

# SCENTRE GROUP

## ASX Announcement

2 March 2018

### **Scentre Group (ASX: SCG) Scentre Group Limited Annual General Meeting Notice of Meeting and Proxy Form**

Attached are the following documents:

1. Notice of Meeting and Explanatory Notes for the Annual General Meeting (**AGM**) of Scentre Group Limited to be held on Thursday, 5 April 2018, commencing at 10:00am.
2. Proxy form for the AGM.

The Notice of Meeting and Explanatory Notes for the AGM, together with the proxy form, are being despatched to securityholders. The documents can also be accessed at [www.scentregroup.com](http://www.scentregroup.com).

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Owner and Operator of  in Australia and New Zealand

SCENTRE GROUP LIMITED ABN 66 001 671 496

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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

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# SCENTRE GROUP

Owner and Operator of *Westfield* in Australia and New Zealand

## ANNUAL GENERAL MEETING

### **NOTICE OF MEETING & EXPLANATORY NOTES**

to be held at  
Wesley Conference Centre  
Lower Ground Floor  
220 Pitt Street, Sydney NSW  
on Thursday, 5 April 2018  
commencing at 10:00am (Sydney time)

This notice is issued by Scentre Group Limited ABN 66 001 671 496

# SCENTRE GROUP

2 March 2018

Dear Securityholder

## **Invitation to Scentre Group Limited Annual General Meeting**

On behalf of the Board of Directors, I am pleased to invite you to attend the 2018 Annual General Meeting (**AGM**) of Scentre Group Limited.

The AGM will be held on Thursday, 5 April 2018 at the Wesley Conference Centre, Lower Ground Floor, 220 Pitt Street, Sydney, NSW commencing at 10:00am (Sydney time). Registration will commence at 9:00am.

The business of the meeting is to consider the Group's 2017 financial statements and reports, the remuneration report and the election of Directors. This year is the first time that we will be seeking approval for the grant of performance rights to our Managing Director and Chief Executive Officer.

In addition, we are also seeking approval to changes to the Company's Constitution, details of which are set out in this notice of meeting.

The AGM is an opportunity for securityholders to meet Directors and the Group's senior management team, ask questions and vote on items of business. I hope you will be able to attend.

The meeting will be webcast live on Scentre Group's website at [www.scentregroup.com](http://www.scentregroup.com) and will also be archived on this site for later viewing.

Enclosed with this notice of meeting is a proxy form. If you are unable to attend the meeting, I encourage you to appoint a proxy by completing and returning the proxy form to Computershare Investor Services Pty Limited. More information on voting is contained in this notice.

I look forward to welcoming you to the AGM.



**Brian Schwartz AM**  
Chairman

Owner and Operator of **Westfield** in Australia and New Zealand

Scentre Group Limited ABN 66 001 671 496  
Level 30, 85 Castlereagh Street, Sydney NSW 2000 Australia  
GPO Box 4004 Sydney NSW 2001 Australia T +61 (02) 9358 7000 [scentregroup.com](http://scentregroup.com)

The Annual General Meeting (**AGM**) of securityholders of Scentre Group Limited (**Company**) will be held at the Wesley Conference Centre, Lower Ground Floor, 220 Pitt Street, Sydney NSW on Thursday, 5 April 2018 commencing at 10:00am (Sydney time).

Additional information concerning the proposed resolutions to be placed before the meeting is contained in the explanatory notes which accompany and form part of this notice of meeting.

## Items of business

### Financial Statements and Reports

1. To consider the Company's Financial Report, Directors' Report and Auditor's Report for the year ended 31 December 2017.

### Remuneration Report

To consider and, if thought fit, to pass the following resolution as an advisory ordinary resolution of the Company:

2. **THAT** the Company's Remuneration Report for the financial year ended 31 December 2017 be adopted.

### Election of Directors

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions of the Company:

3. **THAT** Carolyn Kay who retires in accordance with the Company's Constitution and, being eligible, offers herself for re-election, is re-elected as a Director of the Company.
4. **THAT** Margaret Seale who retires in accordance with the Company's Constitution and, being eligible, offers herself for re-election, is re-elected as a Director of the Company.

