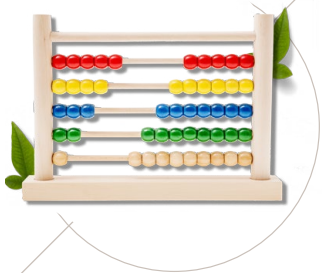


SCENTRE GROUP

PERFORMANCE  
DATA PACK

2015



## INTRODUCTION

# Performance Data Pack

The environmental, employment, health and safety and economic metrics reported in this Sustainability Performance Data Pack are absolute measurements of the managed operations of Scentre Group in 2015 and 2014.

The scope of this report covers assets owned and operated by the Group, which are under operational control of Scentre Group, including shopping centres, commercial buildings as well as development, design & 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 centres 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 data for 2014 reflects performance of assets in Australia and New Zealand that were part of Westfield Group prior to the restructure and now form part of the Scentre Group portfolio. The reporting boundaries for SG are defined in the

Scentre Group's Sustainability Reporting Framework' by '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.

Scentre Group's 2015 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 Construction and Real Estate Sector Supplement.

[Reporting Principles and Standard Disclosures](#)

[G4 Sustainability reporting guidelines](#)

[CRESS](#)

Environment: Energy consumption

Direct energy consumption by primary use 2015 and 2014					
	Type	2015 (GJ)	% contribution (2015)	2014 (GJ)	% change year on year
Non-renewable sources	Natural gas	107,691	88.2%	120,422	(10.6%)
	Non-transport fuel combustion	12,661	10.4%	10,557	19.9%
	Transport fuels (controlled vehicles)	1,680	1.4%	18,321	(90.8%)
Renewable sources	Renewables	28	0.0%	58	(92.5%)
Total		122,060		149,359	(18.3%)

Direct energy consumption by primary source 2015 and 2014					
	Type	2015 (GJ)	% contribution (2015)	2014 (GJ)	% change year on year
Non-renewable sources	Natural gas	107,691	88.2%	120,422	(11%)
	Diesel	9,895	8.1%	7,730	28%
	Fuel oil - light	36	0.0%	62	(43%)
	LPG	2,407	2.0%	2,384	1%
	Petrol	2,003	1.6%	1,932	4%
	Jet fuel	-	0.0%	16,771	(100%)
Renewable sources	Renewables	28	0.0%	58	(51%)
Total		122,060		149,359	(18%)

Supplementary regional breakdown - Direct energy consumption by country 2015					
	Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources	Natural gas	105,713	1,978	107,691	29,914,071
	Non-transport fuel combustion	12,623	38	12,661	3,517,039
	Transport fuels (controlled vehicles)	1,597	82	1,680	466,533
Renewable sources	Renewables	28	-	28	7,863
Total		119,961	2,098	122,060	33,905,506

Supplementary regional breakdown - Direct Energy consumption by country 2015					
	Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
Non-renewable sources	Natural gas	105,713	1,978	107,691	29,914,071
	Diesel	9,857	38	9,895	2,748,670
	Fuel oil - light	36	-	36	9,892
	LPG	2,407	-	2,407	668,618
	Petrol	1,921	82	2,003	556,392
Renewable sources	Renewables	28	-	28	7,863
Total		119,961	2,098	122,060	33,905,506

Indirect energy consumption by primary source 2015 and 2014					
	Type	2015 (GJ)	% contribution (2015)	2014 (GJ)	% change year on year
<b>Non-renewable sources</b>	Electricity	1,202,407	90.3%	1,245,159	(3.4%)
<b>Renewable sources</b>	Hydro energy	128,867	9.7%	128,673	0.2%
<b>Total</b>		<b>1,331,274</b>		<b>1,373,832</b>	<b>(3.1%)</b>

## Environment: GHG Emissions

Direct and indirect emissions (scope 1 & 2) by source 2015 and 2014				
2015			2014	
Type	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>	
<b>Purchased electricity</b>	288,064	94.03%	308,217	(7%)
<b>Natural gas</b>	5,554	1.8%	6,184	(10.2%)
<b>Non-transport fuel combustion</b>	916	0.3%	750	22.0%
<b>Synthetic gases</b>	11,712	3.8%	12,148	(3.6%)
<b>Transport fuels (controlled vehicles)</b>	119	0.0%	1,155	(89.7%)
<b>Total</b>	<b>306,364</b>		<b>328,455</b>	<b>(6.7%)</b>

Supplementary regional breakdown - Indirect energy consumption by country 2015					
	Type	AU (GJ)	NZ (GJ)	Total (GJ)	Total (kWh)
<b>Non-renewable sources</b>	Electricity	1,202,407	-	1,202,407	334,001,830
<b>Renewable sources</b>	Hydro energy	-	128,867	128,867	35,796,510
<b>Total</b>		<b>1,202,407</b>	<b>128,867</b>	<b>1,331,274</b>	<b>369,798,340</b>

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.

