

SCENTRE GROUP

ASX ANNOUNCEMENT

4 April 2024

Scentre Group (ASX: SCG)

Scentre Group Annual General Meeting – Address to Securityholders

Attached are copies of the addresses to be given at today's Annual General Meeting of Scentre Group Limited, held in conjunction with meetings of securityholders of Scentre Group Trust 1, Scentre Group Trust 2 and Scentre Group Trust 3, by:

- Ms Ilana Atlas AO, Chair; and
- Mr Elliott Rusanow, Chief Executive Officer.

This announcement has been authorised for release by the Company Secretary.

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entity of Scentre Group Trust 1
ABN 55 191 750 378 ARSN 090 849 746

RE1 Limited
ABN 80 145 743 862
AFS Licence No: 380202 as responsible
entity of Scentre Group Trust 2
ABN 66 744 282 872 ARSN 146 934 536

RE2 Limited
ABN 41 145 744 065
AFS Licence No: 380203 as responsible
entity of Scentre Group Trust 3
ABN 11 517 229 138 ARSN 146 934 652

SCENTRE GROUP

CHAIR'S ADDRESS SCENTRE GROUP LIMITED ANNUAL GENERAL MEETING

HELD ON THURSDAY, 4 APRIL 2024 AT 10:00AM

Good morning everyone and welcome to the Annual General Meeting of Scentre Group Limited, and the meetings of securityholders of Scentre Group Trust 1, Scentre Group Trust 2 and Scentre Group Trust 3, which are being held together this morning at this meeting.

I am Ilana Atlas, the Chair of Scentre Group.

Our AGM is being held as a hybrid meeting. I am conducting the meeting from the Wesley Conference Centre in Sydney and securityholders can also participate online and ask questions on the telephone line.

The Company Secretary has informed me that a quorum is present, and I declare the meeting open.

I would like to acknowledge the Gadigal people of the Eora Nation as the traditional custodians of the land we are on, and I recognise that people viewing the webcast of this AGM may be on different lands of different Traditional Custodians.

I would like to pay my respect to each of their Elders, past and present, and I extend that respect to Torres Strait and Aboriginal peoples here with us today or participating online

I would like to welcome on stage with me my fellow non-executive Directors Mike Ihlein, Catherine Brenner, Steve McCann, Margie Seale, Guy Russo, Carolyn Kay and Mike Wilkins, as well as our Managing Director and Chief Executive Officer, Elliott Rusanow; and Maureen McGrath our Company Secretary.

Mr Mike Wright, representing the Group's auditors EY, is here today, and we are also joined by members of Scentre Group's executive team in the audience.

[Procedural matters addressed]

I would now like to say a few words about the performance of our company.

CEO Elliott Rusanow will address our financial and operating performance following my remarks.

2023 was a successful year for the Group.

The Group delivered strong financial and non-financial results in a responsible and sustainable way, focusing on short-term and long-term value for securityholders.

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The Scentre team delivered improved year-on-year performance and invested in the future of the business.

Our Westfield destinations are part of the social fabric of the communities we serve and located in some of the most populated cities of Australia and New Zealand.

It has been very pleasing to see continued strong demand for what we offer in our destinations, given elevated inflation and moderating economic growth.

This highlights the relevance of the Group's strategy to create the places more people choose to come more often, for longer.

Our destinations are well-positioned to play a role in the future growth of our communities and local economies.

The Group delivered strong financial performance with 5.2% growth in Funds from Operations.

Distributions to securityholders were \$860.6 million or 16.60 cents per security, which represented growth of 5.4% and was above guidance.

During 2023 we transitioned our Board leadership with Brian Schwartz retiring and my commencement as Chair from 1 October.

This followed Chief Executive Officer and Chief Financial Officer succession in 2022, led by the Board under Brian's stewardship.

On behalf of the Board and securityholders, I wish to acknowledge Brian's contribution to our company from its establishment in 2014 as a Director and then as our Chair from 2016 until 2023.

His leadership played a critical role in shaping our Westfield destinations' strong connection to customers, businesses and communities.

Continuing to build a strong organisational culture and being the place where talent thrives is a key focus of the Board.