### Approval for the grant of performance rights to Peter Allen, Managing Director and Chief Executive Officer

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

5. **THAT** approval is given for the issue to, and acquisition by, Managing Director and Chief Executive Officer Mr Peter Allen of 1,055,899 performance rights under Scentre Group's Performance Rights Plan and the acquisition of Scentre Group stapled securities on vesting of those performance rights, on the basis described in the explanatory notes forming part of the notice of meeting convening this meeting.

### Scentre Group Limited Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution of the Company:

6. **THAT** the document in the form tabled at the meeting, and for the purpose of identification signed by the Chairman of the meeting, is adopted as the Constitution of the Company in substitution for the present Constitution of the Company (which is repealed).

### Voting Exclusion Statement

Items 2 and 5 are resolutions which directly or indirectly relate to the remuneration of key management personnel. In accordance with the requirements of the *Corporations Act 2001* (Cth) (**Corporations Act**), the Company will disregard any vote cast on item 2 by or on behalf of a member of the key management personnel of the Company's consolidated group (**Group**) (or a closely related party of such member) (together, **Excluded Persons**). Additionally, the Company will disregard any vote cast on item 2 or 5 by an Excluded Person acting as proxy, unless the vote is cast:

- by an Excluded Person as proxy for a person entitled to vote on the resolution in accordance with their direction on the proxy form; or
- by the Chairman of the meeting as proxy for a person entitled to vote on the resolution, where the proxy appointment expressly authorises the Chairman to vote undirected proxies as the Chairman sees fit.

If the Chairman is your proxy or is appointed as your proxy by default, and you do not direct the Chairman how to vote on item 2 or 5 on your proxy form, you will be expressly authorising the Chairman to vote on item 2 or 5 as the Chairman sees fit. The Chairman intends to vote undirected proxies in favour of items 2 and 5.

### Entitlement to attend and vote at the Meeting

All securityholders may attend the AGM. The Board has determined that for the purposes of voting at the meeting, registered holders of Scentre Group stapled securities as at 7:00pm (Sydney time) Tuesday, 3 April 2018 will be eligible to vote at the meeting.

### Asking questions at the Meeting

We welcome securityholders' questions at the meeting. However, in the interests of all present at the meeting, we request that securityholders confine their questions to matters before the meeting that are relevant to securityholders as a whole.

A securityholder entitled to vote at the meeting may submit a written question to the auditor if the question is relevant to:

- (i) the content of the auditor's report to be considered at the AGM; or
- (ii) the conduct of the audit of the annual financial report to be considered at the AGM.

The question may be submitted by providing it to the Company no later than 5:00pm (Sydney time) on 27 March 2018.

### Appointing a proxy

If you are unable to attend the meeting in person, you are encouraged to complete and return the proxy form which accompanies this notice of meeting.

- A securityholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote for the securityholder at the meeting.
- If a securityholder is entitled to two or more votes, they may appoint two proxies and each proxy must be appointed to represent a specified proportion of the securityholder's voting rights. If you appoint two proxies and do not specify the proportion of the number of votes each proxy may exercise, each of the proxies may exercise half of your votes. If you wish to appoint a second proxy, please write on your proxy form the names of both proxies and the proportion of votes allocated to each in accordance with the instructions on your proxy form.
- A proxy need not be a securityholder and may be an individual or a body corporate.
- If you appoint a body corporate as a proxy, that body corporate will need to ensure that it appoints an individual as its corporate representative to exercise its powers at the meeting and provide satisfactory evidence of the appointment of its corporate representative prior to the commencement of the meeting.
- A corporate securityholder must sign the proxy form in accordance with its constitution or otherwise in accordance with the Corporations Act. Where the proxy form is signed by a duly authorised person or persons of a corporate securityholder, such authorisation must have been sighted by Scentre Group's Share Registrar, Computershare Investor Services Pty Limited.

### Lodgement of proxies

To be valid, the proxy form and any power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be received no later than 10:00am (Sydney time) on Tuesday, 3 April 2018 (**Proxy Deadline**). Proxy forms received after this time will be invalid.

Proxy forms may be lodged using any of the following methods:

#### Online proxy

You may submit your proxy online at [www.investorvote.com.au](http://www.investorvote.com.au) which can also be accessed via [www.scentregroup.com](http://www.scentregroup.com). You will need your Security Holder Reference Number (**SRN**) or Holder Identification Number (**HIN**) and your allocated Control Number as shown on your proxy form.