### 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 or sub-metered 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 GHG emissions.

Electricity and gas on-sell: Scentre Group has treated energy & 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.

Design and Construction (DD&C) emissions: Scentre Group includes the activities of Development, Design and Construction third party contractors within its organisational boundaries. DD&C transport and stationary fuel consumption (Scope 1) were estimated based on contractor declarations from the Pacific Fair, Chatswood, & Warringah projects. DD&C electricity usage (Scope 2) and gas usage (Scope 1) was estimated based on actual usage data from meters at Miranda, Hurstville, & Pacific Fair projects. DD&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 whereby Scentre Group DD&C has acted as the Principal Contractor for the period.

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, 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) and 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 DEFRA Emissions Factors excel file for 2015. Taxi emissions factors have been obtained from the NZ Ministry for the Environment – 2015. Guidance for Voluntary Corporate Greenhouse Gas Reporting: Data and Methods from the 2013 Calendar Year. Other Scope 3 emissions factors obtained from the Clean Energy Regulator's August 2015 National Greenhouse Accounts Factors document.

### Data sources:

Transport fuels: actual information from fleet reports and expenses management reports.

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 kg collated by Facilities Managers .

Natural gas and electricity: actual data obtained from utility providers.

Employee commute: survey conducted in January 2016 across all Australia and NZ employees.

Air travel: Actual data from travel services agent.

Taxi and car hire: actual data from and car hiring agency.

Waste: volume reports from service provider.

GHG emissions by scope and country 2015 -2014									
2015				2014					
Market	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)	% change year on year (Scope 1)	% change year on year (Scope 2)	% change year on year (Scope 3)
	tonnes CO2-e	tonnes CO2-e	tonnes CO2-e	tonnes CO2-e	tonnes CO2-e	tonnes CO2-e			
<b>Australia</b>	17,486	283,590	103,757	19,197	303,750	103,036	(8.9%)	(6.6%)	0.7%
<b>New Zealand</b>	814	4,475	5,254	1,041	4,468	4,807	(21.8%)	0.2%	9.3%
<b>Total</b>	<b>18,300</b>	<b>288,064</b>	<b>109,010</b>	<b>20,238</b>	<b>308,217</b>	<b>107,843</b>	<b>(9.6%)</b>	<b>(6.5%)</b>	<b>1.1%</b>

Other indirect emissions (scope 3) 2015 and 2014				
Activities which cause other indirect (Scope 3) emissions	2015 (tonnes CO2-e)	2015 % contribution	2014 (tonnes CO2-e)	% change year on year
<b>Air travel</b>	3,939	3.6%	3,144	25.3%
<b>Employee commute</b>	1,733	1.6%	2,143	(19.1%)
<b>Natural gas</b>	661	0.6%	805	(17.9%)
<b>Purchased electricity (distribution and transmission losses)</b>	40,379	37.0%	44,917	(10.1%)
<b>Taxi and car travel</b>	182	0.2%	220	(17.3%)
<b>Transport fuels (controlled vehicles)</b>	6	0.0%	88	(93.3%)
<b>Mixed waste to landfill</b>	62,063	56.9%	56,468	9.9%
<b>Other (paper, train and non-transport fuel)</b>	48	0.0%	58	(17.3%)
<b>Total</b>	<b>109,010</b>		<b>107,843</b>	<b>1.1%</b>

Supplementary regional breakdown - Other indirect emissions (scope 3) by country 2015			
Activities which cause other indirect (Scope 3) emissions	AU (tonnes CO2-e)	NZ (tonnes CO2-e)	Total (tonnes CO2-e)
<b>Air travel</b>	3,763	176	3,939
<b>Employee commute</b>	1,542	192	1,733
<b>Natural gas</b>	648	12	661
<b>Purchased electricity (distribution and transmission losses)</b>	39,974	405	40,379
<b>Taxi and car travel</b>	167	15	182
<b>Transport fuels (controlled vehicles)</b>	6	-	6
<b>Mixed waste to landfill</b>	57,608	4,454	62,063
<b>Other (paper, train and non-transport fuel)</b>	48	-	48
<b>Total</b>	<b>103,757</b>	<b>5,254</b>	<b>109,010</b>