We have a comprehensive plan in place to listen to, and engage with, our employees.

During the year we were greatly encouraged by our company-wide pulse check where 91% of respondents said they would recommend the Group as a place to work.

Delivering our results in a responsible and sustainable way remains a priority.

We have a strong track record in delivering on the four pillars of our responsible business framework of community, talent, environment and economic performance. Yet, we know we have more to do.

Recently the Group released its 2023 Responsible Business Report, Climate Statement and Modern Slavery Statement, providing a comprehensive update on our progress.

These are all available online.

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On gender diversity, we are making progress on our 40:40:20 target with women representing 44% of the Board, 40% of executive Key Management Personnel and 57% of the total workforce.

We have a target to achieve net zero scope 1 and 2 emissions across our wholly-owned Westfield destinations by 2030, and are on track to achieve this. Since 2014, we have achieved a 41% reduction in scope 1 and 2 emissions across our portfolio.

We continue to focus on the three pillars of our net zero strategy which includes optimising centre efficiency, generating and procuring renewable energy and reducing residual emissions.

We are also focused on waste management and are committed to achieving our 2030 goal of waste recovery from operations of 90%.

Our people are the key to our success. Investing in our talent and their capabilities is integral to our strategy and growth.

Throughout the year, the Board and the Human Resources Committee have carefully considered remuneration so that our remuneration objectives are met: attracting and retaining the best talent, fairly rewarding our employees and aligning the experience of our employees with our securityholders.

The Board is of the view that the remuneration paid to executives in 2023 appropriately balanced paying for performance and alignment with the interests of our securityholders. The detail of these decisions and other remuneration matters are set out in the Remuneration Report which is the subject of a vote of securityholders later in the meeting.

The poll on the remuneration report for item 5 has not yet been taken. However, based on proxy votes already received, we expect to fall short of the required threshold of 75% by a narrow margin.

We are disappointed.

However, we welcome and highly value feedback from securityholders and other key stakeholders and will certainly take these views into account before we come back to you next year with our Remuneration Report.

We look forward to continuing our engagement with securityholders on our remuneration practices.

As a Board, we are always looking for ways to improve our effectiveness and add value to the Group.

On 1 April 2024, we restructured our Audit and Risk Committee to establish an Audit and Finance Committee and a Risk and Sustainability Committee.

This reflects our focus on being a responsible and sustainable business and the time we believe we need to dedicate to community and environmental matters.

Today, Carolyn Kay, Guy Russo and Margie Seale are standing for re-election.

Carolyn, Guy and Margie will address you shortly in support of their respective re-election, all with the full support of the Board.

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The Board is committed to regular engagement with our teams.

Collectively and individually our directors have visited many Westfield destinations throughout the year including in New Zealand and Queensland and hosting our December Board meeting at Westfield Parramatta in western Sydney.

I look forward to visiting many more members of our team in our destinations throughout 2024.

I would like to acknowledge all members of the Scentre Group team for their commitment to serving our customers and communities throughout 2023.

I would also like to thank my Board colleagues for their commitment to Scentre Group and its securityholders during another important year for our company.

Thank you to you, my fellow securityholders for your ongoing support of our company.

I would now like to introduce our CEO Elliott Rusanow to speak to the meeting.

-ENDS-

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CHIEF EXECUTIVE OFFICER'S ADDRESS SCENTRE GROUP LIMITED ANNUAL GENERAL MEETING

HELD ON THURSDAY, 4 APRIL 2024 AT 10:00AM

Thank you Chair.

Good morning everyone.

Our strategy to create places and experiences that more people choose to come to, more often and for longer has delivered strong operating performance in 2023.

I am very pleased with our results and thank the team for their achievements during the year and for remaining focused on our customers.

Funds from Operations was \$1.094 billion – 21.11 cents per security – up 5.2% on the previous year.

Net Operating Income increased by 8.8% to \$1.951 billion.

Customer visitation to our 42 Westfield destinations was 512 million, up 32 million or 6.7 per cent on 2022.

This was underpinned by our activation program focused on giving people more reasons to spend their time with us. This included new strategic partnerships with leading brands such as Disney, Live Nation and Netball Australia.