You will be taken to have signed the proxy form if you lodge your proxy in accordance with the instructions on the website. A proxy cannot be appointed electronically if they are appointed under a power of attorney or similar authority. The online proxy facility may not be suitable for securityholders wishing to appoint two proxies with different voting directions. Please read the instructions for online proxy submissions carefully before you lodge your proxy.

Custodians and other intermediaries may submit their proxy online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com) (subscribers only).

### ***Proxy delivery***

In addition to online proxy submissions, proxies may be given by post, fax or delivery. A proxy form and a reply paid envelope are enclosed.

A completed proxy form and any power of attorney or other authority (if any) under which it is signed (or a certified copy of it) must be received by the Proxy Deadline by one of the following means: posted to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001; hand delivered to Computershare Investor Services Pty Limited at Level 4, 60 Carrington Street, Sydney NSW 2000; or by fax to 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia).

Proxy forms may also be hand delivered to Scentre Group, Level 30, 85 Castlereagh Street Sydney NSW 2000 or by fax to + 61 2 9358 7241.

### **Corporate representative**

If your holding is registered in a company name, a corporate securityholder may appoint a person to act as its representative to attend the meeting by providing that person with the appropriate 'Certificate of Appointment of Corporate Representative' (available from the Share Registrar or [www.investorcentre.com](http://www.investorcentre.com)).

The above evidence of appointment must be produced prior to the commencement of the AGM.

### **Undirected proxies**

The Chairman of the meeting intends to vote undirected proxies in favour of all resolutions.

### **Voting by poll**

Voting on all resolutions at the AGM will be conducted by poll. Further details of the poll will be provided at the AGM.

By Order of the Board of Scentre Group Limited



Maureen McGrath  
Company Secretary

Sydney, 2 March 2018

## EXPLANATORY NOTES

### Item 1

#### Financial Statements and Reports

As required under section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report (collectively **Reports**) of the Company and the consolidated entity for the financial year ended 31 December 2017 will be placed before the AGM. These Reports are in the Company's Annual Financial Report which is available at <https://www.scentregroup.com/investors/annual-reports>.

There is no requirement for a formal resolution on this item. Accordingly, there will be no formal resolution put to the AGM. Securityholders will be provided with the opportunity to ask questions about the Reports during discussion on this item.

### Item 2

#### Remuneration Report

The Remuneration Report is included in the Directors' Report in Scentre Group's 2017 Annual Financial Report.

The Remuneration Report sets out the Group's remuneration policy and the remuneration arrangements in place for Directors and certain senior executives whose remuneration arrangements are required by law to be disclosed. Securityholders are being asked to adopt the Remuneration Report.

The Corporations Act requires listed companies to put the Remuneration Report for each financial year to a resolution of securityholders at the Company's AGM. The vote is advisory only and does not bind the Directors or the Company. As outlined in the Voting Exclusion Statement, the Group's key management personnel (including Directors) are not permitted to vote on this resolution except in the circumstances described in the Voting Exclusion Statement.

**The Board recommends that you vote in favour of adopting the Remuneration Report.**

### Item 3 and item 4

#### Election of Directors

Ms Carolyn Kay and Ms Margaret Seale are retiring in accordance with the Company's Constitution at the end of the AGM and are offering themselves for re-election.

The Board undertakes an annual review of its performance. The Board considers the results of this review in determining its endorsement of the Directors standing for re-election at the AGM. The Board considers that Ms Carolyn Kay and Ms Margaret Seale are independent Directors.

**The Board recommends (with Ms Kay and Ms Seale abstaining in relation to their own nominations) that you vote in favour of the Directors standing for re-election.**

### Item 3 Re-election of Ms Carolyn Kay



#### Age 56

Carolyn Kay is a non-executive Director of Scentre Group. She is also a member of Scentre Group's Audit and Risk Committee. Carolyn has had more than 30 years of experience in the finance sector as an executive and non-executive director. In addition, Carolyn has been and remains a non-executive director of enterprises across a broad range of industries. She is currently a member of the Future Fund Board of Guardians, a non-executive director of Brambles Limited and the Australia-China Council, and an external board Member of Allens Linklaters. In the not for profit sector, Carolyn is also a non-executive director of the General Sir John Monash Foundation. As an executive Carolyn worked as a banker and lawyer at Morgan Stanley, JP Morgan and Linklaters & Paines in London, New York and Australia. She was formerly a non-executive director of a number of organizations including Commonwealth Bank of Australia, Infrastructure NSW, John Swire & Sons and Chief Executive Women. Carolyn holds Bachelor Degrees in Law and Arts (University of Melbourne), a Graduate Diploma in Management (AGSM) and is a Fellow of the Australian Institute of Company Directors. She was awarded a Centenary Medal for services to Australian society in business leadership.

