

Westfield Group – CDP (Carbon Disclosure Project) 2009 Submission

Risks and Opportunities

1. Regulatory Risks: (CDP6 1(a)(i))

1.1. Is your company exposed to regulatory risks related to climate change?

Yes. Westfield is subject to two categories of regulatory risk:

- Non-compliance with corporations law requirements;
- Non-compliance with specific climate change legislation in the four countries in which Westfield conducts business; and

In addition, Westfield is exposed to the risk of non-compliance with voluntary climate change schemes in which Westfield has elected to participate.

Westfield conducts business in four national jurisdictions – Australia, New Zealand, the United States and United Kingdom. Each country determines its own corporations law and either has, or is in the process of, introducing specific climate change legislation. In addition, in each country, there are a growing number of voluntary climate change schemes.

Australia is currently the only one jurisdiction in which Westfield operates which has climate change legislation applicable to Westfield. Legislation relevant to climate change which is currently applicable to Westfield includes:

- National Greenhouse and Energy Reporting Act (2007);
- The Energy Efficiency Opportunities Act (2006);
- Energy Savings Action Plan (ESAP) New South Wales, Australia, under Energy Administration (Water and Energy Savings) Act 2008;
- Environment and Resource Efficiency Plans (EREP), Victoria, Australia under Environment Protection Act 1970;
- Smart Energy Saving Program (SESP) Queensland Australia under Clean Energy Act 2008;

Westfield recognises that the failure to comply with relevant legislation would have serious repercussions for the Group. In addition to any financial penalties (for example, under the National Greenhouse and Energy Reporting Act 2007 (NGERS), penalties of up to \$220000 can be applied and in some cases criminal penalties), the Group's reputation as an industry leader worldwide would be diminished.

In order to minimise regulatory risks, Westfield has implemented a compliance programme. This programme aims at ensuring that Westfield meets its obligations, and is managed by the Board Risk Management Committee. The programme encompasses a continuing review of existing and proposed legislation relating to climate change and energy; dialogue with governments and policy makers directly and through industry representative associations. It also encourages a culture of continuous improvement by which Group policies and staff behaviour respond to changing regulations and community expectations.

Westfield also participates in voluntary ratings schemes of the Green Building Council of Australia (GBCA) Green Star programme. Failure to satisfy the rating scheme is a risk for Westfield in terms of reputational damage.

Westfield understands that these risks are a permanent and increasing feature of the regulatory landscape. The number, complexity and rigour of regulations relating to climate change will inevitably increase as local, regional and national governments introduce a range of tougher Greenhouse Gas (GHG) emissions reductions policies, and as voluntary initiatives become more widespread.

Any climate change regulations will be based on measured GHG emissions, and the completion of a global inventory and methodology allows Westfield to measure and then manage these risks effectively and in advance of future compliance scenarios.

Further, Westfield has implemented a risk management framework, which aims to ensure that key business risks are identified and managed. This framework is overseen by the Board Risk Management Committee. The objective of the committee is to assist the Board by monitoring and reviewing the corporate policies for identifying and managing relevant risks associated with the business of the Group and the adequacy of those practices and procedures in implementing those policies. This includes monitoring and reviewing:

- (a) the Group's policies regarding risk oversight and risk management which are incorporated in an Enterprise Management Policy and Enterprise Risk Management Framework;
- (b) the appropriateness of the Enterprise Risk Management Policy and internal control systems adopted by the Group;
- (c) the Group's continuing processes for:
 - (i) the identification of material financial, legal and operational risks associated with the conduct business of the Group;
 - (ii) the maintenance of appropriate internal control systems designed to manage key risk areas;
 - (iii) assessing the above matters in conjunction with management and the internal and external auditors; and,
 - (iv) monitoring and reporting against compliance with the Enterprise Risk Management Policy and Enterprise Risk Management Framework.

Westfield regards risk management as an essential element in its management processes with linkages to every aspect of the Group's business including the acquisition of new centres, development of existing centres, expansion into new markets, relationships with major tenants and suppliers and treasury and capital management activities.

Westfield's approach to risk management involves:

- proactively identifying risk;
- properly assessing and making informed decisions on risk issues;
- ensuring that sound risk management issues are in place; and
- reviewing, as part of its regular business processes, the operation and adequacy of its risk management systems and the assumptions which dictate those systems.

Risk management at Westfield is aimed at managing the level of risk within parameters which are acceptable to the Group, rather than seeking to eliminate all risks. Westfield's risk management systems promote the need for informed and measured decision-making on risk issues based on a systematic approach to risk identification, assessment, control, review and reporting.

The Group's implementation of the Enterprise Risk Management Policy and Framework has been undertaken as follows:

- in conjunction with KPMG, each country and the corporate head office (Sydney) identified and assessed relevant risks;
- a profile was created with respect to each risk detailing current controls and planned improvements in those controls;
- each profile is reviewed as part of the budget process or more frequently if a change in circumstance occurs which materially impacts on the Group's assessment of the identified risk;

- planned process improvements are noted in an action register and followed up to ensure appropriate action is taken.

In addition to the Board Risk Management Committee there is an Executive Risk Management Committee which comprises the Group Chief Financial Officer, the Group General Counsel, a Deputy Group Chief Financial Officer, the Managing Directors and the Chief Risk Officer. This Committee reports to the Board, through the Board Risk Management Committee, as to the effectiveness of the Group's management of its material risks.

The identification of risks arising from climate change is encompassed by this overall risk management framework.

As further legislation in each of the jurisdictions is introduced and expanded there will be greater regulatory pressure to report and account for energy usage and GHG emissions across Westfield's business.

2. Physical Risks: (CDP6 1(a)(ii))

2.1. Is your company exposed to physical risks from climate change?

Westfield does not believe it is exposed to significant physical risks from climate change in the short-term.

In the medium term, the most likely impact is on:

- 1) Westfield's primary 'customers', ie the retailers who lease space in its shopping centres;
- 2) The physical fabric of the buildings, their operations and infrastructure.

Westfield has emergency and business continuity plans in place which can mitigate temporary disruptions that might occur from climate change impacts.

The physical risks include:

- o Changes in weather leading to extreme weather events such as more severe droughts, flooding, cyclones;
- o Impacts on transport and road infrastructure;
- o Reduction of water and electricity availability;
- o Increased costs of HVAC operations from weather extremes.

Information about localised and site specific physical impacts of climate change is at an early stage and Governments and regulatory agencies are devoting more resources to improving their capabilities – which over time will help Westfield to better understand the physical risks as they relate to its business.

Westfield is endeavouring to mitigate these risks by improving the quality of its buildings and incorporating new design and energy-saving measures that reduce the use of water and electricity which might be restricted due to the physical impacts of climate change.

Three examples of this:

1. The A\$600m Westfield's Doncaster shopping centre in Melbourne. The project was awarded a 4-Star Green Star – Shopping Centre Design (PILOT) Certified Rating by the Green Building Council of Australia, representing industry best practice.
2. The A\$860m Sydney City project includes a retail and commercial office component which is aiming to achieve 'Australian excellence' in sustainability under the Green Star system. This includes site-wide water recycling; tri-generation and absorption

chillers and use of recycled materials. The retail centre is designed to 5-Star Green Star specifications and the office to 5-Star Green Star, As-Built 5-Star Green Star and 5-Star NABERS Energy Rating. The Sydney project has comprehensive reduction targets for energy waste and water. A highly efficient cogeneration system will provide approximately 25% of the base load for all three buildings. On-site generation will substantially reduce peak energy demand. Embodied energy will be reduced through the use of recycled construction materials, recycling of waste produced by construction and the reuse of all structures on site.

3. Westfield's A\$2 billion Stratford City development, adjacent to the site of the 2012 London Olympics, is the largest retail-led mixed use regeneration project yet undertaken in the UK. Aiming to become one of the most environmentally-efficient retail centres in the UK, all of Stratford City's retail and commercial buildings have been designed to achieve at least BREEAM 'Very Good' ratings - with a goal of delivering 'Excellent'. 75% of all Stratford City's electrical power will be met through the construction and operation of an on-site Combined Cooling, Heat and Power Plant (CCHP). The retail centre will make use of natural light, effective insulation, high efficiency lighting, heating and cooling and control of solar gain to ensure that the buildings are at least 10% more energy efficient than required by Building Regulations. Where possible, Westfield is using building materials and systems that have a low environmental impact and which are durable and low maintenance. Westfield expects to recycle or recover 60% of total waste (compared with the Greater London Authority target of 50%) through the operation of a consolidated waste management centre.

