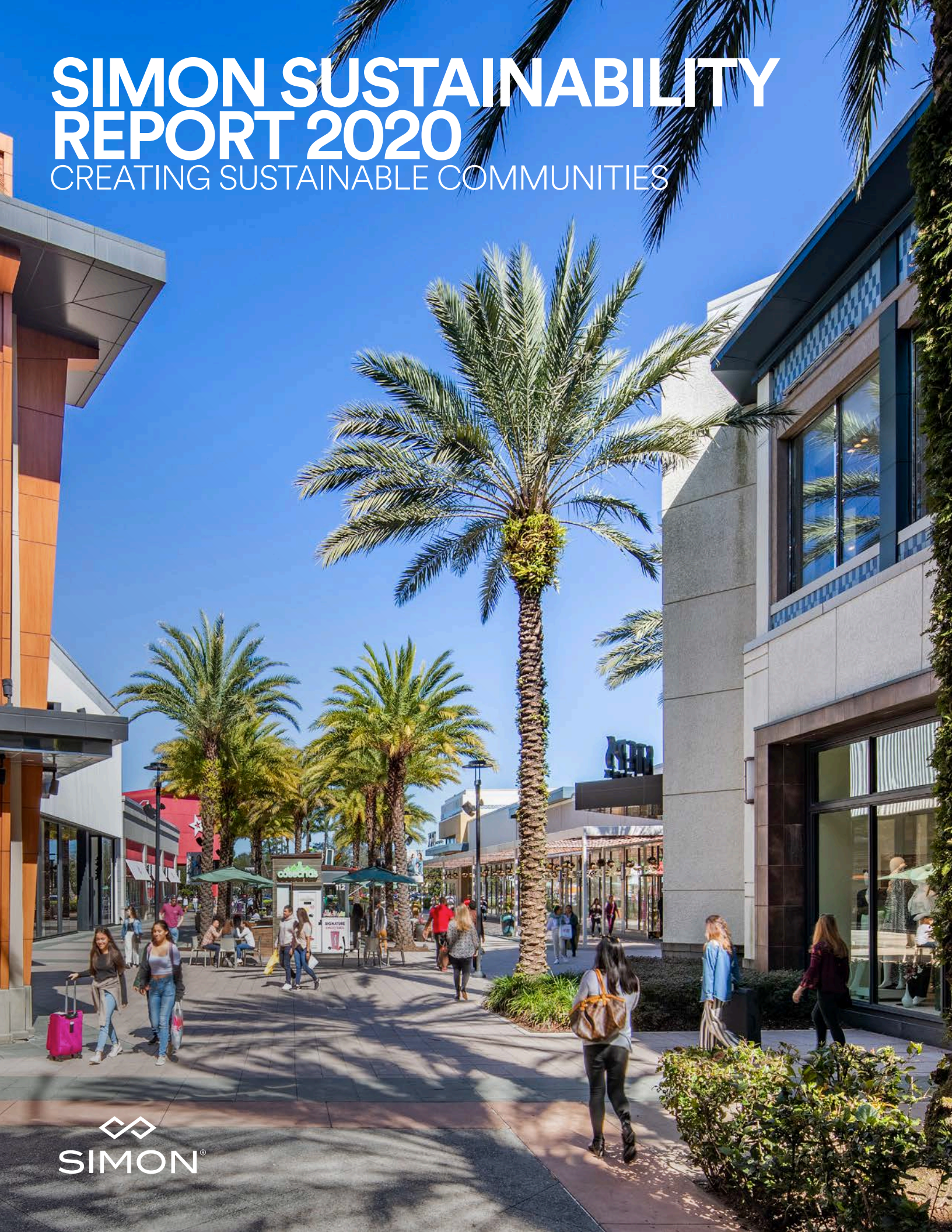


# SIMON SUSTAINABILITY REPORT 2020

CREATING SUSTAINABLE COMMUNITIES





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## ABOUT THIS REPORT

Simon Property Group's (Simon) 2020 Sustainability Report provides information and updates on the Company's continuing sustainability efforts and achievements. This report includes information from Simon's centers in the U.S. including Simon Malls;<sup>1</sup> Simon Premium Outlets;<sup>2</sup> and The Mills.<sup>3</sup>

The information communicated in this report is based on data for the year ending December 31, 2019—or otherwise explained in the report. This report's scope includes properties directly managed and owned by Simon in the U.S. This report contains Standard Disclosures from the Global Reporting Initiative (GRI) guidelines and has been prepared following GRI Standards' core reporting requirements. The GRI content index is available at the end of this report. For additional sustainability information, please visit [simon.com/sustainability](https://www.simon.com/sustainability).





# MESSAGE FROM THE CEO

## WELCOME TO SIMON'S 2020 SUSTAINABILITY REPORT.

As a company, our top priority has been the health, safety, and wellbeing of our employees, shoppers, retailers, and the communities we serve. Our thoughts are with those affected by COVID-19 and fighting the pandemic.

At Simon, we view our retail and mixed-use destinations as intrinsic and essential parts of the community. As such, we continue to expand existing, and implement new, community services at our properties including food donation events and COVID-19 testing centers. The challenges of the pandemic, and our strategic response to those challenges, have cemented our belief in what sustainability means at Simon, and have led to the creation of a new subtitle in the report, *Creating Sustainable Communities*.

### Sustainability areas of focus

1. Run a safe, responsible, and profitable business.
2. Commit to reducing negative impacts on the environment.
3. Maintain Simon properties as community gathering places through positive social contribution.

### Key sustainability achievements in 2019 include

- 37.8% reduction in electricity consumption across the portfolio.
- 18.5% reduction in water consumption.
- Simon's Go Green Week Celebration that promoted the sustainability efforts of 91 retailers and engaged more than 5,500 consumers.
- Simon Youth Foundation's 20th anniversary, celebrating the graduation of their 20,000th student. The foundation added five new academies, totaling 42 academies across 15 states, and raised more than \$1.7 million to help students reach graduation day.

I am proud to also announce the development of the Simon "Roadmap to 2035" which identifies how we will achieve our new science-based targets and that will detail all aspects of our business that will reflect a sustainability focus through investment, operations, and tenant partnership.

As a leader in sustainability, Simon is dedicated to continuously innovating a wide range of environmental, social, and community-based sustainability programs that contribute not only to improving our financial performance, but also towards tackling global sustainability challenges. Our commitment to be a vital force for good in the communities where we live, work, play, stay, and shop has never been stronger.



A stylized, handwritten signature in black ink, consisting of a large 'D' and 'S' followed by a period.