## Environment: Waste

### Breakdown of non-hazardous waste disposal by waste category 2015\*

Type	Shopping centre operations	Design & Construction					
	Operational waste (metric tonnes)	Demolition (metric tonnes)	Excavation (metric tonnes)	Construction (metric tonnes)	Total (metric tonnes)	% of total non-hazardous waste	% change year on year
<b>Recycling</b>	24,884	163,189	6,803	20,685	<b>215,560</b>	51.4%	(85.8%)
<b>Landfill (offsite)</b>	48,256	13,208	119,523	4,222	<b>185,209</b>	44.2%	(87.2%)
<b>Composting</b>	12,116	-	-	-	<b>12,116</b>	2.9%	14.5%
<b>Other (to licensed waste contractors facilities)</b>	6,112	-	-	-	<b>6,112</b>	1.5%	4.3%
<b>Total</b>	<b>91,367</b>	<b>176,397</b>	<b>126,326</b>	<b>24,907</b>	<b>418,997</b>	<b>100%</b>	<b>(85.9%)</b>

\* Scentre Group used the guidance provided by GRI-G4 Global Reporting Initiative Implementation Manual to report on 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.

Design & Construction waste volumes were estimated based on information provided by contractors from the Pacific Fair (QLD) & Warringah (NSW) projects. Data was extrapolated for the top 10 major projects by spend, based on the average quantity of waste generated per project per dollar, by state. Where no state level DD&C information was available, an average of the two states was applied. In 2015 we have amended our approach to estimating waste amounts from construction projects. Up until 2014 reporting year, construction waste was estimated based on the Sydney City project which was completed in 2010. This project was one of a kind with significant amount of material excavated from the site. This project no longer represented the nature of our current projects and therefore was considered to be an outdated baseline for extrapolation of waste volumes for other projects. Scentre Group continues to review its approach to estimating waste from DD&C.

### Breakdown of hazardous waste disposal 2015 and 2014

Type	2015 (metric tonnes)	2014 (metric tonnes)	% change year on year
Hazardous	7,401	7,224	2%

### Total waste disposal 2015 and 2014

2015 (metric tonnes)	2014 (metric tonnes)
426,398	2,986,678

### Breakdown of non-hazardous waste disposal by waste category 2014

Type	Shopping centre operations	Design & Construction				
	Operational waste (metric tonnes)	Demolition (metric tonnes)	Excavation (metric tonnes)	Construction (metric tonnes)	Total (metric tonnes)	% of total non-hazardous waste
<b>Recycling</b>	24,096	214,343	1,246,145	34,679	<b>1,519,263</b>	51.0%
<b>Landfill (offsite)</b>	47,708	9,746	1,381,279	2,962	<b>1,441,695</b>	48.4%
<b>Composting</b>	10,582	-	-	-	<b>10,582</b>	0.4%
<b>Recovery (including Energy recovery)</b>	-	-	-	2,055	<b>2,055</b>	0.1%
<b>Other (to licensed waste contractors facilities)</b>	5,859	-	-	-	<b>5,859</b>	0.2%
<b>Total</b>	<b>88,246</b>	<b>224,089</b>	<b>2,627,424</b>	<b>39,696</b>	<b>2,979,454</b>	<b>100%</b>

### Breakdown of non-hazardous waste disposal by waste category by region and division 2015

Australia		NZ				
Type	Shopping centre operations	Shopping centre operations	Design & Construction			Total (metric tonnes)
	Operational Waste (metric tonnes)	Operational Waste (metric tonnes)	Demolition (metric tonnes)	Excavation (metric tonnes)	Construction (metric tonnes)	
<b>Recycling</b>	21,391	3,493	163,189	6,803	20,685	215,560
<b>Landfill (offsite)</b>	44,314	3,942	13,208	119,523	4,222	185,209
<b>Composting</b>	12,116	-	-	-	-	12,116
<b>Other</b>	6,112	-	-	-	-	6,112
<b>Total</b>	<b>83,932</b>	<b>7,435</b>	<b>176,397</b>	<b>126,326</b>	<b>24,907</b>	<b>418,997</b>

# Environment: Water

Water withdrawn 2015 and 2014*							
2015				2014			
	AU (m3)	NZ (m3)	Total (m3)	AU (m3)	NZ (m3)	Total (m3)	% change year on year
Rainwater collected directly and stored by Westfield	7,627	-	7,627	7,700	-	7,700	(1%)
Municipal water or other water utilities	4,150,237	394,763	4,545,000	4,249,406	387,356	4,636,762	(2%)
Total	4,157,864	394,763	4,552,627	4,257,106	387,356	4,644,462	(2%)

\* Scentre Group used the guidance provided by GRI-G4 Global Reporting Initiative Implementation Manual to report on 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. Data is based on invoices from service providers. Our water intensity is calculated based on total water consumption over the total lettable area (LA).

