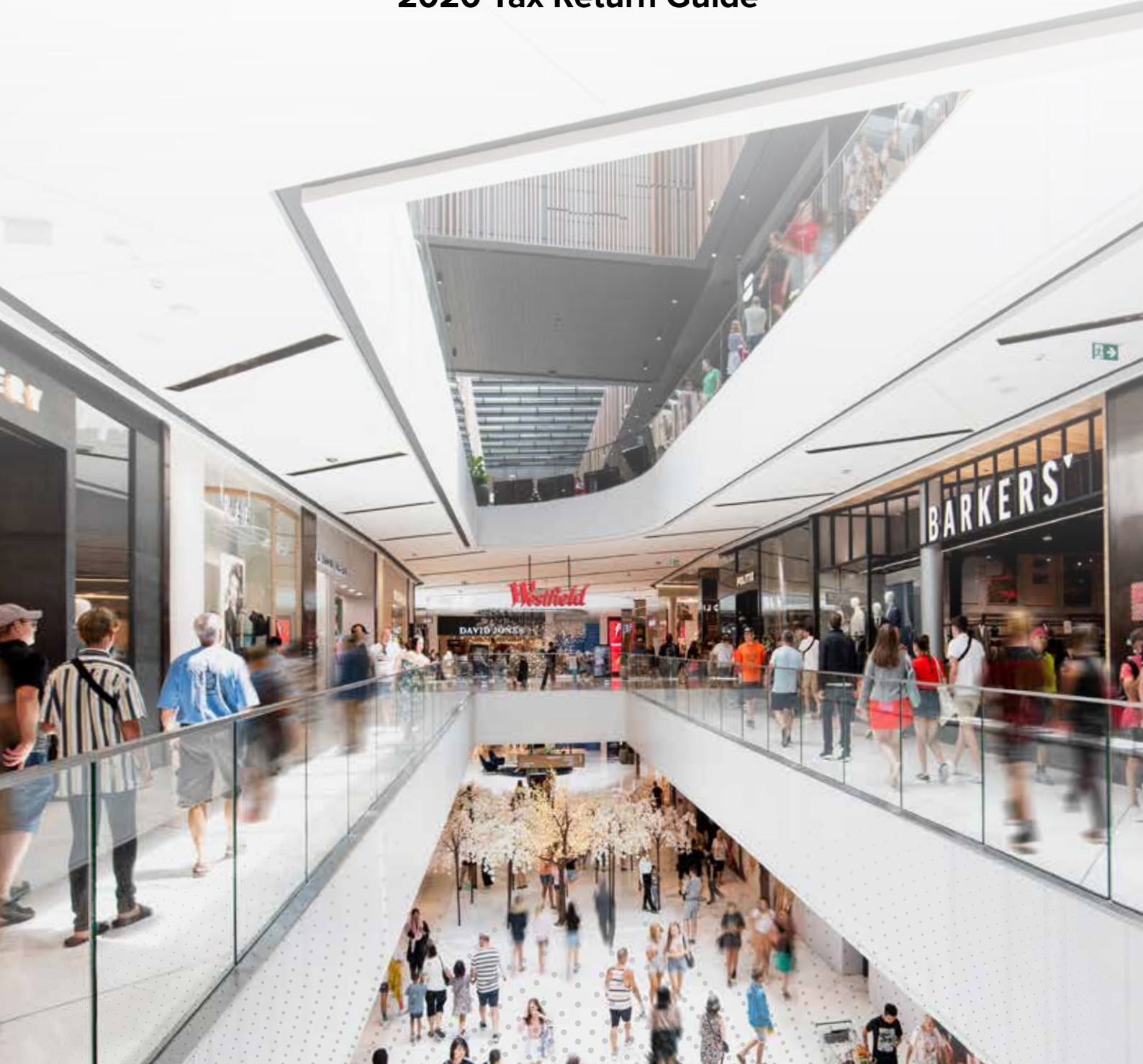


SCENTRE GROUP

2020 Tax Return Guide



Westfield Newmarket, NZ

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Scentre Group Limited ABN 66 001 671 496