#### Item 4 Re-election of Ms Margaret Seale



##### Age 57

Margie Seale is a non-executive Director of Scentre Group. She is also a member of the Group's Audit and Risk Committee and the Human Resources Committee. Margie has more than 25 years' experience in senior executive roles in Australia and overseas, including in the consumer goods, health and global publishing sectors, in sales and marketing, and in the successful transition of traditional business models to digital environments. Immediately prior to her non-executive career, Margie was Managing Director of Random House Australia and New Zealand and President, Asia Development for Random House globally. She is currently a non-executive director of Telstra Corporation Limited, Bank of Queensland Limited and Ramsay Health Care Limited. Margie has previously served on the boards of Penguin Random House Australia Pty Ltd, the Australian Publishers' Association, Chief Executive Women (chairing its Scholarship Committee), the Powerhouse Museum and the Sydney Writers' Festival. In 2015, Margie founded philanthropic literary travel company Ponder & See.

#### Item 5: Approval for the grant of performance rights to Peter Allen, Managing Director and Chief Executive Officer

Under his employment agreement, Peter Allen's remuneration consists of:

- Fixed remuneration; and
- At risk remuneration, being:
  - Short term incentives (STIs), 30% of which is deferred remuneration and delivered in performance rights which vest after 3 years; and
  - Long term incentives (LTIs), all of which is deferred remuneration and delivered in performance rights which vest in two tranches at the end of year 3 and year 4 subject to achieving performance hurdles.

A performance right is the right, for no payment, to receive Scentre Group securities or a cash equivalent on vesting.

It is proposed that Mr Allen be awarded performance rights under the Group's Performance Rights Plan in respect of his 2018 grants under the STI and LTI. This proposal is consistent with the Group's remuneration framework and Mr Allen's remuneration arrangements since his appointment as CEO and as previously disclosed to securityholders.

##### *Why is securityholder approval being sought?*

Scentre Group is not required to seek securityholder approval to the grant of performance rights to Mr Allen as the Group acquires securities on-market to satisfy these rights. However, the Board has determined to seek securityholder approval to the grant of performance rights to be satisfied by the transfer of securities to Mr Allen.

Under the terms of the Plan the Board may, in its discretion, decide to satisfy its obligations on vesting of performance rights by the Group by making a cash payment to Mr Allen of an amount equivalent in value to the number of securities he would otherwise be entitled to on vesting of the performance rights. This discretion is not affected by the proposed resolution.

If approved by securityholders, Mr Allen's vested performance rights will continue to be settled by the Group acquiring the securities on-market and transferring the securities to Mr Allen unless, in a particular case, the Board elects to exercise its discretion and settle the performance rights in cash.

If approval is not obtained, it is intended that Mr Allen's performance rights will be satisfied in cash, subject to performance and service conditions.

### *What are the STI and LTI?*

The STI is an at risk annual incentive delivered through a combination of cash and performance rights. The amount of the STI each year is determined by the level of Mr Allen's performance against key performance indicators (KPIs). Mr Allen's KPIs are based on a mixture of financial and non-financial measures.

70% of the actual STI is paid in cash with 30% delivered as performance rights. The performance rights vest after 3 years, creating a longer term and retention focus.

The at risk LTI is delivered as performance rights which vest in two tranches at the end of year 3 and year 4 if performance hurdles are achieved. The performance hurdles for 2018 are a development return hurdle (DR hurdle) (25%) and a Return on Contributed Equity (ROCE) hurdle (75%).