## Summary of Energy and Water Intensity by site

2015						2014		
Site	GLA 000's sqm	Energy Intensity gigajoules / sqm	Water Intensity m3 / sqm	NABERS - Energy	NABERS - Water	GLA 000's sqm	Energy Intensity gigajoules / sqm	Water Intensity m3 / sqm
<b>Australia</b>								
Airport West	52.3	0.29	0.61	3.0	4.5	52.4	0.27	0.65
Belconnen	96.5	0.26	0.77	-	-	96.5	0.30	0.70
Bondi	129.9	0.53	1.95	3.0	-	127.7	0.53	2.01
Burwood	63.3	0.52	1.52	3.0	2.0	63.4	0.57	1.72
Carindale	136.3	0.40	1.03	3.5	3.0	136.4	0.41	1.09
Carousel	82.3	0.30	1.64	4.0	2.5	82.5	0.31	1.77
Casey Central	6.5	0.43	0.29	-	-	6.5	0.42	0.73
Chatswood	80.9	0.43	1.48	-	-	77.2	0.49	1.84
Chermside	150.7	0.34	1.05	3.5	3.5	150.7	0.37	1.12
Doncaster	123.0	0.32	0.94	4.0	3.0	123.0	0.33	1.17
Eastgardens	84.1	0.32	1.29	3.5	-	84.1	0.34	1.57
Fountain Gate	178.1	0.30	0.70	4.0	3.5	177.8	0.30	0.66
Garden City	141.6	0.45	0.85	3.0	-	142.8	0.36	0.88
Geelong	51.9	0.35	0.67	3.5	4.5	51.8	0.36	0.70
Helensvale	44.9	0.33	1.11	1.0	4.0	44.6	0.34	1.31
Hornsby	99.6	0.35	1.68	3.5	1.5	100.0	0.35	1.93
Hurstville	61.9	0.44	0.97	3.5	3.5	62.5	0.42	1.06
Innaloo	47.0	0.30	1.27	1.5	-	47.0	0.29	0.94
Knox	141.5	0.41	1.23	4.5	1.5	141.5	0.51	1.12
Kotara	74.6	0.31	0.67	4.0	4.5	68.7	0.34	0.93
Liverpool	83.6	0.38	1.39	4.0	2.5	85.2	0.38	1.41
Marion	133.9	0.26	0.97	4.5	3.0	133.8	0.26	0.89
Miranda	129.2	0.33	1.71	-	-	126.0	0.27	0.95
Mt Druitt	60.1	0.34	1.59	3.5	1.5	60.2	0.34	1.90
North Lakes	71.2	0.30	0.90	2.0	4.0	61.4	0.33	0.98
Parramatta	137.1	0.50	1.63	3.0	2.0	137.2	0.52	1.76
Penrith	91.8	0.40	1.61	3.5	1.5	91.6	0.43	1.53
Plenty Valley	51.9	0.30	0.81	3.0	3.5	51.9	0.27	0.84
Southland	129.3	0.47	0.94	4.0	3.0	129.2	0.51	0.96
Sydney	170.5	0.43	0.99	-	-	167.9	0.45	0.97
Tea Tree	93.6	0.32	0.56	3.0	4.0	94.2	0.32	0.58
Tuggerah	83.3	0.27	1.21	4.5	-	83.3	0.28	1.38
Warringah Mall	125.7	0.20	1.20	5.0	2.0	125.7	0.20	1.18
West Lakes	72.0	0.31	0.61	4.0	4.0	73.2	0.40	0.62
Whitford City	77.8	0.43	1.23	-	-	77.8	0.43	1.29
Woden	72.3	0.36	1.35	3.5	1.5	72.4	0.41	1.28
<b>New Zealand</b>								
Albany	53.1	0.25	0.95	-	-	53.3	0.24	0.96
Manukau	45.4	0.43	1.23	-	-	45.5	0.41	1.22
Newmarket	31.6	0.34	1.05	-	-	31.5	0.35	0.99
Riccarton	55.7	0.39	1.27	-	-	53.4	0.40	1.20
St Lukes	39.9	0.43	1.29	-	-	39.8	0.45	1.31
West City	36.3	0.42	0.87	-	-	36.3	0.44	0.91
<b>Total</b>	<b>3,691.9</b>	<b>0.33</b>	<b>1.14</b>	<b>3.50</b>	<b>2.80</b>	<b>3,667.8</b>	<b>0.34</b>	<b>1.17</b>



# Assurance statement

Independent Limited Assurance Report in relation to Scentre Group Limited's 2015 Sustainability Report.



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To the Management and Directors of Scentre Group Limited.