**David Simon**

Chairman, Chief Executive Officer & President  
Simon Property Group

# KEY HIGHLIGHTS 2019



## 20%

ENERGY CONSUMPTION  
REDUCTION (2013-2019)



## 32%

GHG EMISSIONS  
REDUCTION (2013-2019)



## 20 Years

CELEBRATING SIMON YOUTH  
FOUNDATION WITH ALMOST  
22,000 GRADUATES IN TOTAL



## 12,712

STAFF HOURS  
DEDICATED TO HOSTING  
FUNDRAISING EVENTS



## 2,985

EMPLOYEES PARTICIPATED  
WITH LEARNING AND  
DEVELOPMENT PROGRAMS  
IN 2019



## New

UPDATED SUSTAINABILITY  
GOALS: ALIGNED WITH THE SBTi  
AND THE U.N. SUSTAINABLE  
DEVELOPMENT GOALS (SDG)

## EXTERNAL RECOGNITION



Carbon Disclosure Project: Achieved highest leadership recognition for top sustainability performance granted by CDP (2016–2019).



GRESB: Received a Green Star rating, the highest designation for sustainability in the real estate industry awarded by the Global Real Estate Sustainability Benchmark (GRESB) (2014–2020).



StormReady: Recognized as StormReady by National Weather Service for all Properties.

# OUR RESPONSE TO COVID-19

On March 18, 2020, the Company temporarily closed all of its retail properties in the United States. As of May 1, the properties began reopening when permitted to do so under applicable governmental orders. All of the Company's retail properties were reopened as of July 10. The Company's retail properties were closed, in the aggregate, for approximately 10,500 shopping days during the second quarter.

At the start of the pandemic, we assembled a COVID-19 Response Taskforce. Comprised of relevant Simon department representatives and subject matter experts, the Taskforce rolled out the Simon Exposure Mitigation Protocols (Protocols), designed to mitigate the risk of employees and shoppers from being exposed to COVID-19 through identification, evaluation, and control of pathogen transmission factors in the workplace.

## IMPACT ON OUR CUSTOMERS

The COVID-19 pandemic has had, and continues to have, a significant effect on Simon and its stakeholders. We have taken strong measures to alleviate risks and support local stakeholders as best as we can. For instance, we provided rent deferrals and abatements for over 1,500 tenants, 87% of which are local and small businesses. To enable our tenants to continue doing business and stay connected with their customers, we supported them by opening curbside pick-up points.

As we have navigated the complex process of reopening and staying open, we have put shopper safety first. In accordance with CDC guidelines, interior high touchpoint areas are frequently disinfected using EPA-approved sanitation chemicals and business hours have been reduced to allow for enhanced workspace cleaning. Air filters are cleaned and replaced regularly. Through testing we determined that air quality inside our properties is better than that outside.

Through on-property signage, public service announcements, and active and ongoing encouragement by property security staff, we continue to remind our customers to self-screen before visiting the property, wear CDC-recommended facial coverings, maintain six feet of distance, and partake of free masks and sanitizing wipe packets at designated entrances and/or at the Management Office.

## IMPACT ON EMPLOYEES

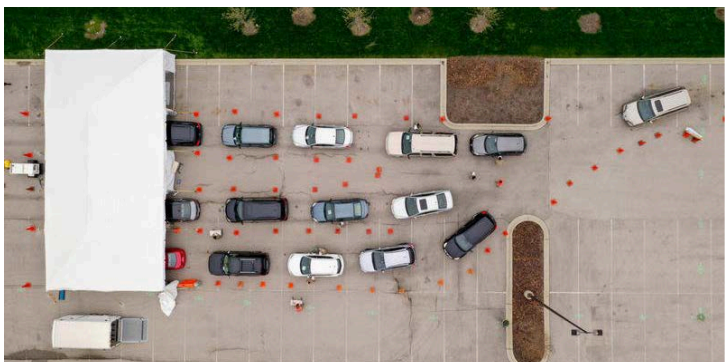
Our own Simon employees have been impacted by COVID-19 as well. Many are working from home, when role and scope allow, and approximately 1,400 full-time employees were temporarily furloughed. However, we are happy to report that over 99% have returned to their positions and that while furloughed, employees enrolled in Simon benefits received their benefits at no cost to them.

Simon has provided training to employees on COVID-19 safety guidelines, and encouraged tenants, vendors, and contractors to implement this training. We have also provided Personal Protection Equipment (PPE) to be used when performing work duties, interacting with other persons, or as mandated by state and local jurisdictions. We strongly encourage our tenants, vendors, and contractors to implement the same precautions.

## COMMUNITIES IN NEED

By being literally at the center of many of the communities we serve, Simon has been able to mobilize support in these crucial times. With the outbreak of the pandemic, we began hosting COVID-19 testing facilities in the parking lots of six Simon centers—providing a resource in a familiar place for those showing symptoms. On-site premises are also used for blood drives, sanitization of emergency vehicles, and to support Feeding America.

In March 2020, after our properties closed in response to COVID-19, Simon launched its Curbside Pickup program to support retailer sales. The Curbside Pickup program enables touchless exterior pickup for retailers. As of September, over 121 properties continue to offer this program to their retailers, restaurants, and customers.





# ON-SITE COVID-19 TESTING CENTER PROGRAM EXPANSION

Simon is excited to announce that we are greatly expanding our COVID-19 Testing Center program.

In a deal with QuestCap, Xtreme Cubes Corp is delivering 165 QuestCubes which will be placed in Simon centers across the United States. These modular steel pod structures, first launched in Las Vegas, Nevada in August 2020, are provisioned to administer millions of COVID-19 and antibody test kits across Simon locations in 37 states.

Simon recognizes the importance of our alignment of this major expansion with the fall flu season, when increased symptoms overall are leading to an increase in testing nationwide. We are proud to provide this essential service to the 75 million Americans living in proximity to these 165 centers with fast, available, and accurate testing during this season.