Scentre Management Limited ABN 41 001 670 579 AFS Licence 230329 as responsible entity of Scentre Group Trust 1 ABN 55 191 750 378 ARSN 090 849 746

RE1 Limited ABN 80 145 743 862 AFS Licence 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 380203 as responsible entity of Scentre Group Trust 3 ABN 11 517 229 138 ARSN 146 934 652

This document does not constitute financial product or investment advice, and, in particular, it is not intended to influence you in making a decision in relation to financial products including Scentre Group Stapled Securities. You should obtain professional advice before taking any action in relation to this document, for example from your accountant, taxation or other professional adviser.

About this Guide

This 2020 Tax Return Guide (“Guide”) has been prepared to assist Australian resident individual securityholders to complete their 2020 Australian income tax return. This Guide provides general information only. Accordingly, this Guide should not be relied upon as taxation advice. Each securityholder’s particular circumstances are different and we recommend you contact your accountant, taxation or other professional adviser for specific advice.

This Tax Return Guide has two sections:

Section 1 Provides information to assist Australian resident individual securityholders complete their 2020 Australian income tax return.

Section 2 Provides general Australian capital gains tax (CGT) information including information on how to determine your CGT cost base.

Section 1 Important Information for Australian Resident Individual Securityholders Completing a 2020 Tax Return

General information - Scentre Group

Scentre Group is a stapled group that comprises the following four entities:

- Scentre Group Limited (“SGL”)
- Scentre Group Trust 1 (“SGT1”)
- Scentre Group Trust 2 (“SGT2”)
- Scentre Group Trust 3 (“SGT3”)

Distributions from Scentre Group may comprise dividends paid by SGL and distributions from SGT1, SGT2 (collectively referred to as the Trusts) and SGT3. Distributions paid by SGT 3 are treated as dividends for taxation purposes (and are referred to as dividends in this Guide).

SGT1 and SGT2 have elected into the Attribution Managed Investment Trust (“AMIT”) regime with effect from 1 January 2019 (the Trusts report on a calendar year basis). Under the AMIT regime securityholders include in their assessable income the taxable amounts (including any net capital gains) attributed to them by the Trusts.

The taxable amounts attributed to a securityholder may be more than or less than the cash distributions paid by each of the Trusts in respect of that income year. Where the taxable amounts are more than the cash distributions, a securityholder’s cost base is increased. Conversely, where the taxable amounts are less than the cash distributions, a securityholder’s cost base is decreased. Details of the cost base adjustment amounts are included in the Tax Statement.

For the 2020 year the taxable amounts attributed to each securityholder are more than the cash distributions received. Accordingly, each securityholder will increase their cost base in Scentre Group Securities for CGT purposes.

The 2020 year taxable amounts include the capital gains realised by the Trusts on sale of the Sydney office towers and of an interest in Westfield Burwood during the year.

2020 distributions

The 2020 Tax Statement and Tax Summary cover all the distributions made by Scentre Group that should be included in your 2020 Tax Return. These distributions are:

- Scentre Group distribution of 11.30 cents per security paid on 30 August 2019.
- Scentre Group distribution of 11.30 cents per security paid on 28 February 2020.

During the year no dividend was paid by Scentre Group limited and no distribution was paid by Scentre Group Trust 3.

Please note that the year-end of the Trusts for taxation purposes is 31 December. Accordingly, the distributions in respect of the year ending 31 December 2020 should be included in your 2021 Tax Return. Dividends paid by SGL and by SGT3 are taxable in the income year in which they are paid.

Steps To Complete Your Tax Return

General information – 2020 income tax return for individuals

The information set out below in this Tax Return Guide has been prepared to assist Australian resident individual securityholders to complete their 2020 Tax Return. It does not apply to company, trust or superannuation fund securityholders.