Ernst & Young ('EY') has carried out a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the specific subject matter detailed below ('Subject Matter'), presented in Scentre Group Limited's (Scentre Group) 2015 Sustainability Report ('the Report'), has not been reported and presented fairly, in all material respects, in accordance with the criteria ('Criteria') below.

## SUBJECT MATTER

The Subject Matter for our assurance for the year ended 31 December 2015 was limited to the following selected performance data:

- Scope 1 greenhouse gas (GHG) emissions of 18,300 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e)
- Scope 2 GHG emissions of 288,064 tCO<sub>2</sub>e
- Reported Scope 3 GHG emissions of 109,010 tCO<sub>2</sub>e
- Total waste of 426,398 in tonnes (t)
- Total water consumption of 4,552,627 in cubic metres (m<sup>3</sup>)

The subject matter *did not* include:

- Any data sets, statements, information, systems or approaches other than that set out above
- Management's forward looking statements
- Any comparisons made against historical data, or that historical data.

## CRITERIA

The following criteria have been applied:

- The National Greenhouse Gas and Energy Reporting Act 2007 for Scope 1 and 2 emissions;
- Subject matter definitions from the Global Reporting Initiative Sustainability Reporting Guidelines' ('GRI G4'); and
- Scentre Group's own criteria as set out in 'Scentre Group Limited 2015 Performance Data Pack', including the sources of Scope 3 emissions on which to report.

## MANAGEMENT'S RESPONSIBILITY

The management of Scentre Group ('Management') is responsible for the preparation and fair presentation of the Subject Matter in accordance with the Criteria,

and is also responsible for the selection of methods used in the Criteria. No conclusion is expressed as to whether the selected methods are appropriate for the purpose described above. Further, Scentre management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records, and making estimates that are reasonable in the circumstances.

## ASSURANCE PRACTITIONER'S RESPONSIBILITY

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on our assurance engagement, conducted 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 ASAE 3410 *Assurance Engagements on Greenhouse Gas Statements*, and the terms of reference for this engagement as agreed with Scentre Group.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and, as such, do not provide all of the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on the assurance practitioner's judgment including the risk of material misstatement of the Subject Matter, whether due to fraud or error. 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.

Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems, which would have been performed under a reasonable assurance engagement.

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

## SUMMARY OF PROCEDURES UNDERTAKEN

Our procedures included but were not limited to:

- Gaining an understanding of the basis for collecting, collating and reporting the selected performance data during the reporting period

► Undertaking analytical review procedures to support the reasonableness of the data

► Testing, on a sample basis, the calculations performed by Scentre

► Checking emissions factors had been applied in accordance with the reporting criteria

► Testing, on a sample basis, to underlying source information to test the accuracy of the data

► Obtaining and reviewing evidence to support key assumptions in calculations and other data or statements

► Reviewing the presentation of the information in Scentre Group's 2015 Sustainability Report.

## USE OF OUR LIMITED ASSURANCE ENGAGEMENT REPORT

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

## INDEPENDENCE AND QUALITY CONTROL

In conducting our assurance engagement, we have met the independence requirements of the APES 110 Code of Ethics for Professional Accountants. We have the required competencies and experience to conduct this assurance engagement.

## LIMITED ASSURANCE CONCLUSION

Based on the limited assurance procedures conducted, nothing has come to our attention that causes us to believe that the Subject Matter in the Scentre Group 2015 Sustainability Report for the year ended 31 December 2015 has not been reported and presented fairly, in all material respects, in accordance with the Criteria.

Ernst & Young

Dr. Matthew Bell  
Partner  
Ernst & Young  
Sydney, Australia  
6 April 2016

## Social: Employment Type and Number

Employment type and contract 2015 and 2014				
2015			2014	
Employment type	Headcount	Percentage of total	Headcount	Percentage of total
Full time	1,804	63.9%	1,739	63.5%
Casual	701	24.8%	705	25.7%
Part time	229	8.1%	209	7.6%
Temporary	88	3.1%	87	3.2%
<b>Total</b>	<b>2,822</b>	<b>100%</b>	<b>2,740</b>	<b>100%</b>

Employees and contractors by region at 31 December 2015 and 2014 <sup>1</sup>						
2015				2014		
Employment type	AU	NZ	Total	AU	NZ	Total
<b>Employees</b>	2,582	240	2,822	2,499	241	2,740
<b>Contractors</b>	4,032	270	4,302	4,236	247	4,483