**37**  
STATES

**165**  
SITES

**75M**  
RESIDENTS WITHIN  
PROXIMITY OF THE SITES

# THIS IS SIMON: COMPANY HIGHLIGHTS 2019

## A Global Leader

In Retail Real Estate  
and an S&P 100 Company

## 181M

Square Feet of GLA in  
North America

## \$84B

Approximate Total Market  
Capitalization\*

## >\$60B

Annual Retail Sales Generated  
by U.S. Properties

## 204

U.S. Portfolio Properties

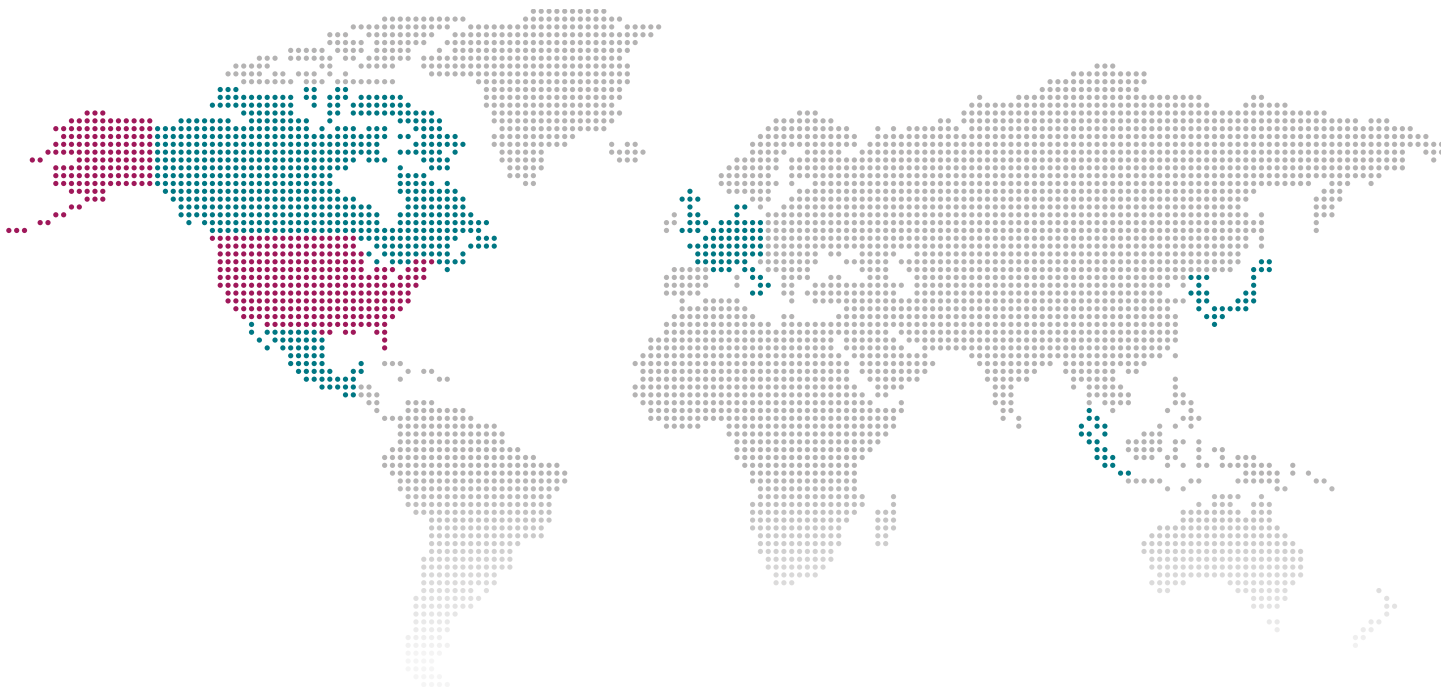
## \$5.8B

Annual Consolidated Revenues

\* As of 12/31/2019



# PORTFOLIO HIGHLIGHTS



## U.S. PORTFOLIO\*

### Simon Malls<sup>†</sup>

**106**

Properties  
Comprising

**120**

Million  
Square Ft

### Simon Premium Outlets<sup>†</sup>

**72**

Properties  
Comprising

**31**

Million  
Square Ft

### The Mills<sup>†</sup>

**14**

Properties  
Comprising

**22**

Million  
Square Ft

## INTERNATIONAL PORTFOLIO

### Designer Outlets

**9**

Austria, Canada,  
France, Germany, Italy,  
the Netherlands, and the UK

### Premium Outlets

**20**

Canada,  
Japan,  
Malaysia,  
Mexico,  
and South Korea

**10**

Million  
Square Ft

### Interest in Klépierre

**22%**

A publicly traded real estate company  
based in Paris with a portfolio of  
high-quality shopping centers in  
16 European countries

\* As of 12/31/2019

# SUSTAINABILITY STRATEGY

## MATERIALITY ASSESSMENT

We have conducted a materiality assessment to identify key environmental, social, and governance risks and opportunities. As part of Simon’s materiality assessment, we have engaged with various external and internal stakeholders. The assessment outcomes are set forth in Simon’s Materiality Matrix. Simon will update this assessment in the next 24 months to ensure all relevant and current topics are covered within its sustainability framework and roadmap towards 2035.

## SIMON MATERIALITY MATRIX

With our updated sustainability strategy, we aim to address the main material topics emerging from the materiality assessment. For example, we have strengthened our commitments towards climate change and set higher GHG reduction targets approved by the Science Based Target initiative (SBTi). We have also intensified our focus on the health and safety of our tenants, customers, and employees by taking clear actions to minimize their risks. While the customer and community engagement programs we have in place show the positive impact Simon has had, we are looking ahead for additional ways to meet these stakeholders’ long-term needs.

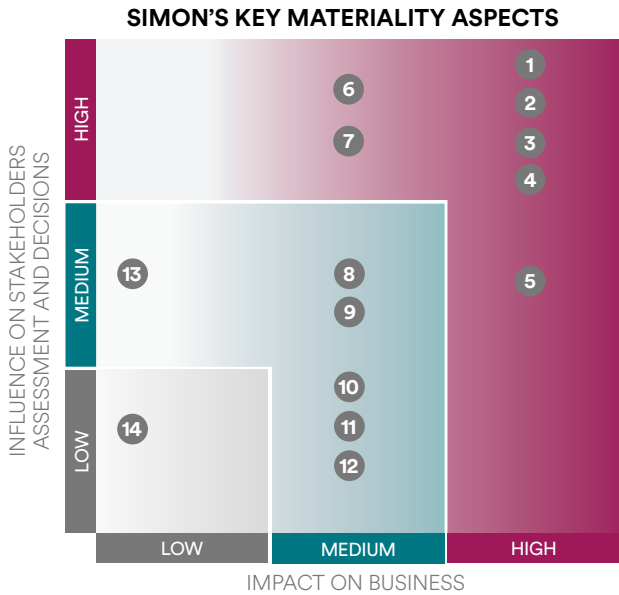
## SUSTAINABILITY GOVERNANCE

Simon’s Sustainability Office is led by the Head of Sustainability, a full-time dedicated employee responsible for managing the company’s ESG programs. The Head of Sustainability reports to the General Counsel on a weekly basis, and prepares reports for the CEO and Simon’s Board of Directors. The Head of Sustainability is responsible for climate-related programs including driving energy efficiency, encouraging the utilization of renewable energy, promoting green technology innovations, and developing and executing sustainability awareness programs for communities, customers, investors, and employees.

Our Head of Sustainability leads the Sustainability Executive Committee (SEC), which includes C-suite executives from core functions of the Company, including the GC, CFO, CMO, and CIO. The SEC supervises our sustainability performance, including monitoring climate-related issues, and reports directly to the CEO and Board of Directors. The SEC is primarily responsible for setting strategic direction for sustainability at Simon and providing counsel and executive oversight on sustainability initiatives. This team identifies which ESG issues are most relevant to our business and key stakeholders and communicates our approach to managing these risks and opportunities to the Board of Directors. The SEC has responsibility for monitoring climate-related issues within Simon and reports directly to the CEO. This committee provides leadership and oversight to encourage and assure sustainability opportunities are supported and recognized at the highest level of the company. The SEC is also responsible for all strategic Environmental, Social, Governance (ESG), and climate-related communications.