Westfield Stratford City also features a 23500sqm rainwater harvesting system (more than three times the size of the Wembley Stadium pitch) which will substitute at least 12700m³ of mains water per annum. This will be used to serve all retail centre toilets, loading bay wash down points and tree pit irrigation. The retail centre will also include a range of features designed to minimise water consumption, ranging from dual-flush toilets, motion-detecting urinals and aerated water to an integrated sprinkler system featuring a single water tank covering all retail and commercial buildings.

3. Other Risks: (CDP6 1(a)(iii))

3.1. Is your company exposed to other risks as a result of climate change?

Yes. Westfield is exposed to other risks as a result of climate change in relation to reputation, employees, costs, supply chain, customers and other stakeholders. These risks are monitored and managed by the Board Risk Management Committee and include:

- Reduced market share with retailers and shoppers requiring Westfield to display greater leadership in carbon and energy management;
- Negative investor sentiment, if Westfield is unable to embed GHG across its core business;
- Reduced employee retention rate and ability attract talented people who want to work for a climate change and sustainability leader;
- Increased financial risks due to higher energy and water prices and tougher compliance;
- Falling behind global best practise benchmarks;
- Increased insurance and litigation issues.

These risks are currently assessed as low given that Westfield meets a high standard of business management and is engaged in programmes to implement sustainability initiatives across the business.

Westfield has implemented a risk management framework, which aims to ensure that key business risks are identified and managed. This framework is overseen by the Board Risk Management Committee

4. Regulatory Opportunities: (CDP6 1(b)(i))

4.1. Do regulatory requirements on climate change present opportunities for your company?

Yes. The increasing focus on climate change issues and associated legislation has encouraged the Group to examine and implement greater efficiencies, and to consider potential new opportunities. For example, managing the rising cost of electricity is now part of the management agenda.

Like other companies, the increase in legislative requirements has encouraged Westfield to explore opportunities with its suppliers and customers (retailers and shoppers), to identify ways to operate in a more carbon and energy efficient way. For example, Westfield is currently investigating a number of opportunities in the area of rebates and tax credits made available by governments to encourage energy efficiency, cogeneration and other carbon-related initiatives.

As a result of the introduction of legislative obligations in the area of climate change, Westfield has identified other opportunities in all four countries to embark on including:

- Experimenting and innovating with new sustainability techniques and technologies;
- Expanding our risk management and governance frameworks to capture climate change opportunities;
- Enhance management systems for collection and reporting of GHG emissions and energy data;
- Increasing the search for operational efficiencies in the areas of GHG emissions and energy;
- Improving in-house climate change legislative knowledge and oversight.

5. Physical Opportunities: (CDP6 1(b)(ii))

5.1. Do physical changes resulting from climate change present opportunities for your company?

Yes, in the long term. Westfield does not believe that the physical changes of climate change will present opportunities in the short term. By reviewing its existing processes and improving the environmental performance in new and existing centres, the company identifies opportunities to reduce water and electricity consumption. Water and electricity availability is likely to be affected as a result of the physical impacts of climate change.

For example:-

The A\$2 billion Stratford City development is aiming to become one of the most environmentally-efficient retail centres in the UK. All of Stratford City's retail and commercial buildings have been designed to achieve at least BREEAM 'Very Good' ratings - with a goal of delivering 'Excellent'. 75% of all Stratford City's electrical power will be met through the construction and operation of an on-site Combined Cooling, Heat and Power Plant (CCHP). The retail centre will make use of natural light, effective insulation, high efficiency lighting, heating and cooling and control of solar gain to ensure that the buildings are at least 10% more energy efficient than required by Building Regulations. Where possible, we are using building materials and systems that have a low environmental impact and which are durable and low maintenance. Westfield expects to recycle or recover 60% of total waste (compared with the Greater London Authority target of 50%) through the operation of a consolidated waste management centre. Westfield Stratford City also features a 23500sqm rainwater harvesting system (more than three times the size of the Wembley Stadium pitch) which will substitute at least 12700m³ of mains water per annum. This will be used to serve all retail centre toilets, loading bay wash down points and tree pit irrigation. The retail centre will also include a range of features designed to minimise water consumption, ranging from dual-flush

toilets, motion-detecting urinals and aerated water to an integrated sprinkler system featuring a single water tank covering all retail and commercial buildings.

The A\$860 million Sydney City project includes a retail and commercial office component which is aiming to achieve 'Australian excellence' in sustainability under the Green Star system. This includes site-wide water recycling; tri-generation and absorption chillers and use of recycled materials. The retail centre is designed to 5-Star Green Star specifications and the office to 5-Star Green Star, As-Built 5-Star Green Star and 5-Star NABERS Energy Rating. The Sydney project has comprehensive reduction targets for energy waste and water. A highly efficient cogeneration system will provide approximately 25% of the base load for all three buildings, utilising the waste heat from on-site gas-fired electricity generation to supply "free" hot water, as well as "free" cooling energy converted by absorption chillers. On-site generation will substantially reduce peak energy demand. Embodied energy will be reduced through the use of recycled construction materials, recycling of waste produced by construction and the reuse of all structures on site, including the former Australian Taxation Office (ATO) building at 100 Market St and three existing shopping centres.

6. Other Opportunities: (CDP6 1(b)(iii))

6.1. Does climate change present other opportunities for your company?

Yes. Climate change presents other opportunities for Westfield. The key opportunities include:

- Introduction of a range of business improvements across our property portfolio to increase efficiencies and reduce its environmental impact such as waste, water and electricity, which in turn reduce operating costs.
- Improving the adoption of low carbon and carbon-reducing practices can assist with retaining and attracting retailers and staff.

An example of opportunities generated by low carbon design and construction is the A\$860m Sydney City project. This development includes a retail and commercial office component which is aiming to achieve 'Australian excellence' in sustainability under the Green Star system. This includes site-wide water recycling; tri-generation and absorption chillers and use of recycled materials. The retail centre is designed to 5-Star Green Star specifications and the office to 5-Star Green Star, As-Built 5-Star Green Star and 5-Star NABERS Energy Rating. The Sydney project has comprehensive reduction targets for energy, waste and water. A highly efficient cogeneration system will provide approximately 25% of the base load for all three buildings, utilising the waste heat from on-site gas-fired electricity generation to supply "free" hot water, as well as "free" cooling energy converted by absorption chillers. Embodied energy will be reduced through the use of recycled construction materials, recycling of waste produced by construction and the reuse of all structures on site, including the former ATO building at 100 Market St and three existing shopping centres.

Westfield completed with Price Waterhouse Coopers a comprehensive global GHG inventory with an accounting and methodology manual in May 2009. This has provided a powerful set of data on which to base a comprehensive carbon reduction plan.

7. Reporting Year: (CDP6 Q2(a)(ii))

Please also provide CDP with responses to questions 7, 8, 9, 10.1, 10.2, 11.1 and 11.2 for the three years prior to the current reporting year if you have not done so before or if this is the first time you have answered a CDP information request.

7.1. Please state the start date and end date of the year for which you are reporting GHG emissions.

1 January 2007 to 31 December 2007

Westfield has also included GHG emissions for the year 1 January 2006 to 31 December 2006.

Westfield is currently preparing a global GHG inventory for the year 1 January 2008 to 31 December 2008 and will disclose this information in CDP2010. In Australia, Westfield is preparing a GHG inventory to comply with its mandatory obligations under the National Greenhouse and Energy Reporting Act 2007, where the reporting period is July 1 2008-30 June 2009. As a result of this exercise, in some instances, Westfield's GHG accounting methodology may differ from previous reporting periods.

8. Reporting Boundary: (CDP6 Q2(a)(i))

8.1. Please indicate the category that describes the company, entities, or group for which Scope 1 and Scope 2 GHG emissions are reported.