1. Contractors includes construction, security and cleaning personnel.

Employee totals, new hires and departures in year by gender, age group and region 2015 and 2014										
2015						2014				
Category	Employee headcount at 31 December 2015	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	Employee headcount at 31 December 2014*	Total number of new employee hires in year*	Rate of new hires	Total number of employees who left employment in year*	Rate of employees leaving employment
< 30 years	849	384	14%	270	10%	842	389	14%	293	11%
30 - 50 years	1,473	333	12%	290	10%	1,405	354	13%	266	10%
> 50 years	500	43	2%	77	3%	493	62	2%	60	2%
<b>Total</b>	<b>2,822</b>	<b>760</b>	<b>27%</b>	<b>637</b>	<b>23%</b>	<b>2,740</b>	<b>805</b>	<b>29%</b>	<b>619</b>	<b>23%</b>
<b>Male</b>	1,425	350	12%	301	11%	1,389	410	15%	305	11%
<b>Female</b>	1,397	410	15%	336	12%	1,351	395	14%	314	11%
<b>Total</b>	<b>2,822</b>	<b>760</b>	<b>27%</b>	<b>637</b>	<b>23%</b>	<b>2,740</b>	<b>805</b>	<b>29%</b>	<b>619</b>	<b>23%</b>
<b>Australia</b>	2,582	719	25%	596	21%	2,499	774	28%	586	21%
<b>New Zealand</b>	240	41	1%	41	1%	241	31	1%	33	1%
<b>Total</b>	<b>2,822</b>	<b>760</b>	<b>27%</b>	<b>637</b>	<b>23%</b>	<b>2,740</b>	<b>805</b>	<b>29%</b>	<b>619</b>	<b>23%</b>

### Additional information on gender by employee category 2015 and 2014

Employee categories	Gender	% of employees by gender for employee category	
		2015	2014
Senior Managers (M1 and above)	Male	9%	9%
	Female	3%	3%
Managers and Professionals	Male	47%	45%
	Female	38%	36%
Support	Male	45%	45%
	Female	59%	61%

## Social: Parental leave

### Total number of employees that were entitled to parental leave, by gender and the total number of employees that took parental leave, by gender 2015

Gender	Total number of employees that were entitled to parental leave in 2015	Total number of employees that took parental leave in 2015
Male	1,108	-
Female	925	104
<b>Total</b>	<b>2,033</b>	<b>104</b>

### Total number of employees who returned to work after parental leave ended, by gender 2015

Gender	Total number of employees whose parental leave ended in 2015	Total number of employees that returned to work after parental leave ended in 2015	Return to work rate (%)
Male	-	-	0%
Female	60	51	85%
<b>Total</b>	<b>60</b>	<b>51</b>	<b>85%</b>

### Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work, by gender 2015

Gender	Total number of employees who returned to work from parental leave in 2014	Total number of employees who were still employed twelve months after they returned to work	Retention rate (%)
Male	-	-	0
Female	37	32	86%
<b>Total</b>	<b>37</b>	<b>32</b>	<b>86%</b>

### Number of employees initiating parental leave during the year

	2012	2013	2014	2015	2012-2015
Employees who went on leave	43	48	50	46	187
Employees who returned from leave	28	39	43	3	113
Employees who terminated	15	9	4	1	29
Employees still on leave	-	-	3	42	45

### Percentage of employees initiating parental leave during the year

	2012	2013	2014	2015	2012-2015
Employees who returned from leave	65%	81%	86%	7%	60%
Employees who terminated	35%	19%	8%	2%	16%
Employees still on leave	0%	0%	6%	91%	24%

## Social: Governance bodies

Composition of governance bodies by gender and age group					
2015				2014	
Diversity Category	Diversity Category	Total number of workforce within governance bodies (as at 31 December 2015)	Percentage of individuals within governance bodies	Total number of workforce within governance bodies	Percentage of individuals within governance bodies
Age Group	< 30 years	-	0.0%	-	0.0%
	30 - 50 years	5	17.2%	4	16.7%
	> 50 years	24	82.8%	20	83.3%
	Total	29		24	
Gender	Male	27	93.1%	21	87.5%
	Female	2	6.9%	3	12.5%
	Total	29		24	

## Social: Training

Hours devoted to training personnel, by gender				
2015			2014	
Gender	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	7,360	5.2	6,895	5.0
Female	7,408	5.3	6,843	5.1
Total	14,768	5.2	13,738	5.0

Percentage of employees receiving regular performance and career development reviews, by gender and by employee category 2015				
Gender		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	128	128	100%
	Female	41	41	100%
Managers and Professionals	Male	670	670	100%
	Female	527	524	99%
Support	Male	642	329	51%
	Female	814	355	44%
Total		2,822	2,047	73%

## Social: Discrimination

Total number of incidents of discrimination and corrective actions taken 2015					
Status					
	Report the total number of incidents of discrimination during 2015	Number of incidents reviewed by the organization	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
Total number for 2015	-	-	-	-	-

## Social: Workplace safety

Total group safety data 2014-2015		
	2015	2014
Lost time injury frequency rate*	6.6	5.5
Average lost day rate*	6.9	8.2
Total fatalities	0.0	0.0
Total absentee rate (as a percentage)*	1.6	1.5

LTIFR =  $(\text{number of Lost Time Injuries} / \text{total hours worked}) \times 1,000,000$ . This covers both employees and contractors.