Simon’s Board of Directors oversees Simon’s plans and prospects to assess and monitor progress on addressing the major climate change risks it faces. The Board of Directors may take a variety of actions to manage climate-related risks and opportunities. These may include implementing policies and procedures for assessing and managing material ESG risks and opportunities and integrating and adapting our strategic and operational planning, including capital expenditures.

- 1. Ownership of High-Quality Retail Real Estate
- 2. Densify Simon’s Well-Located Real Estate with Elements that Foster a Live, Work, Play, and Stay Environment
- 3. Energy Management
- 4. Climate Change Adaptation and Resilience Strategies
- 5. Health and Safety
- 6. Ethical Business Conduct
- 7. Respect of Human Rights
- 8. Customer Engagement
- 9. Community Engagement
- 10. Health and Well-Being
- 11. Water Conservation
- 12. Recycling Waste from Operation
- 13. Response to Natural Disasters
- 14. Biodiversity





## STAKEHOLDER ENGAGEMENT

A core part of our foundation for sustainable business success, stakeholder engagement has enabled us to develop and foster relationships that allow for ongoing dialogue through which we can better understand business needs and concerns.

The stakeholder engagement process is applied across Simon's portfolio of existing properties and new development activities. The process involves analyzing and identifying who the most relevant stakeholders are, assessing procedures for engaging (such as frequency and method), and determining level of engagement (corporate, property, and/or project). Finally, Simon's leadership carefully reviews the feedback from these engagements and integrates it into our strategic planning.

STAKEHOLDER	TYPE OF ENGAGEMENT
<b>INVESTORS</b>	In 2020, we increased our efforts to meet our investors' expectations and provided greater detail on the potential impact climate change has on our real estate portfolio, using the TCFD guidelines as a framework. In addition to quarterly earnings calls and the Company's annual stockholders meetings, Simon's Investor Relations team frequently meets with existing and potential investors to seek their feedback and provide them with updates on business priorities. Upon request the Head of Sustainability provides updates on progress.
<b>JOINT VENTURE PARTNERS</b>	Simon's Partnership Relations team focuses on communicating with joint venture partners to share information on the performance of jointly owned assets. When needed, the Head of Sustainability provides updates on sustainability progress.
<b>RETAILERS</b>	Simon conducts regular meetings with tenants to collect feedback and increase retailer satisfaction. We work together with our tenants to reduce our combined carbon impact and partner with select retailers to collaborate and assess opportunities to assist them in achieving their corporate sustainability goals.
<b>SHOPPERS</b>	To enhance the shopping experience for our visitors, we actively seek shopper feedback through social media channels, shopper interviews, and feedback forms at the property management offices. As we continue to invest and create more attractive centers that are truly integrated into the heart of their community, we also undertake engagement surveys to monitor levels of service and identify if the needs of our customers are still being met.
<b>COMMUNITIES AND NGOs</b>	Simon works in close partnership with local non-profit organizations to provide philanthropic support to the communities in which we are active. We provide spaces for Non Governmental Organizations (NGOs) to reach out to the community, and we focus on providing accessible high school education and graduation through Simon Youth Foundation.
<b>GOVERNMENT &amp; INDUSTRY RELATIONS*</b>	Simon regularly interacts with local, state, and federal governmental authorities to stay up to date with current and upcoming rules, regulations, and policies affecting our properties and business, with a focus on land-use planning, affordable housing, and key infrastructure investment. We also engage with other companies that operate in the real estate sector to collaborate in addressing issues facing it and raising the bar for sustainability within the sector.
<b>SUPPLIERS</b>	Operating sustainably is something we expect of our suppliers, not just of ourselves. We will update our procurement processes in the coming period to ensure we are effectively working with sustainable partners that, in the end, as an essential stakeholder group, we can positively impact the attractiveness and effectiveness of our real estate portfolio.
<b>EMPLOYEES</b>	Simon strives to create attractive places to work where people can learn the business and grow professionally. Promoting ongoing two-way dialogue with our employees is vital to retaining and developing our talent. Simon's open-door policies, leadership development programs, and the Simon Employee Association all encourage regular communication of business priorities, new corporate initiatives, performance management, and community and social engagement opportunities while soliciting employee feedback.





### \* SIMON IS PARTICIPATING IN SEVERAL INITIATIVES TO DRIVE SUSTAINABILITY INTO THE SECTOR AND SHARE BEST PRACTICES:

- National Association of Real Estate Investment Trusts (NAREIT): Member of Real Estate Sustainability Council
- International Council of Shopping Centers (ICSC): Member of Planning Committee for Retail Green Conference
- Real Estate Roundtable: Member of Sustainability Policy Advisory Committee
- Landlord Tenant Energy Partnership (IMT, ICSC, and RILA): Participant
- Seattle 2030 District: Member

CREATING SUSTAINABLE CENTERS

At Simon, we define and implement sustainability initiatives that consider all aspects of our business. This approach enhances the communities in which we operate and also generates long-term shareholder value by embracing opportunities, improving the bottom line, and mitigating environmental and social risks.

Our sustainability vision is to be recognized as a leader in sustainable retail real estate development and operations in the U.S. In 2020, we updated our sustainability strategy towards ‘Creating Sustainable Centers’ and set new focus areas and long-term commitments to increase our socio-economic impact while reducing our environmental footprint. The four key areas of our sustainability framework are outlined below:

CREATING SUSTAINABLE CENTERS			
 CUSTOMERS	 COMMUNITIES	 ENVIRONMENT	 EMPLOYEES
<p>Responding to customers’ needs and assisting our tenants to succeed in their business by enhancing the shopping experience at Simon centers.</p> <p>Simon is committed to:</p> <ul style="list-style-type: none"><li>—Providing healthy and safe shopping and working environments—today and in the future.</li><li>—Pursuing Health &amp; Wellness certifications for our shopping centers.</li><li>—Continuing to enhance the customer experience by investing in innovation and technology.</li></ul>	<p>Build strong communities through development and engagement activities and create a meaningful social and economic impact on the local level.</p> <p>Simon is committed to:</p> <ul style="list-style-type: none"><li>—Creating a positive impact on over 203 million residents living near our shopping centers.</li><li>—Graduating 30,000 students by the 2024-2025 academic year through Simon Youth Foundation.</li><li>—Continuing to embed the “live, work, play, stay, shop” concept throughout our portfolio.</li></ul>	<p>Effectively develop and operate our properties with innovative solutions that reduce our environmental footprint as well as operational costs.</p> <p>Simon is committed to:</p> <ul style="list-style-type: none"><li>—Reducing carbon emissions:<ul style="list-style-type: none"><li>◦ 68% reduction in scope 1 and 2 GHG emissions by 2035.</li><li>◦ 21% reduction in scope 3 GHG emissions by 2035.</li><li>◦ Provide EV charging stations at 100% of our properties.</li></ul></li><li>—Minimizing water resources: Reduce consumption by 20% between 2013 and 2025.</li></ul>	<p>Create a culture that attracts and retains the sector’s best talent through high employee engagement.</p> <p>Simon is committed to:</p> <ul style="list-style-type: none"><li>—Continuing to promote diversity and inclusion throughout the organization.</li><li>—Continuing to roll out the Talent Development program in 2021 and beyond.</li></ul>



“ We have exceeded all of our 2020 sustainability goals early, and are excited to step up our efforts with new science-based targets. Our focus in the years ahead will be to work at every level of the organization to develop and fully integrate a new sustainability strategy. ”

Aharon Kestenbaum  
Head of Sustainability









## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (UNSDG) are a blueprint for achieving a better and more sustainable future. Simon is determined to align its sustainability strategy, program, and commitments to meet the underlying actions and priorities of the UNSDG and contribute towards a better world for all.

