



<b>Company</b>	Scentre Group
<b>Code</b>	SCG
<b>Meeting</b>	AGM
<b>Date</b>	8 April 2021 10:00am
<b>Venue</b>	Online only
<b>Monitor</b>	Sue Howes

<b>Number attendees at meeting</b>	Not available from company
<b>Number of holdings represented by ASA</b>	196
<b>Value of proxies</b>	\$5.5m
<b>Number of shares represented by ASA</b>	1.9m (smaller than all top 20 shareholders)
<b>Market capitalisation</b>	\$15b – on day of meeting
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes with Chair Brian Schwartz, NED Andrew Harnos, CFO Elliott Rusanov and Company Secretary Maureen McGrath

### Foregone conclusion on remuneration

The Chair noted Board commitment (23 meetings) and key focus of the company during COVID as supporting tenants, particularly small businesses. No government support was received and additional funding was secured without diluting equity.

The remuneration was then discussed at length with the Chair identifying that proxies already received would result in a substantial vote against. The company is disappointed given fixed reduced by 20% for three months, no increase in fixed for CEO since 2014 and LTAR lapse for three years.

Company considers their actions, particularly one-off retention awards, were in the best interests of security holders to retain key staff. In the company's opinion these awards are not intended to replace lapsed LTAR.

FY21 LTAR hurdles have reduced ROCE weighting and introduced relative TSR and KPI hurdles. The Board will continue to review remuneration on an ongoing basis.

The Board is in the process of increasing female representation on the Board.

The CEO presented the business results as per the annual report and gave guidance of a distribution of 14 cents per security for FY21.

Several questions related to plans for next five years and were answered as one with the Chair indicating the CEO address should have given a flavour.

Questions from the ASA were read out in full. The Chair indicated that he considered these to have been answered in the presentations but proceeded to elaborate on each. Key points:

- Rental agreement changes and impact on valuation – principles of valuation consistent, first half year severely impacted and second half year flat. Structure of rental agreements remain intact- fixed rentals instead of % sales.
- Credit charge; changes to provision and write off – no changes – net numbers as per report and first three months have given comfort.
- TSR negative 26% while CEO remuneration at top tier level. All LTAR lapsed so CEO had 3 years' worth over \$1m at beginning of year reduce to nil, management have taken pain in value of the shares held while working extraordinarily hard, so not fair to say only pain for shareholders.
- ROCE much defended single hurdle; now added TSR when share price historic low – damned if do and damned if don't. Board considers responding to shareholders requests in past to move towards TSR measure.

Another shareholder: STAR and LTAR designed to reward for delivering shareholder value – other companies have reduced in line with shareholder experience. Encourage shareholders to look more long-term situation rather than short-term.

The voting resulted in a significant vote (and first strike) against the remuneration report with 51.03% **against**, high proportions **for** all directors standing and 27% **against** the grants to the MD and CEO.