Westfield applies the operational control method in preparing its GHG inventory as defined within the *ISO 14064 – Greenhouse gases, Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals* (ISO 14064:2006).

Westfield has reported its GHG emissions using the operational control approach. As such, emissions from all Westfield managed shopping centres listed in the Westfield Group's Annual report for 2006 and 2007 have been included in the report. The following Australian shopping centres which are jointly owned but not managed by Westfield are excluded:

- Pacific Fair
- Warringah Mall
- Knox
- Macquarie
- Boorangoon
- Karrinyup

Westfield management has determined the following specific reporting boundaries with reference to legal contracts and ISO 14064:

- The activities of Westfield Design and Construction third party contractors are included in Westfield's reporting boundary;
- Westfield includes in its reporting boundary activities from third party contractors in Westfield Shopping Centres that it has assessed it has operational control over;
- All Design and Construction sites and office buildings under its management are included.

8.2. Please state whether any parts of your business or sources of GHG emissions are excluded from your reporting boundary.

Westfield has reported its GHG emissions using the operational control approach. As such, emissions from all Westfield managed shopping centres listed in the Westfield Group's Annual report for 2006 and 2007 have been included in the report. The following Australian shopping centres which are jointly owned but not managed by Westfield are excluded:

- Pacific Fair
- Warringah Mall
- Knox
- Macquarie
- Boorangoon
- Karrinyup

9. Methodology: (CDP6 Q2(a)(iii))

9.1. Please describe the process used by your company to calculate Scope 1 and Scope 2 GHG emissions including the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 GHG emissions.

Westfield prepares and reports its GHG inventory in accordance with ISO 14064:2006. In accordance with ISO 14064 Part 1 Section A.3, Westfield refers to the Greenhouse Gas Protocol - 'A Corporate Accounting and Reporting Standard', April 2004, (the GHG protocol) where guidance on the interpretation of ISO 14064 is required.

Westfield uses the calculation-based quantification methodology as appropriate GHG emissions factors have been released by authoritative sources with cover Westfield's activities. In order to apply the calculation-based methodology, Westfield uses the most widely accepted GHG emissions factors in each of the markets, ie GHG emissions factors published by a local, state or federal government department in the first instance and where factors are not available, those published by the Intergovernmental Panel on Climate Change (IPCC) and the World Resource Institute (WRI).

Westfield includes all material direct emissions in its inventory and all energy indirect emissions in its inventory. The materiality level used to determine if a source qualifies as 'small' has been defined as 5% of the site's total emissions. In order to quantify 5% of the site's total emissions, a representative site (known as the pilot site) was used in each Westfield market.

Westfield uses the guidance included in the GHG Protocol to determine whether to include other indirect emissions.

Please also provide:

9.2 Details of any assumptions made.

Data extrapolations:

Westfield has three distinct portfolios: Shopping centres, Design and Construction (D&C) and Office buildings. In Australia and the United States (US), Westfield was unable to obtain actual data for GHG emissions released from its D&C portfolio, except for Doncaster (Melbourne, Australia).

In Australia and the US, Westfield extrapolated 2006 and 2007 GHG emissions for all D&C sites except Doncaster based on observed trends at the pilot site (Doncaster) in 2007. The extrapolation was based on emissions intensity per total dollar spent on the construction project.

Base building:

In Westfield's head/regional offices and the other buildings within its office building portfolio, Westfield was unable to disaggregate base building electricity with the electricity consumed on the tenanted floors. This was the case in all markets except Australia. As a result, Westfield has included the emissions from electricity from base building within its Scope 2 (energy indirect) GHG emissions

Electricity in Office buildings portfolio:

In the US Office buildings portfolio, in some instances, activity data was not available for those sites under Westfield's operational control. In these instances, an extrapolation was performed based on square feet and occupancy rates. In all instances, base building electricity consumption of 10% of total electricity used in the building was assumed.

Air travel:

In the American portfolio (Shopping centres, D&C and Office building), activity data relating to air travel was difficult to obtain as, for the 2006 and a majority of the 2007 reporting period, a manual expense processing system was in operation. Air travel activity data used in the GHG inventory was therefore based on an extrapolation, based on total headcount, from six months of data obtained from the automated expense processing system in 2007.

GHG emissions factors:

Where GHG emissions factors were not available, the Intergovernmental Panel on Climate Change (IPCC) and the World Resource Institute (WRI) were applied.

In instances where it was deemed more appropriate, GHG emissions factors published by the Australian Government were applied. This was the case for the full fuel cycles for stationary and automotive fuel in New Zealand, where Australian GHG emissions factors were used.

In some instances where data was unavailable for a particular emission source on a site level, a reasonable assumption was applied based on one of the following extrapolation methods:

- extrapolation based on existing data from the reporting period;
- extrapolation based on data from another reporting period;
- extrapolation based on data from another market or an average of all markets;
- extrapolation based on an external benchmark.

These extrapolations have been documented in the individual site spreadsheets that have been used in order to prepare Westfield's GHG inventory.

9.3. The names of and links to any calculation tools used.

Westfield prepared its own calculation tools. Some reference was made to the following calculation tools released by the World Resources Institute:

- Emissions from Business Travel CO2 Emissions;
- Mobile Combustion CO2 Emissions.

Both tools are available at: <http://www.ghgprotocol.org/calculation-tools>.

9.4. The global warming potentials you have applied and their origin.

Global warming potentials have been obtained from those published by the Intergovernmental Panel on Climate Change (IPCC).

9.5. The GHG emissions factors you have applied and their origin.

Westfield applied the following resources for GHG emissions factors to prepare its GHG inventory:

- Australian Greenhouse Office (AGO) Factors and Methods Workbook (December 2006);
- Australian National Greenhouse Accounts (NGA) Factors (February 2008);
- Australian Greenhouse Office Analysis of Recent Trends and Greenhouse Indicators 1990 – 2005;
- New Zealand Government Guidance for Voluntary, Corporate and Greenhouse Gas Reporting;

- UK Department for Environment, Food and Rural Affairs (DEFRA) GHG Conversion Factors;
- 2008 Guidelines to Defra's Conversion Factors: Methodology Paper for Transport GHG emissions factors;
- US Instructions for Form EIA-1605, Voluntary Reporting of Greenhouse Gases;
- US Emissions and Generation Resources Integrated Database (eGRID) 2007 Summary Tables;
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

Note about questions 10, 11 and 13

When providing answers to questions 10, 11 and 13, please do not deduct offset credits, Renewable Energy Certificates etc, or net off any estimated avoided emissions from the export of renewable energy, carbon sequestration (including enhanced oil recovery) or from the use of goods and services. Opportunities to provide details of activities that reduce or avoid emissions are provided elsewhere in the information request.

Carbon dioxide emissions from biologically sequestered carbon e.g. carbon dioxide from burning biomass/biofuels should be reported separately from emissions Scopes 1, 2 and 3. If relevant, please report these emissions in question 15. However, please do include any nitrous oxide or methane emissions from biomass/biofuel combustion in your emissions under the three scopes.

Greenhouse Gas (GHG) Emissions Accounting, Emissions Intensity, Energy and Trading

10. Scope 1 Direct GHG Emissions: (CDP6 Q2(b)(i))

Electric utilities should report emissions by country/region using the table in question EU3.

Please provide:

10.1. Total gross global Scope 1 GHG emissions in metric tonnes of CO₂-e. Please break down your total gross global Scope 1 emissions by:

	Scope 1 CO ₂ e emissions 2006	Scope 1 CO ₂ e emissions 2007
Global total	16,673	17,869

10.2. Country or region

Where it will facilitate a better understanding of your business, please also break down your total global Scope 1 emissions by:

	Scope 1 CO ₂ e emissions 2006	Scope 1 CO ₂ e emissions 2007
Australia	3,289	3,751

New Zealand	674	1,112
USA	11,022	11,051
UK	1,688	1,955
Global total	16,673	17,869

10.3. Business division

Scope1 CO2e emissions 2006	Shopping Centres	Design and Construction	Office buildings
Australia	3,057	100	132
New Zealand	541	<u>133</u>	2
USA	10,531	<u>136</u>	<u>353</u>
UK	1,572	<u>116</u>	0
Global total	15,701	485	487

Scope1 CO2e emission 2007	Shopping Centres	Design and Construction	Head offices
Australia	3,416	<u>186</u>	149
New Zealand	917	195	0
USA	10,450	212	389
UK	1,810	145	0
Global total	16,593	738	538

and/or

10.4. Facility

Data has been provided by business division.