The following actions are taken by Simon to support those SDGs that are most in line with our core business. More details of actions taken and actual performance are published throughout this report.



GOALS	UNSDG TARGET	SIMON'S CONTRIBUTION
 <b>Quality Education</b>	By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.	Simon Youth Foundation supports education. More about our efforts can be read in the COMMUNITIES section.
 <b>Gender Equality</b>	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.	Our Diversity & Inclusion program supports and promotes equal opportunity for all. For more information see the EMPLOYEES section.
 <b>Affordable and Clean Energy</b>	By 2030, increase the share of renewable energy in the global energy mix substantially and double the global rate of improvement in energy efficiency.	We continue to optimize our energy efficiency and procure electricity from cleaner energy sources. See more information in the ENVIRONMENT section.
 <b>Sustainable Cities and Communities</b>	<p>By 2030, provide access to safe, affordable, accessible, and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities, and older persons.</p> <p>By 2030, provide universal access to safe, inclusive, and accessible, green and public spaces, in particular for women and children, older persons, and persons with disabilities.</p>	Across our real estate portfolio, we are introducing electrical charging stations and providing our communities with green spaces. See more information in the ENVIRONMENT section.
 <b>Responsible Consumption and Production</b>	By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.	Educating and collaborating with our tenants and visitors on recycling are important focus points for Simon. See more information in the ENVIRONMENT section.
 <b>Climate Change</b>	Availability and implementation of a transparent and detailed deep decarbonization strategy, consistent with the 2°C – or below – with GHG emission targets for 2020, 2030, and 2050.	Simon has designed a detailed roadmap to reduce its (in)direct carbon impact. See more information in the ENVIRONMENT section.

# CUSTOMERS

MAKING OUR CENTERS RESILIENT FOR THE FUTURE





# MAKING OUR CENTERS RESILIENT

As a company, our priority remains to provide a healthy and safe environment for our employees, shoppers, retailers, and the communities we serve. In our vision to be the epicenter of commerce and community, Simon is investing in our properties to become the ultimate live, work, play, stay, and shop destination in each of our markets. Some of our most exciting projects feature state-of-the-art residential opportunities and ultra-modern office and commercial spaces.

## CONTINUE TO BE THE PREFERRED SHOPPING CENTER

We are laser-focused on exceeding our shoppers' expectations. Over the next several years, Simon is committing to invest in both new developments and redevelopment projects that will further diversify and expand the quality and reach of the Simon portfolio.

Virtually every decision we make reinforces this commitment—from our premier community gathering spaces and best-in-class amenities to our sustainable transport options like electric vehicle (EV) charging stations.

## PROVIDE SUSTAINABLE OPPORTUNITIES FOR CUSTOMERS

In the last eight years, Simon has become a leading player in the electric vehicle (EV) arena by making significant contributions to infrastructure expansion for electric vehicle charging stations (EVCS). Simon currently has 816 stations installed at 115 centers, 56.6% of our domestic properties. Simon aims to install EV charging stations at 100% of properties where EV providers are available and Simon has operational control.



# 203M+

TOTAL RESIDENTS IN  
PROXIMITY OF OUR CENTERS



# 2B

SHOPPER VISITS  
ANNUALLY



# 169M

WEBSITE VISITS



# 1,179

INTERACTIVE  
DIRECTORIES



# 109

CENTERS PARTICIPATING WITH  
'WAYS WE'RE GOING GREENER'

# INNOVATIVE SHOPPING

At Simon we are at the forefront of optimizing services for our customers and in doing so, we have begun rolling out several new initiatives to seamlessly bring customers and tenants closer than ever.



## ENHANCE THE SHOPPING EXPERIENCE



### NEXT GENERATION DIGITAL DIRECTORIES

Located in high traffic areas, our interactive digital directories, which are accessible and multilingual, come to life when a shopper walks within a few feet of the 65" LCD, full HD touch screen.



### CLICKS TO BRICKS, FOR HAPPY RETURNS

A hassle-free service that seamlessly processes online returns, refunds, and return shipping for shoppers.



### DROPIT

Less lugging, more shopping when it comes to the convenience of this on-demand package and bag handling service. Shoppers can drop off an unlimited number of bags from participating retailers at any Dropit Spot location within the center and have them delivered later in the day for free through their proprietary app.

## ENABLE OUR RETAILERS TO CONNECT TO CUSTOMERS



### MYPARK EXPRESS PARKING

30-minute free parking to support retailer Buy Online, Pick Up in Store (BOPIS) capabilities. These select spaces are conveniently located near key entrances & accessed via the MyPark app.



### FILLOGIC

Transforming space at retail centers into tech-enabled, micro distribution hubs, Fillogic enables brick-and-mortar retailers and transportation providers to optimize their store locations by improving the ship-from-store process, forward-staging inventory closest to their target consumers and unlocking same-day/next-day delivery for the cost of shipping ground.



### IN-CENTER FULLFILLMENT CENTER

Last Mile Terminal<sup>®</sup> (LMT) is a full-service omnichannel logistics center providing packaging, shipping, and local delivery services seamlessly from retailers to consumers. Other value-added services to retailers and brands include: returns processing, inbound freight, gift wrapping, branded packaging, and coming soon a "Shop Hands-Free" app for a premium shopping experience.



# GOING 360: CREATING URBAN ENVIRONMENTS IN THE 21ST CENTURY

Over the last decade, Simon has increased its investments in new development and redevelopment of properties which aligns with the Simon 360° Live, Work, Play, Stay, Shop Paradigm.

Northgate is a perfect example of a regional center being transformed into a vibrant mixed-use urban environment. By breaking down the former center we are bringing in new streets to reconnect the site to its surrounding neighborhood. This approach creates a mixed-use property where people want to live, work, and play, and residents and visitors will more fully be a part of the community and find all their needs in one place.

At the heart of Northgate will be a central park, a 1.3-acre green space. Additional open spaces will include a dog park and an office plaza. These spaces will all interconnect and celebrate the nature of the Pacific Northwest.