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

R =  $\text{Total number of Absentee days} / \text{Total number of days worked} \times 100$ . This covers employees only, as absentee days data is not available for contractors.

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			
	Total no. of employees represented (as at 31 December 2015)	Total Workforce (as at 31 December 2015)	Percentage of total workforce represented
Australia	2,462	2,582	95%
New Zealand	240	240	100%
Total	2,702	2,822	96%

Percentage of the organization operating in verified compliance with an internationally recognised health and safety management system	
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100% of Westfield's workforce, including independent contractors, are operating under AS4801, an internationally recognised health and safety management system.

## Economic & Risk

	2015	2014
<b>Direct Economic Value Generated <sup>1</sup></b>	<b>\$m <sup>2</sup></b>	<b>\$m <sup>2</sup></b>
<b>Revenues</b>	6,536.4	3,416.5
<b>Direct Economic Value Distributed <sup>1</sup></b>		
<b>Operating costs</b>	(2,899.0)	(877.7)
<b>Employee wages &amp; benefits</b>	(320.7)	(289.9)
<b>Payments to government by:</b>	(84.7)	(161.6)
- AU entities	(53.8)	(137.7)
- NZ entities	(30.9)	(23.9)
<b>Payments to government as agent by:</b>	(69.6)	(59.4)
- AU entities	(58.8)	(47.4)
- NZ entities	(10.8)	(12.0)
<b>Community investments</b>	<b>(8.6)</b>	<b>(7.5)</b>
	(3,382.6)	(1,396.1)
<b>Payments to providers of capital</b>	<b>(1,850.0)</b>	<b>(1,051.8)</b>
<b>Total economic value distributed</b>	(5,232.6)	(2,447.9)
<b>Direct Economic Value Retained <sup>1</sup></b>	1,303.8	968.6

1. 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 2015.

2. On 30 June 2014, the Westfield Group implemented the restructure of the Group (Restructure and Merger), under which Westfield Group's Australian and New Zealand business including its vertically-integrated retail operating platform, held through Westfield Holdings Limited and Westfield Trust, was separated from the Westfield Group's international business and merged with Westfield Retail Trust to create two new listed groups:

- Scentre Group – comprising the merged Australian and New Zealand business of Westfield Group and Westfield Retail Trust; and
- Westfield Corporation – comprising Westfield Group's international business.

The Restructure and Merger was approved by Westfield Group securityholders on 29 May 2014, Westfield Retail Trust securityholders on 20 June 2014 and by the Supreme Court of New South Wales on 23 June 2014.

- A restructure stage, where Westfield Group's international business was transferred to Westfield Corporation Limited and WFD Trust, and shares in Westfield Corporation Limited and units in WFD Trust were distributed in-specie to Westfield Group securityholders and stapled to Westfield Group;
- A destapling stage, where the shares in Westfield Holdings Limited and the units in Westfield Trust were each destapled from the Westfield Group and from each other resulting in the formation of Westfield Corporation; and
- A merger stage, where the shares in Westfield Holdings Limited and the units in Westfield Trust were stapled to the units in each of Westfield Retail Trust 1 and Westfield Retail Trust 2, resulting in the formation of Scentre Group.

Accordingly, the results for the year ended 31 December 2015 comprise the earnings of Scentre Group following the Restructure and Merger implemented on 30 June 2014. The results for the year ended 31 December 2014 comprise the earnings of the former Westfield Group's Australian and New Zealand operations for the six months ended 30 June 2014 and the earnings of Scentre Group for the six months ended 31 December 2014.

# Risk

As a property group involved in the design, development, management and operation of retail shopping centres, the Group faces a number of risks which have the potential to affect the Group's achievement of its targeted financial outcomes. Business risks are subject to continuous assessment and review. Appropriate strategies are then implemented to control or otherwise mitigate the impact of those risks. The Group's Risk Management Framework forms part of the Group's everyday business processes and is supported by a dedicated risk management function. A number of important strategic risks and how the Group manages and monitors such risks are outlined below.