### *What are the LTI hurdles?*

<b>Question</b>	<b>Commentary</b>
What is the DR hurdle?	<ul style="list-style-type: none"><li>- The Group's development program is a significant driver of growth for the Group through both adding to the scale and enhancing the quality of the portfolio.</li><li>- The DR hurdle is designed to measure the actual incremental yield that has been generated through the completion of major developments (over \$50 million) compared to Board approved feasibilities.</li><li>- Major developments that commence in 2018 will have Board approved feasibilities including the annual cash flow impact of the forecast incremental net operating income (NOI). The forecast 2020 incremental NOI for these projects will be aggregated and a yield calculated based on the Board approved development cost for the projects.</li><li>- At the end of 2020, the actual incremental NOI from these projects will be aggregated and a yield calculated based on the actual development cost. These two yields will then be compared and, based on a graduated table, the percentage of LTI that will vest will be calculated.</li></ul>
How is the hurdle achieved?	<ul style="list-style-type: none"><li>- The hurdle will be achieved at 100% if the forecast yield is met.</li></ul>
What is the range of vesting?	<ul style="list-style-type: none"><li>- The hurdle allows for incremental increases or decreases depending on actual achieved yield.</li><li>- Achievement below forecast yield will result in a reduction of the percentage of vesting. Vesting will be reduced by 10% for each incremental 0.2% lower than target yield until 85% of the target yield. Where the development return is below 85% of target yield, there will be zero vesting.</li><li>- Vesting will increase by 5% for every incremental 0.2% above target yield, with a cap of 125% vesting.</li></ul>
What is the ROCE hurdle?	<ul style="list-style-type: none"><li>- ROCE is an important long term measure of how the senior management team generates returns on securityholder equity through a combination of improving earnings and capital management.</li><li>- The ROCE hurdle enables the Board to reward the performance of management having regard to the level of returns generated on securityholder equity through a combination of improving earnings and capital management.</li><li>- ROCE is calculated by applying Funds from Operations (FFO) for the relevant financial year as a percentage of the Group's weighted average contributed equity during the year.</li><li>- The ROCE hurdle operates on a graduated scale which is approved by the Board prior to rights being granted under the plan. Performance against the ROCE hurdle will be measured by reference to ROCE achieved in year three of the vesting period.</li><li>- Achievement of the ROCE component of the 2018 at risk LTI will be measured at the end of 2020 and published in the 2020 annual report. The Group does not publish details of the ROCE hurdle prior to the year in which it is tested (year 3) as this would result in the disclosure of commercially sensitive information in connection with the Group's forecast of growth in FFO and the amount of contributed equity.</li></ul>
How is the hurdle achieved?	<ul style="list-style-type: none"><li>- The hurdle will be achieved at 100% if the target ROCE is met.</li></ul>

<b>Question</b>	<b>Commentary</b>
What is the range of vesting?	<ul style="list-style-type: none"> <li>– The hurdle allows for incremental increases or decreases depending on actual achieved ROCE.</li> <li>– Achievement below target ROCE will result in a reduction of the percentage of vesting. A 0.3% reduction in ROCE will result in 50% vesting with any greater reduction resulting in zero vesting. A 0.7% increase in ROCE will result in vesting at the cap of 150%.</li> </ul>
Can the hurdles be adjusted?	<ul style="list-style-type: none"> <li>– The Board reserves the right to adjust performance hurdles under the LTI plan to reflect the impact of any capital transaction occurring during the performance period (for example: a significant equity issue or the sale or joint venture of a material part of the portfolio).</li> </ul>
When is the actual number and value of securities to be delivered under the LTI calculated?	<ul style="list-style-type: none"> <li>– Given the percentage vesting is based on achievement of performance hurdles, the actual number of securities which Mr Allen will be entitled to acquire under the LTI cannot be determined until the end of the performance periods. The actual value cannot be determined until the end of the vesting periods and will depend on the actual security price at those times.</li> </ul>

#### ***How is the number of performance rights calculated?***

The actual number of performance rights to be allocated to Mr Allen under the STI in respect of a particular remuneration year cannot be determined until the end of that year. The number depends on Mr Allen's performance against his KPIs and the trading price of Scentre Group stapled securities used at the time for calculating the number of performance rights to be issued.

In respect of the 2017 remuneration year Mr Allen's STI was \$2,486,250 with \$745,875 (30%) to be delivered as performance rights in 2018.

The number of performance rights to be allocated to Mr Allen under the LTI is determined as a percentage of his fixed remuneration and, in respect of the 2018 grant, is \$3,100,000. The number of performance rights depends on the trading price of Scentre Group stapled securities used at the time for calculating the number of performance rights to be issued.