10.5. Please break down your total global Scope 1 GHG emissions in metric tonnes of the gas and metric tonnes of CO₂-e by GHG type.

Note: Scope 1 and 3 were not disaggregated from activity emissions at the global level when compiling the global GHG inventory. In order to calculate total scope 1 emissions from each activity, total scope 3 emissions have been deducted proportionately from each activity.

	Scope 1 CO ₂ e emissions 2006	Scope 1 CO ₂ e emissions 2007
Transport fuel – fuels consumed by contractor vehicles that Westfield has operational control over.	1,946	2,103
Air travel (controlled) – fuels consumed by Westfield's controlled private jets.	146	147
Non transport fuel – fuels consumed by contractors that Westfield has operational control over	748	1,646
Gas – consumed in Westfield shopping centre common areas, leased areas and owned head/regional offices.	6,854	6,353
Synthetic gases - loss of gases from refrigerants in air conditioning units	6,979	7,619

10.6. If you have not provided any information about Scope 1 emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 1 GHG emissions information in future.

All required information has been provided.

11. Scope 2 Indirect GHG Emissions: (CDP6 Q2(b)(i))

Important note about GHG emissions factors where zero or low carbon electricity is purchased:

The emissions factor you should use for calculating Scope 2 emissions depends upon whether the electricity you purchase is counted in calculating the grid average emissions factor or not – see below. You can find this out from your supplier.

Electricity that IS counted in calculating the grid average emissions factor:

Where electricity is sourced from the grid and that electricity has been counted in calculating the grid average emissions factor, Scope 2 emissions must be calculated using the grid average emissions factor, even if your company purchases electricity under a zero or low carbon electricity tariff.

Electricity that is NOT counted in calculating the grid average emissions factor:

Where zero or low carbon electricity is sourced from the grid or otherwise transmitted to the company and that electricity is not counted in calculating the grid average, the emissions factor specific to that method of generation can be used, provided that any certificates quantifying GHG-related environmental benefits claimed for the electricity are not sold or passed on separately from the electricity purchased.

Please provide:

11.1. Total gross global Scope 2 GHG emissions in metric tonnes of CO₂-e

Please break down your total gross global Scope 2 emissions by:

	Scope 2 CO ₂ e emissions 2006	Scope 2 CO ₂ e emissions 2007
Global total	529,981	531,415

11.2. Country or region

	Scope 2 CO ₂ e emissions 2006	Scope 2 CO ₂ e emissions 2007
Australia	354,682	356,643
New Zealand	7,621	6,108
USA	157,100	151,186
UK	<u>10,578</u>	17,478
Global total	529,981	531,415

Where it will facilitate a better understanding of your business, please also break down your total global Scope 2 emissions by:

11.3. Business division

Scope 2 CO₂e emissions 2006	Shopping Centres	Design and Construction	Head offices
Australia	351,452	1,955	1,275
New Zealand	7,481	44	97
USA	153,850	2,657	592
UK	9,434	761	<u>383</u>
Global total	522,217	5,417	2,348

Scope 2 CO₂e emission 2007	Shopping Centres	Design and Construction	Head offices
Australia	351,896	3,548	1,199
New Zealand	5,983	48	76
USA	146,429	4,098	659
UK	13,011	3,891	<u>577</u>
Global total	517,319	11,585	2,511

and/or

11.4. Site

Data has been provided by business division.

11.5. If you have not provided any information about Scope 2 emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 2 GHG emissions information in future.

All required information has been provided.

12. Contractual Arrangements Supporting Particular Types of Electricity Generation:

(CDP6 Q2(b)(i) – Guidance)

12.1. If you consider that the grid average factor used to report Scope 2 emissions in question 11 above does not reflect the contractual arrangements you have with electricity suppliers, (for example, because you purchase electricity using a zero or low carbon electricity tariff), you may calculate and report a contractual Scope 2 figure in response to this question, showing the origin of the alternative GHG emissions factors and information about the tariff.

Westfield has applied the grid average factor to report Scope 2 emissions as it did not purchase any renewable energy in the 2006 and 2007 reporting periods.

12.2. If you retire any certificates (eg: Renewable Energy Certificates) associated with zero or low carbon electricity, please provide details.

Westfield has not retired any certificates associated with zero or low carbon electricity in the reporting periods.

As part of its carbon management plan following the completion of its global GHG inventory, Westfield will consider opportunities on RECs.

13. Scope 3 Other Indirect GHG Emissions: (CDP6 Q2(c))

For each of the following categories, please:

- Describe the main sources of emissions,
- Report emissions in metric tonnes of CO₂-e,
- State the methodology, assumptions, calculation tools, databases, GHG emissions factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

13.1. Employee business travel

In its Scope 3 GHG emissions, Westfield includes GHG emissions from fuel consumed in business travel (air, reimbursed car mileage, taxi journeys, car hire and fleet cars) where Westfield does not have operational control over the travel vehicle.

In the UK only, Westfield also includes GHG emissions from fuel consumed in business travel (train) across the portfolio.

The following formula was applied:

Air travel:

Other indirect GHG emissions (tCO₂-e) = (flight mileage (km) per annum x emissions factor (kgCO₂-e/passenger-km) / 1000.

Taxis:

Other indirect GHG emissions (tCO₂-e) = total distance travelled (km) x transport emissions per dollar spent kgCO₂-e/\$) / 1000.

Hire cars:

Other indirect GHG emissions (tCO₂-e) = total distance travelled (km) x transport emissions per passenger-km (kgCO₂-e/passenger-km) / 1000.

Employee business travel	Scope 3 CO ₂ e emissions 2006	Scope 3 CO ₂ e emissions 2007

Australia	1,917	4,302
New Zealand	306	309
USA	3,148	3,474
UK	<u>104</u>	367
Global total	5,475	8,452

Westfield's methodology, calculation tools, databases, GHG emissions factors and global warming potentials for its Scope 3 GHG emissions are consistent with the guidance in ISO 14064 and the GHG Protocol

13.2. External distribution/logistics

Westfield's primary business does not include external distribution / logistics activities, and therefore related Scope 3 GHG emissions are not included within its operational boundaries or reported.

13.3. Use/disposal of company's products and services

Westfield has not included the use / disposal of the company's products and services within its operational boundaries and therefore has not reported Scope 3 GHG emissions in relation to these activities.

For auto manufacture and auto component companies – please refer to the additional questions for these sectors before completing question 13.3.

13.4. Company supply chain

Westfield has included the following scope 3 emissions from its supply chain:

1. Disposal of paper (stationary) waste for:
 - a. shopping centre management;
 - b. head office.

The following formula was applied to calculate these emissions:

Other indirect emissions (tCO₂-e) = paper used (tonnes) x conversion factor CO₂-e.

2. Disposal of paper towels waste for:
 - a. shopping centre common areas.

The following formula was applied to calculate these emissions:

Other indirect emissions (tCO₂-e) = paper used (tonnes) x conversion factor CO₂-e.

3. Solid waste disposal:
 - a. shopping centre management;
 - b. design and construction;
 - c. head office.

In order to calculate related GHG emissions, Waste taken to landfill (tonnes) obtained from number of bins taken offsite per period and volume of bins used was collected.

The following formula was applied to calculate these emissions:

Other indirect emissions (tCO₂-e) = Waste taken to landfill (tonnes) – volume recycled (tonnes) x conversion factor CO₂-e / 1000.

The table below includes emissions from the 3 sources listed above: Paper (stationary) waste, paper towel waste and solid waste.