If you are an individual lodging an Australian Tax Return Question 11 of your Tax Return and Questions 13, 18 and 20 of your Tax Return (Supplementary Section) should be completed. The information on your 2020 Tax Statement and the notes in this Tax Return Guide will help you to answer these questions. You should also refer to the Australian Taxation Office (“ATO”) publication “Individual tax return instructions 2020” which is available on the ATO website.

If you are using myTax the distribution information should be pre-filled for you by the Australian Taxation Office. However, you should check the pre-fill information against your 2020 Tax Statement and use the information on the 2020 Tax Statement if there are any differences.

Please note that any other income or capital gains which you have derived during the year should be added to the relevant amounts you have received from Scentre Group and the total income for each category should be included in your Tax Return. In addition, if you have realised any capital losses during the year or have carry forward capital losses from prior years you will also need to take these into account.

Please refer to your Scentre Group 2020 Tax Summary and 2020 Tax Statement.

Question 11 – Dividends

There are no amounts to include here this year.

Question 13 – Partnerships and Trusts – Tax Return (Supplementary Section)

You should include at this question the Australian interest income amount and the other Australian taxable income amount of your distributions from the Trusts. Collectively these amounts are referred to as “Share of net income from trusts”.

You should also include at this question the franked distribution amount included in the distribution from SGT1 and the related franking credits.

Any TFN withholding tax deducted from your distributions from the Trusts should also be included at this question.

Question 18 – Capital Gains – Tax Return (Supplementary Section)

You should include at this question the total capital gain and the net capital gain amount of the distributions from the Trusts.

General information

The assessable amount of your distribution for the 2020 income year includes both discounted capital gains and capital gains not eligible for the CGT discount – referred to as “Capital Gains – other method” on the Tax summary.

Where eligible, the Trusts have elected to apply the “discount method” to determine the amount of the net capital gain to include in their taxable income. Accordingly, you may also be able to apply the discount method in respect of these gains (shown as “Capital Gains – discount method (50%)” on your Tax Summary).

Tax Return Disclosures

You should follow the steps in the instructions to Question 18 as set out in the ATO publication “Individual tax return instructions 2020” to determine the amount of the net capital gain to include in your Tax Return.

If you require any general information or guidance on the calculation of capital gains including details of the “discount method”, you should consult the following Australian Tax Office publications: “Personal Investor’s Guide to Capital Gains Tax”; or “Guide to Capital Gains Tax”. Alternatively, you should consult your professional tax adviser.

Question 20 – Foreign Source Income – Tax Return (Supplementary Section)

You should include at this question the assessable foreign source income amount of the distributions from the Trusts and the related Foreign Income Tax Offsets.

Follow the steps in the instructions to Question 20 as set out in the ATO publication “Individual tax return instructions 2020” to calculate the amount of other net foreign source income you should include in your Tax Return.

In broad terms, as foreign tax has been paid in respect of the foreign source income amounts of the distributions from SGT1, you may be entitled to a foreign income tax offset to the value of the amount shown on your Tax Statement.

If your total foreign income tax offset from all sources for the year is \$1,000 or less, then you can claim this amount in full. Otherwise, you will need to refer to the ATO publication “Guide to Foreign Income Tax Offset Rules” to work out your entitlement.

Section 2 Capital Gains Tax Information

General Capital Gains Tax (CGT) matters

Each Scentre Group stapled security comprises four separate assets for Australian CGT purposes, being:

- One SGL share,
- One SGT1 unit,
- One SGT 2 unit, and
- One SGT3 unit.

Although Scentre Group stapled securities can only be traded together as one security (ASX code: SCG), for Australian tax purposes the securities are treated as separate assets.

For CGT purposes you need to apportion the cost of each component of the stapled security and the proceeds on sale of each component of the stapled security over the separate assets that make up the stapled security. This apportionment should be done on a reasonable basis.

One possible method of apportionment is on the basis of the relative Net Tangible Assets (NTA) of the individual entities.