The number of performance rights to be granted to Mr Allen is determined by dividing his rights under the STI (\$745,875) and LTI (\$3,100,000) by the grant price determined by the Group. For this purpose, the grant price is the volume weighted average price of a stapled security over 10 ASX trading days ended 14 December 2017, being \$4.2835. The number of rights is adjusted upwards for an estimated value (based on the Group's published one year forecast of 22.16 cents per security) of distributions that may be paid on stapled securities during the vesting periods.

The number of rights to be granted to Mr Allen is 1,055,899 being 201,152 under the STI and 854,747 under the LTI.

#### ***When will the performance rights be granted?***

The proposed grant of performance rights to Mr Allen will be made as soon as practicable after securityholder approval is obtained. The grants will have an effective date of 1 January 2018.

#### ***What happens if Mr Allen leaves the Group?***

In the event of:

- voluntary resignation (other than for retirement, see below): the performance rights will be forfeited.
- death or permanent disability: the performance rights will vest in full.
- redundancy: where redundancy or termination (other than for cause) occurs earlier than one year prior to the end of the relevant performance period, a pro-rata vesting applies up to the date of termination. Performance rights which have less than one year to the end of the relevant performance period vest in full. Performance rights that have been granted for less than 6 months lapse.
- retirement: Mr Allen will continue in the plans until the date of vesting in respect of performance rights granted at least 6 months prior to the date of retirement (subject to any performance hurdles).

#### ***What happens if there is a change of control?***

Performance rights do not vest automatically as a consequence of a control transaction or a corporate restructuring. In relation to control transactions, the Board retains the discretion to accelerate the vesting date for performance rights issued under the plans in such circumstances.

*Does clawback or cancellation apply to the STI and LTI?*

The Performance Rights Plan contain provisions for the lapsing of unvested performance rights in a number of circumstances including if an executive engages in any act or omission constituting serious misconduct or where the Group forms the opinion, based on reasonable grounds, that the executive has committed any fraud, dishonesty or defalcation in relation to the Group.

*Are there any other forfeiture events?*

Unvested performance rights will also lapse in the event of a participant:

- becoming bankrupt or committing an act of bankruptcy; or
- failing to comply with a “Competition and Confidentiality Condition” (being standard confidentiality, non-compete and non-solicitation conditions).

*What is the hedging policy?*

Participants in the Performance Rights Plan are prohibited from entering into hedging arrangements in respect of unvested performance rights (or performance rights the subject of a holding lock) in any plan.

**The Board recommends (with Mr Allen abstaining) that you vote in favour of this resolution. Mr Allen makes no recommendation in view of his personal interest in the matter.**

**Item 6: Scentre Group Limited Constitution amendments**

The Board proposes amending the Company’s Constitution to update a number of references to the Company’s former name, and to take into account changes to the ASX Listing Rules and developments in general corporate governance practice for major ASX listed companies. As the proposed changes affect a range of provisions of the Constitution, the Directors consider it appropriate for securityholders to adopt a new Constitution, rather than making various amendments to the current Constitution.

A special resolution (being at least 75% of votes cast by securityholders entitled to vote) is required for this resolution.

The proposed changes to the Constitution are summarised below. A copy of the proposed amended Constitution can be obtained by securityholders prior to the meeting at no charge by written request to the Company Secretary at Level 30, 85 Castlereagh Street, Sydney NSW 2000 Australia. A copy of the new Constitution will also be available for inspection at the meeting.

<b>Proposed amendment</b>	<b>Commentary</b>
<b>1. Updates to names and removal of obsolete provisions</b>	<p>References to the Company’s former name (Westfield Holdings Limited) will be amended to read “Scentre Group Limited”. This was an administrative oversight at the time of establishment of the Group.</p> <p>The Constitution will also be amended to remove obsolete provisions which were used to effect the historical restructure of the Group.</p>
<b>2. Modernisation of director rotation requirements</b>	<p>The Constitution currently requires one third of the Company’s existing directors (excluding the managing director) to retire at each annual general meeting, or the number nearest one third if the number is not a multiple of three. This requirement reflects a previous ASX Listing Rule which has since been removed.</p> <p>It is therefore proposed to remove this requirement and update the Constitution to reflect the current ASX Listing Rules, which provide that a director (other than a managing director) must not hold office without re-election past the third annual general meeting following their last appointment or election, or for more than 3 years (whichever is longer).</p> <p>Consistent with the ASX Listing Rules, the proposed amendments also provide that there must be an election of directors at each annual general meeting. This may be satisfied by an election of a new director, a board appointed director or a director appointed to fill a casual vacancy, or a director retiring due to the tenure limitation described above. If no such person is available, the requirement may be satisfied by an election of any Director who wishes to retire and stand for re-election, or otherwise the longest serving director without re-election.</p>

