying source information to check the accuracy of the data

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

Limited assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Further, our procedures did not include testing controls or performing procedures relating to checking the aggregation or calculation of data within IT systems.

Use of our Assurance Statement

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

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

Adam Carrel
Partner
Sydney, Australia
2 March 2018

Ernst & Young

Scentre Group

Scentre Group Limited
ABN 66 001 671 496

Scentre Group Trust 1

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

Scentre Group Trust 2

ARSN 146 934 536
(Responsible Entity: RE1 Limited
ABN 80 145 743 862,
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Scentre Group Trust 3

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