All scope 3 emissions as listed above, excluding shopper commute	Scope 3 CO₂e emissions 2006	Scope 3 CO₂e emissions 2007
Australia	51,699	47,797
New Zealand	4,892	5,653
USA	<u>99,226</u>	97,674
UK	5,540	5,569
Global total	161,357	156,693

13.5. Other

Westfield includes the following additional material emissions sources within its Scope 3 GHG emissions:

1. Fuel consumed in employee commute for:
 - shopping centre management;
 - design and construction;
 - head office.

In order to calculate related GHG emissions, the following data (listed below) was collected through a staff survey:

- Contact details;
- Form of transportation taken to travel to and from work;
- Return distance travelled to Westfield site.

From this information, the following formula was applied:

Direct emissions (tCO₂-e) = Total distance travelled (Km) x emissions factor (kgCO₂-e/Km) / 1000.

2. Emissions embodied in the full fuel cycle for (Australia and NZ only):
 - purchased electricity;
 - natural gas;
 - jet fuel.

3. Emissions embodied in the full fuel cycle for (Australia and NZ only):
- fuel combustion (non-transport not within Westfield's control);
 - fuel consumption (transport not within Westfield's control).

The table below includes emissions from the fuel consumed in employee commute. The emissions from the full fuel cycle for electricity, gas, transport and non transport fuels was not disaggregated in the inventory at a market or a global level

All scope 3 emissions as listed above, excluding shopper commute	Scope 3 CO2e emissions 2006	Scope 3 CO2e emissions 2007
Australia	670	699
New Zealand	212	263
USA	2,398	1,859
UK	<u>171</u>	334
Global total	3,451	3,155

Westfield's methodology, calculation tools, databases, GHG emissions factors and global warming potentials for its Scope 3 emissions are consistent with the information presented in Q9.

13.6. If you have not provided information about one or more of the categories of Scope 3 GHG emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 3 indirect emissions information in future.

Now that it has developed a global GHG inventory (as committed to in last year's response), Westfield will consider the options to expand on its Scope 3 GHG emissions reporting in coming years, which may include GHG emissions from shopper commute.

14. Emissions Avoided Through use of Goods and Services: (New for CDP 2009)

14.1. If your goods and/or services enable GHG emissions to be avoided by a third party, please provide details including the estimated avoided emissions, the anticipated timescale over which the emissions are avoided and the methodology, assumptions, GHG emissions factors (including sources), and global warming potentials (including sources) used for your estimations.

Westfield does not sell any goods or services that enable GHG emissions to be avoided by a third party, therefore this question not applicable.

However, Westfield will consider options for increasing the use of renewable energy which, along with other energy efficiency measures introduced at its shopping centres, could reduce the amount of GHG emissions generated by the centres and visitors to the centres.

15. Carbon Dioxide Emissions from Biologically Sequestered Carbon: (New for CDP 2009)

An example would be carbon dioxide from burning biomass/biofuels.

15.1. Please provide the total global carbon dioxide emissions in metric tonnes CO₂ from biologically sequestered carbon.

Westfield operations do not currently incorporate biologically sequestered carbon. However, Westfield has plans to use biofuels at Westfield Stratford. 75% of all Stratford City's electrical power will be met through the construction and operation of an on-site Combined Cooling, Heat and Power Plant (CCHP). This plant known as the "Stratford City Energy Centre" will include a biofuel boiler to ensure that a proportion of the power generated is from a renewable resource.

16. Emissions Intensity: (CDP6 Q3(b))

16.1. Please supply a financial emissions intensity measurement for the reporting year for your combined Scope 1 and 2 emissions, including a description of the measurement,

tCO₂e/A\$1m EBITDA

16.1.1. The units, and
EBITDA in 2006 - A\$1990 million
EBITDA in 2007 - A\$2236 million

16.1.2. The resulting figure.

2006 - 274.7 tCO₂-e /A\$1m EBITDA
2007 - 245.7 tCO₂-e /A\$1m EBITDA

16.2. Please supply an activity related intensity measurement for the reporting year for your combined Scope 1 and 2 emissions, including a description of the measurement.

Westfield uses the total gross lettable area (GLA), as defined in The Westfield Group's 2007 Annual Report, as the denominator of its activity related intensity measurement. The GLA has been used by many companies in the property sector as standard metric for measurement of GHG emissions in their public reporting of GHG emissions and energy consumption data. The GHG emissions detailed below exclude tenancy emissions as these emissions are not included within the operational boundaries of Westfield's GHG inventory as noted in Question 9.

16.2.1. The units, and

Total GLA in 2006 - 10.3 million square metres
Total GLA in 2007 - 10.0 million square metres

Only the GLAs from shopping centres have been included. The GLAs from office building and sundry properties could not be disaggregated between Westfield controlled areas and areas occupied by non Westfield tenants and therefore have not been included.

16.2.2. The resulting figure.

2006 - 0.054 tCO₂-e /m² GLA
2007 - 0.052 tCO₂-e /m² GLA

17. Emissions History: (CDP6 Q2(f))

17.1. Do emissions for the reporting year vary significantly compared to previous years?

Although throughout the reporting periods there has been some changes to the shopping centres portfolio in each country, there is insignificant variation between the total GHG emissions in 2006 and 2007.

If so, please explain why,

and:

17.1.1. Estimate the percentage by which emissions vary compared with the previous reporting year.

For Scope 1, 2 and 3 GHG emissions, there was a decrease of 2.8% from 2006 to 2007;
For Scope 1 and 2 GHG emissions, there was an increase of 0.05% from 2006 to 2007;
For Scope 1 GHG emissions, there was an increase of 15% from 2006 to 2007.

18. External Verification/Assurance: (CDP6 Q2(d))

18.1. Has any of the information reported in response to questions 10 – 15 been externally verified/assured in whole or in part?

The GHG inventories developed Westfield in 2006 and 2007 have not been externally verified/assured.

If so, please:

18.2. State the scope/boundary of emissions included within the verification/assurance exercise.

18.3. State what level of assurance, (eg: reasonable or limited) has been given.

18.4. Provide a copy of the verification/assurance statement.

18.5. Specify the standard against which the information has been verified/assured.

18.6. If not, please state whether you have plans for GHG emissions accounting information to be externally verified/assured in future.

This is the first year Westfield has undertaken a global GHG inventory. Westfield is investigating options for external assurance over its GHG emissions accounting information in future reporting periods.

19. Data Accuracy: (CDP6 Q2(e) – New wording for CDP 2009)

19.1. What are the main sources of uncertainty in your data gathering, handling and calculations e.g.: data gaps, assumptions, extrapolation, metering/measurement inaccuracies etc?

Westfield seeks to include GHG emissions from all its activities in all countries in which it has operations. However, for D&C in Australia and the United States, due to the unavailability in actual activity data, an extrapolation based on a pilot site in Australia was undertaken using an emissions intensity per total dollar spend on construction projects.

In some instance, actual activity data was not available. Where data was not available, Westfield applied reasonable assumptions based on one of the following extrapolation methods:

- extrapolation based on existing data from the reporting period;
- extrapolation based on data from another reporting period;
- extrapolation based on data from another market or an average of all markets;
- extrapolation based on an external benchmark.

All extrapolations and assumptions are documented in Westfield's GHG accounting methodology document which was prepared along side its global GHG inventory and the GHG accounting manual.

Westfield is committed to improving the processes and controls around activity data collection to reduce uncertainty in its GHG inventory in future years.

19.2. How do these uncertainties affect the accuracy of the reported data in percentage terms or an estimated standard deviation?

The uncertainties were based on very small emissions sources so do not have a material impact on the accuracy of the overall reported data, based on Westfield's GHG accounting manual.

19.3. Does your company report GHG emissions under any mandatory or voluntary scheme (other than CDP) that requires an accuracy assessment?

For the reporting periods FY06 and FY07 there were no GHG or energy reporting legislative requirements in Australia, NZ, US and UK.

Westfield Australia has mandatory legislative obligations under the National Greenhouse and Energy Reporting (NGER) Act 2007 to report its greenhouse gas emissions. Under the NGER Act, the first reporting period runs from 1 July 2008 to 30 July 2009 and does not apply retrospectively to GHG inventories completed in prior years. Westfield is required to apply for registration by 31 August 2009, and provide a data report by 31 October 2009.