## Key characteristics of the project include:

- New NHL franchise Seattle Kraken's practice facility and two additional community ice rinks
- Integrated mixed-use development with a LEED Gold office building, multi-family residential, hotel, and health and wellness fitness facilities
- Accessible via mass public transport
- Recreational  $\frac{3}{4}$  mile walking path
- Stormwater detention and bioretention
- Sanitary waste heat recovery system

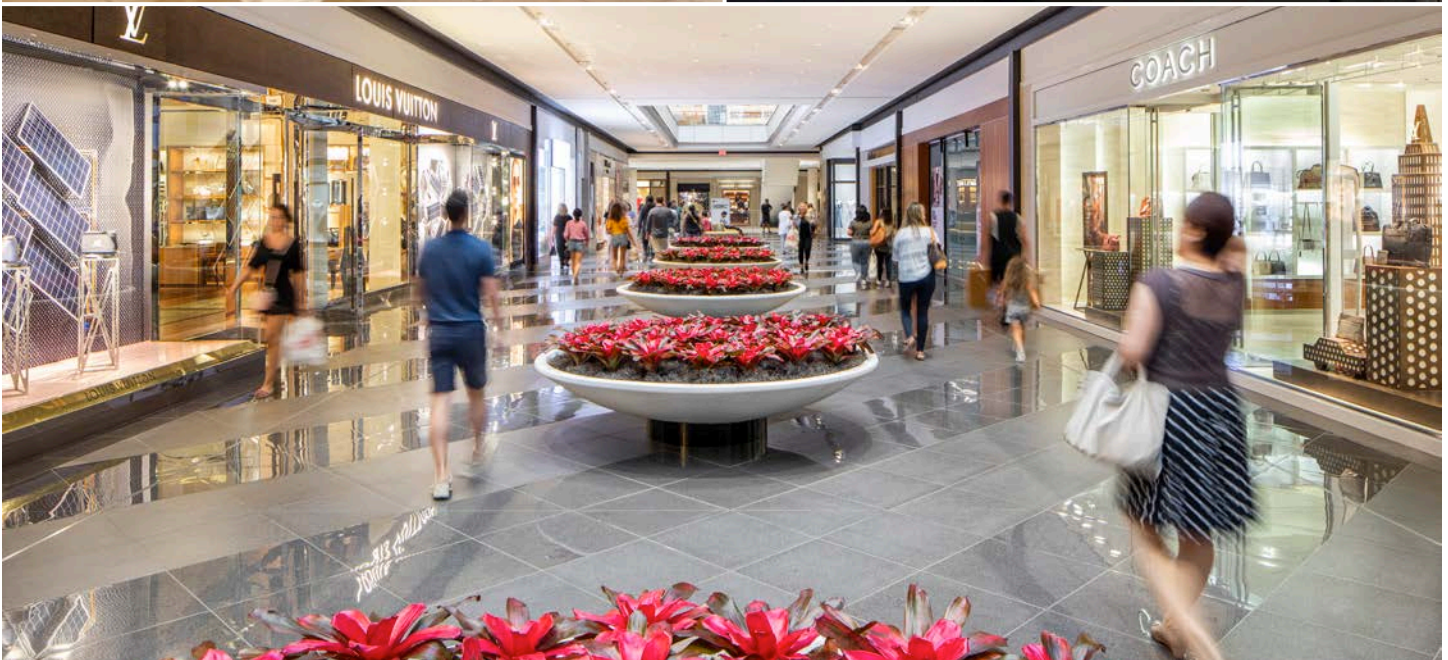


# HEALTH AND SAFETY

The Simon Security Program is a leader in the retail real estate sector in the deployment of cutting-edge strategies and technologies. Through a rigorous, one-year-long process, the Simon Security Program received recertification under the SAFETY Act from the U.S. Department of Homeland Security (DHS). The award was announced during the 2019 OIC/Law Enforcement Summit where William “Shannon” Brown, Chief of the Commercial Facilities Section of the Cybersecurity and Infrastructure Security Agency stated “(This is) no easy feat because the bar keeps getting raised every day. When a technology is developed and it looks good, it becomes the standard...and Simon has proven the point as a great partner.”

Simon’s Comprehensive Emergency Management Plan (CEMP) is one component of our health and safety efforts to receive SAFETY Act certification and is the only plan to also receive DHS certification as National Incident Management System (NIMS) compliant. All Simon centers are also certified as “Storm Ready” by the U.S. Department of Commerce and National Weather Service.

The Simon Operational Intelligence Center (OIC) provides a full suite of services to 72 properties and life-safety alarm systems to all properties. The OIC provides a centralized approach allowing for continuity of operations and enhanced situational awareness, while providing professional customer service through standardized training and work-flow management.





# 2019 LAW ENFORCEMENT SUMMIT

Simon's public/private partnership was bolstered when Simon held its 13th Law Enforcement Summit in August, 2019, bringing together over 300 participants including top leadership from local, state, and federal law enforcement agencies, management and security teams, and security executives from luxury retail partners. The focus of the summit was to showcase the Operational Intelligence Center's capabilities and to use live, interactive scenarios to illustrate mitigation strategies for issues such as active shooter, youth interactions, smash and grab robberies, and grab and run thefts.





# CREATE A SUSTAINABLE SHOPPING BUZZ

In 2019, over 109 centers ran the “Ways We’re Going Greener” campaign which took place during Earth Week. The objectives of this campaign were to increase awareness of Simon’s sustainability actions and initiatives, stimulate consumer recycling and educational opportunities, and drive traffic to participating retailers that were promoting their sustainable products and efforts.

Additionally, 10 centers hosted “Go Green Week,” providing an opportunity to promote sustainability efforts for 91 retailers and engage in person with more than 5,500 customers. The social media campaign reached 750K customers.

## GO GREEN WEEK 2019:

- 45 on-center activations and programs
- 91 retailers promoted
- 22 participating partners
- 941 earth books distributed
- 750K social media reach

## ENGAGING WITH OUR TENANTS ON SUSTAINABILITY TOPICS

We know we have a limited ability to impact the total energy and carbon emissions generated by our assets. The main contributors to the environmental impact of our centers are our tenants, therefore we continue to work closely with them to minimize our combined impact by sharing expertise and setting common targets. In order to achieve our 2035 goal of reducing Scope 3 carbon emissions by 21%, collaboration with our tenants will be essential.

Top areas of collaboration identified in our sustainability tenant engagement program include:

- Identifying programs that can be rolled out by landlord and retailers
- Developing educational programs to promote awareness around sustainability topics
- Improving recycling offerings
- Organizing sustainability awareness events with other retailers and landlords





# SUPPORTING A TENANT IN NEED

At Simon, we value our tenants. As such, our priority is not only to provide relief when needed but to empower our tenants with creative solutions to help them thrive.



## FOREVER CRYSTALS AT THE FLORIDA MALL\*

For the past 13 years, owner and president of Forever Crystals, Merari Peña, has been passionate about creating unique jewelry designs using the finest quality crystals in the world. As a Latin American company run primarily by women and started out of a garage, it believes that style is a form of expression, and therefore, each piece is as unique as its owner.

When hurricane Maria hit Puerto Rico in September 2017 and destroyed one of Forever Crystals' Simon stores, Merari partnered with Simon leasing managers, who opened a space at their Tampa Premium Outlets\* center at an exceptional rent so Forever Crystals could be open for the Christmas shopping season.