We have extended our partnerships with these brands which will include a year-long calendar of unique experiences for our customers.

During 2023, our business partners achieved \$28.4 billion in sales, an increase of \$1.7 billion or 6.4% compared to 2022 and representing a record across our Westfield platform.

Demand from business partners continues to be strong with occupancy increasing to 99.2% at 31 December 2023, compared to 98.9% at the end of 2022.

During the year we completed 3,273 leasing deals which included 307 new brands to the portfolio.

On average, specialty rent escalations increased by 7.5% and new lease spreads improved to +3.1%.

We collected \$2.723 billion of gross rent during the year, an increase of \$131 million compared to 2022 and equivalent to 103% of gross rental billings for the period.

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Our strategic customer initiatives include our Westfield membership program, which now has 4 million members, an increase of 830,000 since the beginning of 2023.

In November 2023 we successfully opened the final stage of the \$355 million investment in Westfield Knox in Melbourne, of which our share was \$178 million. Visitation at Knox is 14% higher than the comparable period in 2019.

We are well progressed on our expansion of Westfield Sydney on the corner of Market and Castlereagh Streets in Sydney's CBD.

The Group will introduce 6,000 square metres of luxury retail space over five levels, including the new Chanel boutique.

Other brands to join the expanded Westfield Sydney include Moncler, Omega and Canada Goose.

During the year we commenced redevelopments at Westfield Mt Gravatt in Brisbane and Westfield Tea Tree Plaza in Adelaide to introduce new usages and business partners.

We continue to progress pre-development works on our \$4 billion pipeline of retail real estate opportunities.

Planning has commenced at Westfield Bondi Junction in Sydney to repurpose Level 1 of the current David Jones department store space. Our strategy is to optimise Bondi by introducing elevated wellness, health and luxury experiences as well as new entertainment and lifestyle experiences that will reinforce this leading destination.

Planning for long-term investment opportunities at Westfield Booragoon in Perth is also ongoing.

The Group's destinations are located on more than 670 hectares of land holdings primarily located in major population and growth regions across Australia and New Zealand.

This provides the Group with potential long-term strategic growth opportunities.

The Group continued to be proactive with respect to capital management including increasing our interest-rate hedging at attractive rates and repurchasing US\$300 million of subordinated notes.

At 31 December 2023, the Group had available liquidity of \$3.5 billion, which will cover all debt maturities until the end of 2025.

We continue to maintain our 'single A' credit rating.

Progress also continues on our pathway to net zero by 2030 - Scope 1 and 2 emissions - with the recent completion of rooftop solar installations at Westfield Fountain Gate, Knox, Hornsby and Tuggerah.

Together these installations more than double the Group's solar generation capacity to 12.2MW.

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We have entered into long-term energy agreements in NSW and Victoria, which together with our existing agreements in Queensland and New Zealand, will assist us in achieving net zero by 2030.

As mentioned by our Chair, during the year Brian Schwartz retired from our Board and I would also like to thank Brian for his support and guidance to me over many years. We were very pleased to establish a scholarship for excellence in his name at Western Sydney University. The scholarship will commence this year.

I am pleased to report that attracting even more people to our destinations remains our focus into 2024.

For the first 12 weeks of this year, we have welcomed over 118 million customer visits. This is an increase of 2.1% or 2.4 million more visits when compared to the same 12 weeks in 2023.

Total business partner sales for January and February this year are 3.1% higher compared to 2023 and 13.4% higher than 2019, or \$3.5 billion higher since 2019.

Our focus on creating extraordinary places and experiences where people choose to spend their time, enabling more businesses and brands to connect with more customers, is expected to continue to deliver growth in earnings and distributions.

Our Westfield destinations, strategic land holdings and our unique brand provide significant long-term growth opportunities for the Group.

Subject to no material change in conditions, the Group expects Funds from Operations to be in the range of 21.75 to 22.25 cents per security for 2024, representing 3.0% to 5.4% growth for the year.

Distributions are expected to be at least 17.20 cents per security for 2024, representing at least 3.6% growth for the year.

On behalf of our team, thank you for your support.

I will now hand back to the Chair.

-ENDS-