Other state and national mandatory schemes related to energy usage include:

- The Energy Efficiency Opportunities Act (2006) requires national reports on energy savings;
- Energy Savings Action Plan (ESAP) New South Wales, Australia, under Energy Administration (Water and Energy Savings) Act 2008 requires annual reports on savings ;
- Environment and Resource Efficiency Plans (EREP), Victoria, Australia under Environment Protection Act 1970 requires annual reports on initiatives and GHG savings;
- Smart Energy Saving Program (SESP) Queensland Australia under Clean Energy Act 2008 does not cover Westfield as it reports under EEO.

If so, please provide:

19.3.1. The name of the scheme. In Australia Westfield reports both at a state and national level:

- The National Greenhouse and Energy Reporting Act 2007 (NGERS);
- Energy Efficiency Opportunities Act 2007 (EEO) Act;

- Energy Savings Action Plan (ESAP) New South Wales, Australia;
- Environment and Resource Efficiency Plan (EREP) Victoria, Australia.

19.3.2. The accuracy assessment for GHG emissions reported under that scheme for the last report delivered.

The EEO and ESAP schemes are mandatory and require an accuracy assessment of Level 2 and 3 Audit respectively in compliance with AS/NZS 3598. The assessment is to be done to an accuracy of plus 10% for costs and minus 10% for benefits, for ESAP and plus or minus 30% for EEO.

As of 31 May 2009 Westfield Australia is not required to submit under NGER as the registration is not open until August 31 2009.

Under the National Greenhouse and Energy Reporting (NGER) Act 2007, uncertainty must be estimated at a 95% confidence level.

20. Energy and Fuel Requirements and Costs: (New for CDP 2009)

Please provide the following information for the reporting year:

Cost of purchased energy

20.1. The total cost of electricity, heat, steam and cooling purchased by your company.

Westfield does not provide this information.

20.1.1. Please break down the costs by individual energy type.

Westfield does not provide details of energy and fuel costs.

Cost of purchased fuel

20.2. The total cost of fuel purchased by your company for mobile and stationary combustion.

Westfield does not provide this information.

20.2.1. Please break down the costs by individual fuel type.

Westfield does not provide this information.

Energy and fuel inputs

The following questions are designed to establish your company's requirements for energy and fuel (inputs). Please note that MWh is our preferred unit for answers as this helps with comparability and analysis. Although it is usually associated with electricity, it can equally be used to represent the energy content of fuels (see CDP 2009 Reporting Guidance for further information on conversions to MWh).

Purchased energy input

20.3 Your company's total consumption of purchased energy in MWh.

Westfield has not collated this data on a global basis.

Purchased and self produced fuel input

20.4. Your company's total consumption in MWh of fuels for stationary combustion only. This includes purchased fuels, as well as biomass and self-produced fuels where relevant.

Westfield has not collated this data on a global basis.

20.4.1. Please break down the total consumption of fuels reported in answer to question 20.4 by individual fuel type in MWh.

Westfield has not collated this data on a global basis.

Energy output

In this question we ask for information about the energy in MWh generated by your company from the fuel that it uses. Comparing the energy contained in the fuel before combustion (question 20.4) with the energy available for use after combustion will give an indication of the efficiency of your combustion processes, taking your industry sector into account.

20.5. What is the total amount of energy generated in MWh from the fuels reported in question 20.4?

This data is not available.

20.6. What is the total amount in MWh of renewable energy, excluding biomass, that is self-generated by your company?

In the US there are two sites that use solar PV:

Westfield MainPlace, Santa Ana, CA
BIPV solar roof system
inception date: 1 December 2008
production to date: 144522 KWh

Westfield UTC, San Diego, CA
PV array
inception date: 17 December 2008
production to date: 77.16 MWh

Energy exports

This question is for companies that export energy that is surplus to their requirements. For example, a company may use electricity from a combined heat and power plant but export the heat to another organisation.

20.7. What percentage of the energy reported in response to question 20.5 is exported/sold by your company to the grid or to third parties?

20.8. What percentage of the renewable energy reported in response to question 20.6 is exported/sold by your company to the grid or to third parties?

At Westfield UTC about 20% of the solar PV electricity is sold back to the grid.

21. EU Emissions Trading Scheme: (CDP6 Q2(g)(i) – New wording for CDP 2009)

Electric utilities should report allowances and emissions using the table in question EU5.

21.1. Does your company operate or have ownership of facilities covered by the EU Emissions Trading Scheme (EU ETS)?

No

Westfield does not operate or owns facilities covered by the EU Emissions Trading Scheme (ETS).

If not, please proceed to question 22.

If yes, please give details of:

21.2. The allowances allocated for free for each year of Phase II for facilities which you operate or own. (Even if you do not wholly own facilities, please give the full number of allowances).

21.3. The total allowances purchased through national auctioning processes for the period 1 January 2008 to 31 December 2008 for facilities that you operate or own. (Even if you do not wholly own facilities, please give the total allowances purchased through auctions by the facilities for this period).

21.4. The total CO2 emissions for 1 January 2008 to 31 December 2008 for facilities which you operate or own. (Even if you do not wholly own facilities, please give the total emissions for this period.)

22. Emissions Trading: (CDP6 Q2(g)(ii) – New wording for CDP 2009)

Electric utilities should read EU6 before answering these questions.

22.1. Please provide details of any emissions trading schemes, other than the EU ETS, in which your company already participates or is likely to participate within the next two years.

As a property owner, Westfield is excluded as a permit liable party from proposed emissions trading legislation in Australia, New Zealand and the USA and the existing EU ETS. There are no government plans to extend the scheme to the property sector in the next two years in these countries. The current policy view indicates that property is unlikely to become a permit liable party and those emissions limits are instead likely to focus on sector – specific restrictions such as energy and performance targets and building-based regulations.

The NSW Government has introduced legislation that creates tradeable certificates in energy efficiency for energy consumers such as Westfield. This operates in a similar way to a carbon emissions trading scheme but is voluntary. The Electricity Supply Amendment (Energy Savings) Bill 2009, an Act to amend the Electricity Supply Act 1995 to establish the Energy Savings Scheme, was introduced into the NSW Parliament on 13 May 2009 and enters into force July 1 2009. Westfield may participate in this scheme depending on the specifications of the scheme once further details have been released by the NSW Government.

22.2. What is your overall strategy for complying with any schemes in which you are required or have elected to participate, including the EU ETS?

Westfield routinely operates its business to meet all standards and regulations and ensures it has the necessary compliance policies. As part of its policy engagement with governments directly and through industry representative organisations Westfield analyses emerging policy and regulatory trends and their potential impact on the business.

2.3. Have you purchased any project-based carbon credits?

No.

Westfield has not purchased any project-based carbon credits.

If so, please indicate whether the credits are to meet one or more of the following commitments:

- **Primarily for compliance purposes,**
- **Primarily for voluntary offsetting of your own emissions,**
- **Other (please describe).**

Please also:

22.4 Provide details including the type of unit, volume and vintage purchased and the standard/scheme against which the credits have been verified, issued and retired (where applicable).

22.5. Have you been involved in the origination of project-based carbon credits?

No.

Westfield has not been involved in the origination of project-based carbon credits.

If so:

22.6. Please provide details including:

- **Your role in the project(s),**
- **The locations and technologies involved,**
- **The standard/scheme under which the projects are being/have been developed,**
- **Whether emissions reductions have been validated or verified,**
- **The annual volumes of generated/projected carbon credits,**
- **Retirement method if used for own compliance or offsetting.**

22.7. Are you involved in the trading of allowances under the EU ETS and/or project-based carbon credits as a separate business activity, or in direct support of a business activity such as investment fund management or the provision of offsetting services?

No

Westfield is not involved in the trading of allowances under the EU ETS or any project-based carbon credits as a separate business activity or in direct support of a business activity.

Performance

23. Reduction Plans: (CDP6 Q3(a))

23.1. Does your company have a GHG emissions and/or energy reduction plan in place?

Yes. Each country has a range of GHG, energy and waste reduction plans in place. These localised plans take account of unique conditions in each market, as well as available technology and management procedures. For example, newer projects provide greater scope for the company to set more aggressive targets for GHG emissions, energy and waste reduction than can be achieved for older properties.