**Proposed amendment****Commentary****3. Acting Chairman**

The new Constitution will expressly enable the chairman of the general meeting to nominate another person to take the chair for items of business where the chairman is unable or unwilling to act (for example, if the chairman is personally interested in a specific item of business). Any proxies held by the chairman will be taken to be in favour of the acting chairman.

**4. Conduct of general meetings**

Provisions have been inserted to facilitate the efficient and orderly conduct of general meetings. These provisions expressly permit the chairman (or a person acting on the chairman's authority) to:

- require attendees of general meetings to comply with searches, restrictions or other security arrangements considered appropriate (and refuse entry for non-compliance with security arrangements, use of recording or broadcasting devices without consent or possession of dangerous, disruptive or offensive articles);
- where there is insufficient room at a meeting venue, arrange for some people to participate in a general meeting from a separate venue (without giving notice or putting the matter to a vote);
- withdraw from consideration any resolution that is set out in the notice of meeting (other than those items of business requisitioned by securityholders or required by law);
- determine that votes cast in contravention of the Corporations Act or the ASX Listing Rules are to be disregarded (without requiring that the matter be put to vote); and
- subject to the Corporations Act, refuse to allow any amendment to be moved to a resolution set out in the notice of general meeting, and refuse to allow any business to be transacted, unless the general nature of the business is stated in that notice of meeting.

In addition, the proposed amendments:

- permit the chairman to allow further time to obtain quorum at a general meeting if no quorum is reached within the allocated time (15 minutes after the time appointed), before the meeting is dissolved or adjourned;
- clarify that the chairman may determine that any resolution put to the meeting should be dealt with by poll (without the need for a vote on a show of hands), and has discretion as to how and when the results of the poll are to be announced (whether during the meeting or afterwards); and
- stipulate that a person's attendance at a general meeting will waive any objection the person may have to:
  - a failure by the Company to give adequate notice of meeting (unless the issue is raised at the start of the meeting); and
  - the consideration of a particular matter at the general meeting that is not referred to in the notice of meeting (unless the person objects to the consideration of the matter when first presented).

**Proposed amendment****Commentary**

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**5. Flexibility to hold hybrid meetings**

Amendments are proposed to provide greater flexibility to hold hybrid meetings (whereby securityholders are permitted to attend either the physical meeting location or vote and ask questions online) in the future by:

- confirming that meetings of securityholders may be held at 2 or more venues using any technology that gives securityholders as a whole a reasonable opportunity to participate;
  - stipulating that, provided a separate meeting place gives securityholders a reasonable opportunity to participate in proceedings in the main place and enables securityholders in the separate meeting place to vote on a poll, a securityholder present at the separate meeting place linked to the main place of a general meeting is taken to be present at the general meeting and entitled to exercise all rights as if he or she was present at the main place; and
  - stipulating that where a technical difficulty arises during the meeting such that the requirements for the separate meeting place are not satisfied, the meeting may be adjourned or continued to be held in the main place.
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**6. Clarification and correction of proxy, attorney and corporate representative documentation**

Amendments are proposed to provide greater flexibility for the Directors in dealing with proxy, attorney and representative appointments which are incomplete, unclear or not properly executed.

The proposed amendments clarify that if the name or office of the proxy, attorney or representative is not filled in or is unclear, then the proxy, attorney or representative of the securityholder is the person specified by the Company in the instrument or form of proxy or, if no person is specified, the chairman of the meeting.

New provisions have also been introduced to allow the Board to:

- return the instrument or form for proper execution or authentication (and extend the time for lodgment of the completed appointment); and
- seek clarification of instructions and amend the appointment to reflect this clarification.

These provisions will allow the Board to count votes purported to be cast by securityholders via proxy, attorney or representative to be counted, where they otherwise may have been discounted due to procedural irregularities.