Risk	Description	Monitor and manage risk
<b>Property ownership risks</b>	<ul style="list-style-type: none"> <li>A significant portion of the Group's earnings are derived from rental income</li> <li>Anchor tenants occupy a significant portion of the total GLA of the Group's centres</li> <li>Changes in consumer sentiment or shopping preferences</li> <li>Emergence of alternative retail channels</li> </ul>	<ul style="list-style-type: none"> <li>The Group focuses on creating and owning leading retail destinations across Australia and New Zealand</li> <li>The Group's intensive management of its portfolio is aimed at maximising the sales productivity of retailers and to provide superior experiences to consumers</li> <li>The Group seeks to improve the quality of the portfolio by adapting to the next generation of retail</li> <li>The Group focuses on new income opportunities including: expanding media and advertising revenues, digital, car parking and infrastructure services</li> <li>The emergence of digital technology is seen as an important element in better connecting the retailer and its centres with the consumer</li> </ul>
<b>Property management and development risks</b>	<ul style="list-style-type: none"> <li>The Group's financial performance will depend on in part on the continued redevelopment and growth of its centres</li> <li>The Group derives a significant portion of its income from property management activities</li> </ul>	<ul style="list-style-type: none"> <li>The Group seeks to ensure discipline and agility in decision making processes to take advantage of opportunities to deliver appropriate risk related returns</li> <li>The design and construction division remains focused on the right product in the right location</li> <li>Development capabilities include all elements of development, design, construction and project leasing</li> <li>The Group's portfolio provides a consistent pipeline of redevelopment and expansion opportunities for existing centres in the portfolio</li> </ul>
<b>Financing risks</b>	<ul style="list-style-type: none"> <li>The Group's ability to repay principal and interest on its debt depends on the future performance and cash flow of its business</li> <li>The real estate investment and development industry is highly capital intensive</li> </ul>	<ul style="list-style-type: none"> <li>The Group manages its exposure to key financial risks in accordance with the Group's treasury risk management policies.</li> <li>The Group's gearing is 33.3%</li> <li>Further information relating to financial risk management is detailed in note 31 of the financial statements</li> <li>The Group maintains high levels of interest rate hedging</li> </ul>
<b>Economic downturn</b>	<ul style="list-style-type: none"> <li>Economic downturn creates challenging operating conditions</li> </ul>	<ul style="list-style-type: none"> <li>The Group's focus is on a strong balance sheet with low gearing</li> <li>The Group utilises diverse funding sources</li> </ul>
<b>Regulatory changes</b>	<ul style="list-style-type: none"> <li>Regulatory changes may impact our business model</li> </ul>	<ul style="list-style-type: none"> <li>The Group engages with industry and government on policy areas and reform</li> </ul>
<b>Workplace health and safety</b>	<ul style="list-style-type: none"> <li>Financial or physical impact arising from an accident or event at an asset owned or managed by Scentre Group</li> </ul>	<ul style="list-style-type: none"> <li>The Group maintains comprehensive work health and safety programs</li> </ul>
<b>People and culture</b>	<ul style="list-style-type: none"> <li>Inability to attract and retain the talent required to execute the strategy</li> </ul>	<ul style="list-style-type: none"> <li>The Group recognises the following principles as key contributors to attracting and retaining talent. <ul style="list-style-type: none"> <li>A workforce that is reflective of the communities in which the Group operates</li> <li>Recognition that diversity in the workforce is a key contributor to the success of our business</li> <li>Creating an inclusive culture that supports employees at all stages of their career and encourages employees to succeed to the best of their ability.</li> </ul> </li> <li>The Group has implemented a number of workplace initiatives in relation to diversity and work place flexibility</li> </ul>

**Scentre Group**

Scentre Group Limited  
ABN 66 001 671 496

**Scentre Group Trust 1**

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

**Scentre Group Trust 2**

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

**Scentre Group Trust 3**

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

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**New Zealand Office**

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Facsimile: +64 9 978 5070

**Secretaries**

Maureen T McGrath  
Paul F Giugni

**Auditors**

Ernst & Young  
The Ernst & Young Centre  
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Email: [investor@scentregroup.com](mailto:investor@scentregroup.com)  
Website: [scentregroup.com](http://scentregroup.com)

**Principal Share Registry**

Computershare Investor  
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Melbourne VIC 3001  
Telephone: +61 3 9946 4471  
Enquiries: 1300 730 458  
Facsimile: +61 3 9415 2500  
Email: [web.queries@computershare.com.au](mailto:web.queries@computershare.com.au)  
Website: [computershare.com](http://computershare.com)

**ADR Registry**

Bank of New York Mellon  
Depository Receipts Division  
101 Barclay Street  
22nd Floor  
New York, 10286  
Telephone: +1 212 815 2293  
Facsimile: +1 212 571 3050  
Website: [www.adrbny.com](http://www.adrbny.com)  
Code: ADR - SCTRY

**Listing**

Australian Securities Exchange – SCG

**Website**

[scentregroup.com](http://scentregroup.com)