With the completion of its comprehensive global inventory of GHG emissions in 2009 the Group will now consider the effectiveness of global targets.

Examples of country specific energy reduction plans are:

Westfield Stratford 15% reduction of energy consumption compared to the benchmarked average at point of connection of connection to energy supply, a 50% reduction by 2020 and an 80% reduction by 2050.

Westfield London - A reduction of 50% of energy consumption by 2020 when benchmarked against ECON 19.

If not,

23.2. Please explain why.

With the completion of its comprehensive global inventory of GHG emissions in 2009 the Group will consider the effectiveness of global targets above and beyond the localised targets set in each market.

There is an emphasis on:

- 1) new developments that form the bulk of Westfield's expenditure portfolio, for example the A\$2.9 billion Stratford and Sydney projects both have ambitious energy reductions targets;
- 2) limiting energy emissions across the existing portfolio of shopping centres.

Goal setting

23.3. Do you have an emissions and/or energy reduction target(s)?

Yes - Westfield in each country does have a range of GHG, energy and waste reductions targets in place. All existing centres and new developments have established targets and key new developments have longer-term energy and emissions reduction targets.

Examples of targets include:

Stratford

- 15% reduction of energy consumption compared to the benchmarked average at point of connection of connection to energy supply, a 50% reduction by 2020 and an 80% reduction by 2050.

Westfield London

- A reduction of 50% of energy consumption by 2020 when benchmarked against ECON 19.

Sydney City

- 85 Castlereagh St -a 50% reduction compared to the national average as defined by the National Built Environment Rating Scheme (NABERS);
- 100 Market St – a 50% reduction compared to the national average;
- Retail Centre -a 25% energy reduction in energy consumption compared to the national average;
- Skygarden office tower a 30% energy reduction compared to the national average.

23.4 What is the baseline year for the target(s)?

Sydney City is based on Green Star design specification and the NABERS Energy certification that occurs 12 months after they have been 70% occupied. Green Star Design certification is expected in August 2009 for 100 Market St, January 2010 for the retail centre and January 2011 for 85 Castlereagh St.

Energy targets for London and Stratford are based on ECON 19 (Energy Consumption Guide 19 December 2000) or equivalent consumption at time of connection.

Energy and waste targets in existing centres are based on annual consumption data.

The global GHG inventory completed in 2009 will be the baseline to measure Westfield's ongoing environmental performance. Energy and waste targets in existing centres are based on annual consumption data.

23.5. What is the emissions and/or energy reduction target(s)?

As noted, Westfield's reduction targets vary from market to market. Listed below are a number of examples of centre specific or regionally specific targets for shopping centres already in place for energy. These include:

Australia

- portfolio target: capped at 2008 usage levels;
- individual energy targets also in place for all centres since 2007;
- established waste reduction targets.

New Zealand

- individual targets in place for all centres;
- established waste reduction targets.

US

- 7.6% reduction in portfolio wide energy consumption – adjusted for weather (6.2007-6.2008);
- established waste reduction targets.

UK

- 10% reduction in energy consumption for 2009 against 2008, excluding Westfield London (as it was not open for a full year in 08);
- established waste reduction targets, eg Westfield London has a 100% no landfill target.

Westfield also has a number of development targets aimed at improving the environmental performance of Westfield's new centres. Examples of these projects are detailed below.

Stratford energy targets

- 15% reduction of energy consumption compared to the benchmarked average at point of connection of connection to energy supply, a 50% reduction by 2020 and an 80% reduction by 2050.
- All of Stratford City's retail and commercial buildings have been designed to achieve at least BREEAM 'Very Good' ratings - with a goal of delivering 'Excellent'
- 75% of all Stratford City's electrical power will be met through the construction and operation of an on-site Combined Cooling, Heat and Power Plant (CCHP).
- The retail centre will make use of natural light, effective insulation, high efficiency lighting, heating and cooling and control of solar gain to ensure that the buildings are at least 10% more energy efficient than required by Building Regulations.
- Westfield is expecting to recycle or recover 60% of total waste (compared with the Greater London Authority target of 50%) through the operation of a consolidated waste management centre.

Westfield London energy targets

A reduction of 50% of energy consumption by 2020 when benchmarked against ECON 19

Sydney City energy targets

- 85 Castlereagh St 5-Star Green Star Design and As-Built ratings as well as a 5-Star NABERS Energy rating in operation plus a further 25% energy reduction, representing a 50% reduction compared to the national average as defined by the National Built Environment Rating Scheme (NABERS).
- 100 Market St 5-Star Green Star Design and As-Built ratings as well as a 5-Star NABERS Energy rating in operation plus a further 25% energy reduction, representing a 50% reduction compared to the national average as defined by the National Built Environment Rating Scheme (NABERS).
- Retail Centre A 5-Star Green Star Design rating and a 25% energy reduction in energy consumption compared to the national average.
- Skygarden office tower A 4.5-Star NABERS Energy rating in operation and a 30% reduction compared to the national average as defined by the National Built Environment Rating Scheme (NABERS).
- A highly efficient cogeneration system provides approximately 25% of the base load for all three buildings. On-site generation will substantially reduce peak energy demand.

23.6. What are the sources or activities to which the target(s) applies?

The reduction plans currently in place cover Westfield's portfolio of shopping centres and the Group's construction and development divisions.

23.7. Over what period/timescale does the target(s) extend?

The timescale of the targets are dependant on the country, the project and the portfolio and range from annual targets in all existing centres, to longer term targets out to 2020 and 2050 for new developments.

GHG emissions and energy reduction activities

23.8. What activities are you undertaking or planning to undertake to reduce your emissions/energy use?

The Group has focused on the completion of a comprehensive global inventory of its GHG operations before considering options for a global carbon management plan. This will build on

national initiatives to reduce energy and GHG emissions and require a range of portfolio wide initiatives to reduce energy use, including:

- Greener design and construction principles;
- Energy efficiency programmes and refits;
- Recycling and waste management;
- Use of a range of greener technologies;
- BMS and other management systems;
- Improved HVAC and lighting systems.

Every new development provides an opportunity to systematically implement a range of sustainability technologies and practice. Examples include:

- **Westfield Sydney:** due to open in stages from late 2010 onwards, the project will feature a number of energy efficient measures which as already noted in Q2, include tri-generation and absorption chillers; and a hybrid chilled beam/low temperature variable air volume air conditioning system.
- **Westfield Doncaster:** opened late 2008 and was subsequently awarded a 4-Star Green Star – Shopping Centre Design (PILOT) Certified Rating by the Green Building Council of Australia.
- **Westfield Stratford:** significant long-term emission reduction targets set, as noted in Q23.7. Activities include combined efficient cooling and heating plant to supply 75% of required power.

Goal evaluation

23.9. What benchmarks or key performance indicators do you use to assess progress against the emissions/energy reduction goals you have set?

Progress is assessed quantitatively and qualitatively.

In existing operating centres, those with a defined target have very straightforward benchmarks for assessing progress: the target is either reached or not. That progress is also measured in staff performance, some of whose key performance indicators are linked to the achievement of the defined reduction targets.

At a country level, two of the Group's four operating regions also have defined portfolio-wide reduction targets, allowing the progress to be assessed on a wider level. Australia has a target for 2009 emission levels to be capped at those of 2008; the UK has a 10% reduction target for 2009 against 2008.

At a qualitative level, there are a number of other indicators that can demonstrate the Group's progress in achieving its emission reduction goals.

All new developments have comprehensive environmentally sustainable design principles built in at the design and construction phase.

At Doncaster (completed 2008) adopted features and others contributed to the project achieving its target of being awarded a 4-Star Green Star – Shopping Centre Design (PILOT) Certified Rating by the Green Building Council of Australia (GBCA).

Westfield Sydney City (staged openings due from late 2010 onwards), is being designed to 5-Star Green Star specifications representing Australian excellence for the retail component, while the commercial components will be designed to achieve 5-Star Green Star, As-Built 5-Star Green Star and 5-Star NABERS Energy.