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**7. Lodgment of proxies**

The Corporations Act allows for electronic lodgment of proxy appointments. To ensure the Company takes full advantage of this flexibility, the proposed amendments expressly provide that a proxy appointment is valid if it is in accordance with the Corporations Act or in any form (including electronic) and received at a time that the Directors (or Chairman) accepts. The amendments also confirm the ability for the notice of meeting to specify requirements for electronic lodgment of proxy appointments.

The proposed amendments will also provide Directors with flexibility to reduce the deadline for receipt of proxies to less than 48 hours before a meeting (or an adjourned meeting), as permitted under the Corporations Act.

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**Proposed amendment****Commentary**

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**8. Other matters**

Various other amendments are proposed to be made to reflect current corporate governance practices, or for clarification. These include the following:

- **(Clarification of director remuneration cap)** The Constitution currently provides that the total amount or value of the remuneration to directors (other than the managing director) must not exceed the amount per annum determined from time to time by the Company's securityholders in general meeting. Consistent with the Listing Rules, the proposed amendments clarify that the remuneration cap excludes reimbursement of out of pocket expenses and payments under the indemnity in the Constitution for directors and officers;
- **(Notice to securityholders)** The proposed amendments enable the Company to give notice to securityholders who do not have a registered address or who are not known at their registered address by exhibiting the notice at the Company's registered office for 48 hours. The amendments also confirm the Board's powers to determine the contents of notices of meetings of Board convened general meetings, subject to the Corporations Act and the ASX Listing Rules;
- **(Dividend reinvestment plans)** The proposed amendments accommodate a broader array of types of dividend reinvestment plans which the Board can implement, rather than simply plans under which cash dividends are applied to acquire additional securities. Such plans may better suit regulatory or taxation requirements which apply to particular securityholders. These powers do not limit the Board's ability to otherwise establish and operate such plans, subject to the Listing Rules and applicable laws; and
- **(Sale of unmarketable parcels)** The current Constitution permits the Company to dispose of securities of a securityholder who holds less than a marketable parcel of securities (generally a parcel worth less than A\$500), subject to the ability of a securityholder to 'opt out'. The proposed amendments clarify that if a securityholder has notified the Company in writing that their securityholdings have increased to at least a marketable parcel, the securityholder is taken to have opted out of the divestment.

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In accordance with the Corporations Act, securityholders are being asked to approve as a special resolution the amendments to the Company's Constitution in the form tabled at the meeting with effect from the close of the meeting.

**The Board recommends that you vote in favour of adopting the new Constitution.**

**Directions to the Meeting**

The Wesley Conference Centre is centrally located at 220 Pitt Street, Sydney and is within easy walking distance of Town Hall, train stations and bus stops. The Meeting will be held on the Lower Ground Floor of the Conference Centre.





## Lodge your vote:



**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**  
 Computershare Investor Services Pty Limited  
 GPO Box 242 Melbourne  
 Victoria 3001 Australia

### In Person:

Share Registry  
 Computershare Investor Services Pty Limited  
 Level 4, 60 Carrington Street  
 Sydney NSW 2000 Australia

Alternatively you can fax your form to  
 (within Australia) 1800 783 447  
 (outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
 (custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 730 458  
 (outside Australia) +61 3 9946 4471

## Proxy Form



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 10:00 am (Sydney time) on Tuesday, 3 April 2018**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

#### Lodgement of a Proxy

The proxy form may be lodged with Computershare (details above). A reply paid envelope is included with the Notice of Meeting and this Proxy Form.

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
 or turn over to complete the form** →

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Scentre Group Limited (the "Company") hereby appoint

the Chairman of the Meeting **OR**

 **PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at the Wesley Conference Centre, Lower Ground Floor, 220 Pitt Street, Sydney, NSW 2000 on Thursday, 5 April 2018 at 10:00 am (Sydney time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2 & 5 (except where I/we have indicated a different voting intention below) even though Items 2 & 5 are connected directly or indirectly with the remuneration of a member of key management personnel.

**Important Note:** If the Chairman of the Meeting is your proxy (or becomes your proxy by default) you can direct the Chairman to vote for or against or abstain from voting on Items 2 & 5 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

 **PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
2 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Ms Carolyn Kay as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Re-election of Ms Margaret Seale as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Grant of performance rights to Mr Peter Allen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Adoption of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_