Set out below are the relative NTAs of the entities that comprise Scentre Group from 30 June 2014.

| Date | Scentre Group Limited | Scentre Group Trust 1 | Scentre Group Trust 2 | Scentre Group Trust 3 | Scentre Group Total |
|-----------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|
| 30 Jun 14 | 3.94% | 33.34% | 62.72% | 0.00% | 100% |
| 31 Dec 14 | 4.33% | 34.07% | 61.49% | 0.11% | 100% |
| 30 Jun 15 | 3.74% | 34.39% | 61.74% | 0.13% | 100% |
| 31 Dec 15 | 4.17% | 34.83% | 60.87% | 0.13% | 100% |
| 30 Jun 16 | 4.42% | 35.56% | 59.89% | 0.13% | 100% |
| 31 Dec 16 | 4.33% | 36.48% | 59.06% | 0.13% | 100% |
| 30 Jun 17 | 3.76% | 36.90% | 59.26% | 0.08% | 100% |
| 31 Dec 17 | 3.67% | 38.01% | 58.24% | 0.08% | 100% |
| 30 Jun 18 | 3.44% | 38.52% | 57.96% | 0.08% | 100% |
| 31 Dec 18 | 3.74% | 38.93% | 57.24% | 0.09% | 100% |
| 30 Jun 19 | 3.23% | 39.36% | 57.35% | 0.06% | 100% |
| 31 Dec 19 | 3.86% | 39.00% | 57.07% | 0.07% | 100% |

Details of the relative NTAs since Scentre Group was formed in June 2014 are also available at: www.scentregroup.com/investors/Securityholder-Information/taxation-information.

Cost base of Scentre Group stapled securities

If you acquired Scentre Group stapled securities on market your cost base will generally be the amount paid to acquire the securities (apportioned between the separate assets that comprise the Scentre Group stapled security on a reasonable basis).

If you acquired your Scentre Group stapled securities through the Westfield Group and Westfield Retail Trust restructure transaction in 2014, information on how to determine the cost base of your securities is available from the following sources that can be accessed on the Scentre Group website:

- The Westfield Group factsheet in relation to how to determine your cost base in Scentre Group and Westfield Corporation stapled securities;
- The WRT factsheet in relation to how to determine your cost base in Scentre Group stapled securities; and
- The Australian Taxation Office Class Rulings (CR 2014/77 and CR 2014/78).

AMIT CGT cost base adjustments

Under the AMIT rules, each year your CGT cost base will be adjusted (increased or decreased) by the AMIT cost base net amount for the year. This replaces the prior cost base reductions required in respect of the tax deferred amount of distributions made by the Trusts.

You will need to take these cost base adjustments into account in calculating any capital gain or capital loss on disposal of your Trust units for CGT purposes. In addition, if your CGT cost base is reduced to nil, any further decrease will result in you making a capital gain (even if you do not sell your stapled securities). Any such capital gains should be included in your tax return.

The publications “Guide to Capital Gains Tax” or “Personal Investor’s Guide to Capital Gains Tax” which are available from the Australian Taxation Office provide details of the calculations required.

Taxation component schedules showing the components of the Trusts’ distributions including tax deferred amounts and AMIT cost base net amounts are available at:

www.scentregroup.com/investors/Securityholder-Information/taxation-information.

Securityholders who have disposed of securities during the 2020 income year

If you have disposed of any of your Scentre Group stapled securities during the 2020 income year, you may have made a capital gain or loss. You should obtain a copy of the publication “Personal Investor’s Guide to Capital Gains Tax” or alternatively, “Guide to Capital Gains Tax” which are available from the Australian Taxation Office and/or consult your accountant, taxation, or other professional adviser. Any such capital gain or capital loss should be accounted for in your tax return.

Enquiries

For further information regarding the taxation aspects of your investment in Scentre Group we recommend contacting your accountant, taxation or other professional adviser for specific advice.

For general enquiries in relation to this Tax Return Guide or other securityholder matters, please contact either:

Computershare Investor Services Pty Limited 1300 730 458 (toll free)
+61 3 9946 4471 (international callers)

Scentre Group Investor Relations 1800 222 242 (free call)
+61 2 9358 7877 (international callers)
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