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Scentre Group 2024 AGM Report

Company/ASX code	Scentre/SCG
AGM date	Thursday, 4 April 2024
Venue	The Wesley Conference Centre, 220 Pitt Street, Sydney and online
Type of meeting	Hybrid
Monitor	Allan Goldin
Pre AGM-meeting	Ilana Atlas, Chair, Catherine Brenner, NED, Chair Human Resources Committee, Andrew Clarke, CFO, Melinda Dolph, Head of Reward and Benefits and Maureen McGrath, Company Secretary

Meeting Statistics

Number of holdings represented by ASA	193
Number of shares represented by ASA	1,859,213
Value of shares represented by ASA	$6.1M
Total number attending meeting	70 security holders 5 proxy holders
Market capitalisation	$17.1 Billion
ASA open proxies voted	ASA voted in favour of all the resolutions

Unfortunately, all the Chair and CEO did at the AGM was to basically read the Annual Report.

The only new announcements were as follows:

Customer visits had increased by 2.1% per cent in the first 12 weeks.

Retail sales across its portfolio were up 3.1% compared with a year earlier.

The Group expects funds from operations to be in the range of 21.75 to 22.25 cents per security for 2024, representing 3.0% to 5.4% growth for the year. Distributions are expected to be at least 17.20 cents per security for 2024, representing at least 3.6% growth for the year.

K. Capital launched an attack on the Company's complacency and self-praise, in light of the Group's poor financial results compared to 5 years ago, with the main culprit being the high debt level. The CEO, Elliot Rusanow, responded by saying the company was generating record earnings before interest and tax and was aiming to get visitations back to pre-pandemic levels. He also defended their performance, highlighting that period includes the COVID-19 restrictions, when the government mandated rental decreases.

ASA reiterated our VI Report comments with special criticism of Scentre's preferred measurement, FFO. Which is lower than any non-COVID year since listing. We asked, when are they going to take the obvious step of reducing debt by selling down a percentage of each or some of the 12 Centres

($20 Billion current valuation), which are 100% owned by the group. Plus utilising their land bank to create non-retail uses. The Board agreed that both of these areas were under active consideration.

ASA was critical of the soft targets in both the short term and long-term incentives and warned if this did not improve, we would vote against the related resolutions next year. However, 26.76% of securities decided not to wait and voted for a first strike on the remuneration report. Further displeasure was shown with 26.55% of securities being voted against the CEO's performance rights. None of this was surprising when you consider that the Chair agreed the CEO was very well paid compared to other real estate investment trusts, as it has long been that Scentre always pays above its competitors.

The re-election of Carolyn Kay, Guy Russo, and Margaret Seale received 98%+ of the votes cast. The raft of constitutional changes did even better at 99.97% votes in favour

Stephen Mayne suggested that Scentre should change its name to Westfield Australia and New Zealand, but, as the CEO pointed out, the Westfield name is actually owned by Unibail-Rodamco-Westfield.