Forever Crystals opened its fourth Simon store right before the COVID-19 disruption and, as Simon did for so many small businesses, we provided the relief they needed. Forever Crystals was not only able to stay afloat and keep their employees, but continued to stay innovative and relevant.

**“** We wouldn't be able to be here today if you hadn't opened your doors to us. What this Company does for its local owners shows that they believe in us and are always there to make sure we can sustain success. **”**

**Merari Peña**

Forever Crystals Owner & President

## HONEYBEE DOUGHNUTS AT THE FALLS\*

Honeybee is a local community staple in Florida and like so many of our tenants, they struggled as a result of the COVID-19 disruption. We know that a tenant's success is ours so in addition to providing rent relief to support Honeybee Doughnuts, our local team worked to help the business innovate, thrive, and keep all of their staff.

The Falls' Manager Carol Cox, and Jennifer Collada, our Regional Leasing Director, were instrumental in helping Honeybee implement creative ways to maximize its sales which included providing dedicated parking spaces for curbside pickup and outdoor dining areas. Today, even accounting for the center closure, their sales numbers are increasing.

**“** Simon is doing everything it can to help us stay in business. It really shows that Simon cares about local business. The synergy between Simon and its local tenants is real. **”**

**Karen Muirhead**

Honeybee Founder





# COMMUNITIES

SHAPING COMMUNITIES, NOW AND IN THE FUTURE





# COMMUNITY ENGAGEMENT

At Simon, we are committed to building strong communities by promoting development activities and social initiatives at the local level. We have supported Simon Youth Foundation for over two decades, and by investing in individual lives through education we have demonstrated the positive impact that is achievable when people are motivated and empowered to believe in a future greater than themselves.

Each year, Simon sponsors the National Black MBA Association\* (NBMBAA). The mission of the NBMBAA is to lead in the creation of educational, wealth building, and growth opportunities for those historically under-represented throughout their careers as students, entrepreneurs, and professionals. In 2020, the Indianapolis Chapter of the NBMBAA in which Simon participates, was awarded Chapter of the Year Award.

## TOTAL VALUE OF REAL ESTATE

Brick-and-mortar shopping enhances the quality of life and well-being of communities in numerous ways, including the support of vital local interests such as education, public safety, and infrastructure. Additionally, in the ever-growing age of digitalization, shopping centers are an essential counterweight that provides invaluable gathering spaces for visitors to shop, dine, and share in-person experiences with family, friends, and other members of their local communities.

As a global leader in retail real estate, it is important for us to be able to comprehensively communicate the positive impact we have beyond products and services. To this end, in 2018, with Deloitte, we started the Total Value of Real Estate study to identify and collect relevant socio-economic indicators of our centers' positive footprint in their communities.

From the study on our U.S. shopping portfolio, we identified local investments of over \$340 million, spent mainly on local suppliers. The total (local) property taxes paid by Simon were over \$695 million, and the total state sales taxes collected by the tenants of Simon was \$4.2 billion. In 2019, over 310,000 people were employed by our tenants, providing income for many families across the United States.

## PROMOTING VOLUNTEERISM AT SIMON

Simon supports activities that enhance, benefit, and serve the communities in which we live and work. This aligns with our core values of responsible citizenship. The Simon Employee Association (SEA) is an internal resource that promotes volunteer opportunities for employees. Through SEA, Simon corporate and field employees volunteer and participate in a variety of local and national philanthropic programs and fundraising events. These include company picnics and mix & mingles, internal Simon sports leagues, local food banks, homeless shelters, and blood banks.

**310K**

PEOPLE WERE EMPLOYED  
BY OUR TENANTS

**203M**

RESIDENTS LIVING  
NEAR OUR CENTERS

**\$695M**

PROPERTY TAXES PAID

**\$340M**

LOCAL INVESTMENTS

**\$4.2B**

TOTAL STATE SALES TAXES

# A PARTNER FOR THE COMMUNITY

In 2020, we stepped up to support our communities during the COVID-19 health crisis and provided spaces for initiatives that supported our communities.



## 100%

OF PROPERTIES ENGAGE  
IN COMMUNITY  
ENGAGEMENT EFFORTS



## 12,712

HOURS OF STAFF TIME  
DEDICATED TO HOSTING  
FUNDRAISING EVENTS



## 1,107+

NUMBER OF  
NON-FUNDRAISING  
EVENTS (E.G., BLOOD  
DRIVES, ETC.)



## 459+

NUMBER OF  
FUNDRAISING  
EVENTS



## \$6.8M

RAISED AT FUNDRAISING  
EVENTS FOR CHARITY

### THE AMERICAN RED CROSS

We deployed our network of 200+ websites and social media marketing channels to promote the American Red Cross “Sleeves Up” campaign aimed at boosting depleted blood supplies. All centers participated in the initiative with sign-ups at Simon Sleeves Up. Additionally, in partnership with the American Red Cross and their “Know A Local Hero?” campaign, we promoted COVID-19 relief efforts for healthcare professionals, first responders, essential workers, and other acknowledged “heroes” making a difference in our communities.

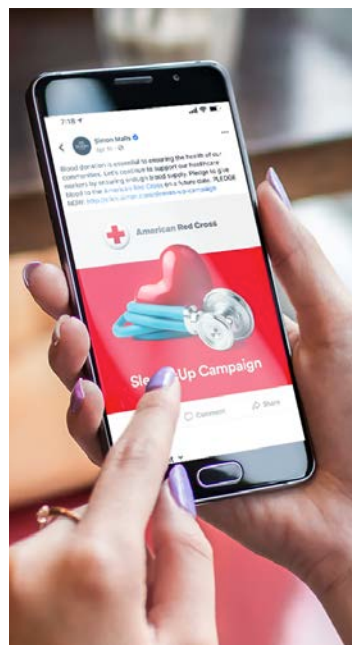
### FASHION FUNDS THE CURE

Fashion Funds The Cure (FFTC) is a touring fashion show that raises funds and awareness for pediatric cancer research across the United States. Pediatric cancer patients take the runway at their local Simon center, then participate in the Dream Walk sporting attire of what they want to be when they grow up with someone who is in that profession. The show was hosted at The Galleria, King of Prussia, Lenox Square, SouthPark, Stanford Shopping Center, The Westchester, and Wolfchase Galleria in 2019.

Over \$280,000 was raised at these Simon centers during these events, showing that Simon’s properties can provide a perfect platform for NGOs to increase awareness and raise money for their cause.