In the US, the Group has worked with the Environmental Protection Agency to develop an Energy Star rating for shopping centres, and supports the US Green Building Council's Leadership in Energy Efficiency and Design (LEED) programme, incorporating many of its benchmarks into our projects.

23.10. What emissions reductions, energy savings and associated cost savings have been achieved to date as a result of the plan and/or the activities described above? Please state the methodology and data sources you have used for calculating these reductions and savings.

Given the range of activities and targets being implemented across the business regions it is not possible to arrive at a meaningful, identifiable cost saving arising from these activities at this stage. This will be a matter for ongoing attention as the Group's global carbon management plan is developed.

23.11. What investment has been required to achieve the emissions reductions and energy savings targets or to carry out the activities listed in response to question 23.8 above and over what period was that investment made?

Given the range of activities and targets being implemented across the business regions it is not possible to provide a meaningful, identifiable investment figure for these activities. In addition, many initiatives have been implemented as part of the normal course of business and not categorised specifically as an investment made to achieve emission reductions or energy savings. For example,

At operating centres expenditure has been allocated through activities like the implementation of retrofit programmes for lighting; or capital works programmes that have installed more energy efficient customer service provisions like hand-dryers.

Goal planning and investment

Electric utilities should read the table in question EU3 for giving details of forecasted emissions.

23.12. What investment will be required to achieve the future targets set out in your reduction plan or to carry out the activities listed in response to question 23.8 above and over what period do you expect payback of that investment?

This information has not been centrally collated. Following analysis of the GHG inventory (completed May 2009), the Group will be able to set specific GHG emission reduction targets, and assign related costs. As noted in Q23.11, there is already expenditure on achieving a number of targets through operating and development centres, however these have not been quantified as a separate budget item.

23.13. Please estimate your company's future Scope 1 and Scope 2 emissions for the next five years for each of the main territories or regions in which you operate or provide a qualitative explanation for expected changes that could impact future GHG emissions.

Following analysis of the GHG inventory (completed May 2009) the Group will be better positioned to forecast its Scope 1 & 2 GHG emissions. Future emissions will be influenced by what will happen on new projects, centre expansions and potential acquisitions and divestments that impact our GHG emissions.

23.14. Please estimate your company's future energy use for the next five years for each of the main territories or regions in which you operate or provide a qualitative explanation for expected changes that could impact future GHG emissions.

An analysis of the Group's GHG inventory for 2006 and 2007 (completed May 2009) will allow for an accurate forecast of future energy use.

Forecasts will also be influenced by the impact of energy reduction initiatives the Group intends to introduce and by the size of the Group's portfolio which could change due to completion or commencement of new projects, expansions of existing centres and potential acquisitions and divestments.

23.15. Please explain the methodology used for your estimations and any assumptions made.

Not applicable, as no specific estimates have been provided, pending forecasts based on a future analysis of the GHG inventory (completed May 2009).

24. Planning: (CDP6 Q3(c))

24.1. How do you factor the cost of future emissions into capital expenditures and what impact have those estimated costs had on your investment decisions?

Energy costs are integrated into Westfield's standard business practice when looking at the development, construction and operation of shopping centres. Westfield will continue to monitor the impact of the introduction of a carbon price in the markets where it operates on its cost, capital expenditure and investment decisions.

Governance

25. Responsibility: (CDP6 Q4(a))

25.1. Does a Board Committee or other executive body have overall responsibility for climate change?

Yes. The Board of the Westfield Group has ultimate responsibility for climate change, based on formal reporting processes involving the Managing Directors and the Board Risk Management Committee

If not:

25.2 Please state how overall responsibility for climate change is managed and indicate the highest level within your company with responsibility for climate change.

If so, please provide the following information:

25.3. Which Board Committee or executive body has overall responsibility for climate change?

The Westfield Group Board has overall responsibility for climate change, as it does for all aspects of the Group's strategy and risk assessment. At an operational level the Group Managing Directors and Managing Director or Chief Operating Officer for each country has responsibility. These executives are supported by management committees in each country which routinely meet to monitor and review the operational issues associated with climate change. These include, review of GHG, energy and waste saving initiatives and the introduction of new processes and technology which might impact on the Group's capacity to improve in these areas.

A senior executive reporting to the Group Managing Director (the Group Director Corporate Affairs) has fulfilled a co-ordinating role between the different markets over the past two years as the Group's GHG inventory has been compiled and plans developed for a global carbon management plan.

In each country, the Managing Director or Chief Operating Officer is supported by a manager responsible for coordinating the Group's activities across the broader sustainability agenda, and for providing the significant input needed to develop a global carbon management plan.

At each shopping centre there are also staff assigned to managing the Group's local environmental practices. A dedicated national sustainability manager has been appointed in Australia/New Zealand, and it is expected that further consideration to the allocation of committee structure and new appointments will continue through 2009 and 2010.

25.4. What is the mechanism by which the Board or other executive body reviews the company's progress and status regarding climate change?

The Group Director of Corporate Affairs provides regular reports to the Group Managing Directors about progress on the sustainability review and carbon management plan, and has also presented directly to the Board.

The Group Director of Corporate Affairs regularly engages with the operating businesses in each region as part of his role in developing the Group's comprehensive carbon management plan. Through this structure, which includes responsible executives and staff in each region and a global sustainability working committee, the Group Managing Directors and the Board are informed about the Group's progress.

26. Individual Performance: (CDP6 Q4(b))

26.1. Do you provide incentives for individual management of climate change issues including attainment of GHG targets?

Incentives are provided for managers meeting various energy saving and other targets as part of their overall annual performance reviews, although at this stage there is no discrete incentive for climate change issues. This could change in coming years as Westfield develops its global carbon management plan which will allow for a fair and measurable method by which to calculate financial incentives for management in this area.

If so:

26.2. Are those incentives linked to monetary rewards?

26.3. Who is entitled to benefit from those incentives?

27. Communications: (CDP6 Q4(c))

27.1. Do you publish information about the risks and opportunities presented to your company by climate change, details of your emissions and plans to reduce emissions?

Westfield provides a general commentary on its approach to climate change and sustainability issues in its annual report, and from time to time provides information to third parties at investor briefings, media conferences or annual general meetings. It also describes the risks and opportunities in response to surveys such as the Carbon Disclosure Project.

Westfield expects that as it develops its global carbon management plan in the years ahead it will garner ever more detailed and sophisticated data which will enable it to provide more precise information about the risks and opportunities presented by climate change.

If so, please indicate which of the following apply and provide details and/or a link to the documents or a copy of the relevant excerpt:

27.2. The company's Annual Report or other mainstream filings.

Yes. The Group's annual reports (2007 & 2008) outline the process currently being undertaken to develop a global GHG emissions inventory. They also outline the Group's approach to minimising environmental impact and outline some of the key practices across the portfolio.

27.3. Voluntary communications (other than to CDP) such as Corporate Social Responsibility reporting.

Westfield responds to investor and other stakeholder enquiries on its GHG emissions and energy management policies as required.

28. Public Policy: (CDP6 Q4(d))

28.1. Do you engage with policymakers on possible responses to climate change including taxation, regulation and carbon trading? If so, please provide details.

Yes. In each market the Group engages with a variety of policymakers and relevant bodies, and contributes to the development of public policy and regularly makes representations to policymakers on issues such as taxation, regulation and CO₂ trading.

Australia: Westfield is a member of:

- Property Council of Australia (PCA) National Sustainability Roundtable Committee; (including NSW Sustainability Committee)
- Green Building Council of Australia (GBCA) and Platinum Sponsor of the Green Star Retail Centre Version 1 2008
- NABERS (Retail Technical Advisory Group (TAG) coordinated by the Department of Environment and Climate Change, NSW Government
- Sydney Water Forum

New Zealand: Westfield is a member of:

- New Zealand Packaging Council
- Property Council of New Zealand
- New Zealand Electricity Commission
- Green Building Council

United States: Westfield is a member of:

- US Green Building Council (USGBC)
- USGBC's Leadership in Energy Efficiency and Design programme
- Commercial Real Estate Energy Alliance International Council of Shopping Centres (ICSC) Sustainability Working Group

United Kingdom: Westfield is a member of:

- British Council of Shopping Centres