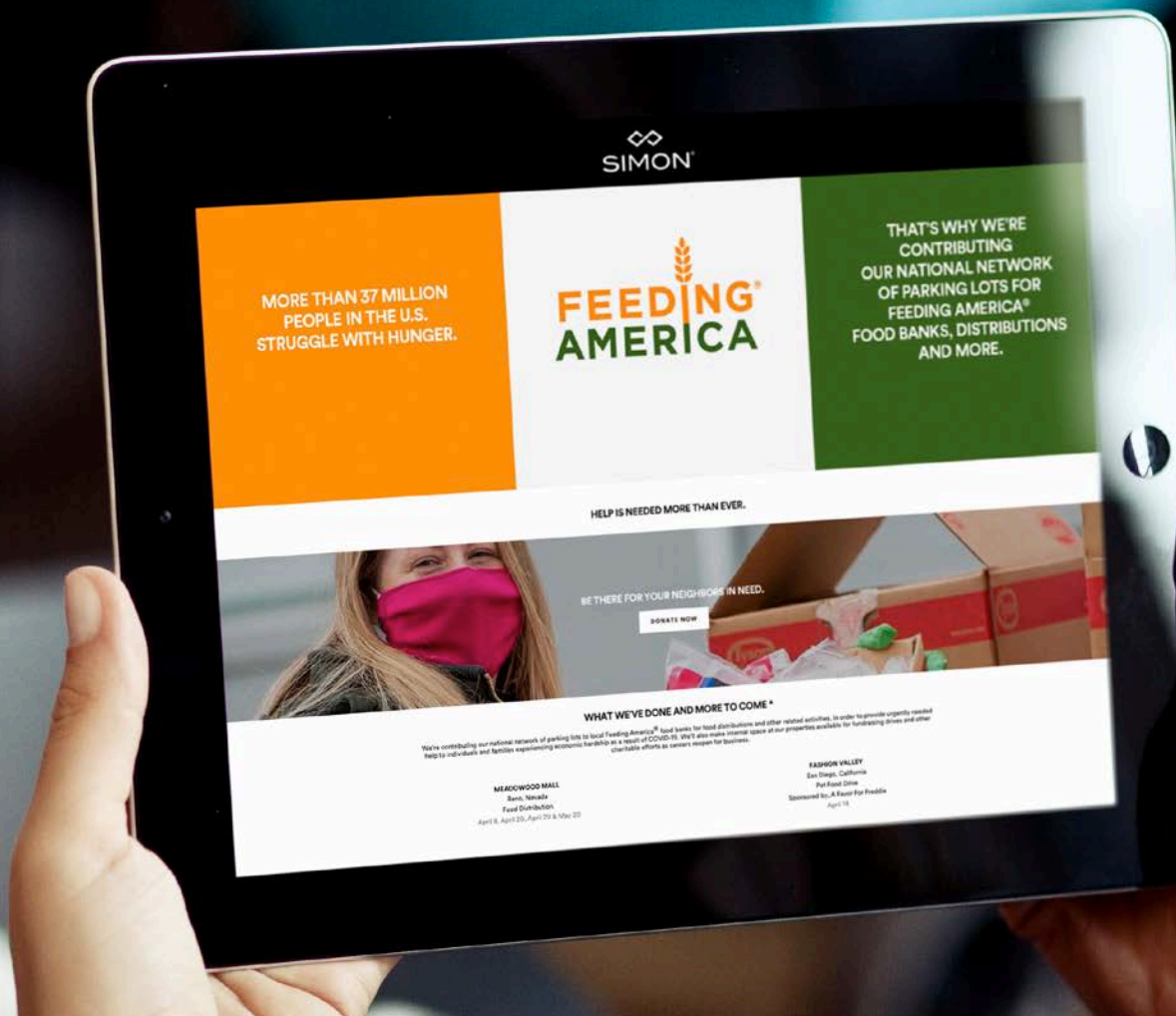
### PROMOTING HEALTHY LIFESTYLES

Several Simon centers, including The Shops at Nanuet and The Domain, partner with retailers such as lululemon and/or studios like Wanderlust Yoga to host yoga classes outdoors. Fitness walks, health assessments, mammograms, and flu shot clinics are examples of additional health-promoting events and services hosted at Simon centers across the enterprise.



# FEEDING AMERICA

We contributed our national network of parking lots to local Feeding America® food banks for food distributions and other related activities that provide urgently needed help to individuals and families experiencing economic hardship as a result of COVID-19. We also made internal space at our properties available for fundraising drives and other charitable efforts. Through September, 39 events have been organized in 2020.



## 24K

FOOD DISTRIBUTIONS TO FAMILIES

## 2.5K

FOOD DISTRIBUTIONS TO FIRST RESPONDERS

## 50K+

POUNDS OF FOOD COLLECTED

## \$64K

RAISED IN DONATIONS



# SIMON YOUTH FOUNDATION

## CELEBRATING 20 YEARS AND 20,000 GRADUATES AT SIMON YOUTH FOUNDATION

In 1998, Simon employees founded Simon Youth Foundation (SYF), a nationwide community scholarship and high school dropout recovery program, as a way to give back to the community. Today, Simon Youth Academies, which are alternative classrooms located inside Simon centers, partner with local public school districts to educate and support students at risk of dropping out of high school. In its 20-plus-year history, SYF has helped almost 22,000 students earn their high school diplomas.

In December, 2019, Alexis Porter, the 20,000th graduate of SYF, earned her diploma from the Simon Youth Academy at Opry Mills, an Academy operated in partnership with Metro Nashville Public Schools in Tennessee. In honor of this significant milestone and Alexis' academic achievements, SYF awarded her a scholarship valued at up to \$32,000 to pursue her post-secondary education.

*"We are proud to be celebrating the milestone of reaching 20,000 lifetime graduates in 20 years," said Dr. J. Michael Durnil, President and CEO of Simon Youth Foundation, upon awarding the scholarship to Miss Porter. "SYF sees students who struggle to succeed in a traditional classroom – a girl working two jobs to support her family, a boy surviving homelessness – for who they really are: graduates with overlooked or unseen potential."*

In 2019, SYF teachers raised \$20,000 collectively (their own money) in celebration of 20 years of SYF. Over 550 educators were associated with the 42 Academies that academic year. This was an increase of 100 compared to ten years earlier. SYF has set a target to further increase the number of graduated students to 30,000 in the academic year 2024-2025.



**\$19M**  
in scholarships



**Lifetime**  
number of  
scholarship  
recipients  
**5,583**

**\$38M+**  
Invested by Simon,  
its employees, and  
others in partnership  
**2019-2020**  
**98%**  
Graduation rate

**42**  
Academies  
in 15 states  
With 26 public  
school district  
partnerships

# CREATING OPPORTUNITIES THROUGH SYF



The Simon Youth Foundation (SYF) scholarship program provides real opportunities for students to grow in a different setting, learn business skills, gain industry experience, and run their own business in a center.

One of those graduates and recipients, Whitney Scott, started in the program 15 years ago as a student. Whitney still has very fond memories from that time, and retained a strong bond with her SYF teacher, Carol Bolin. Whitney became a successful marketing professional and has now come back full circle, returning to SYF as a teacher dedicated to giving back to her community.

**“SYF and Carol as my mentor helped me find and refine my passions, and truly shape a path for my future.”**

**Whitney Scott**  
SYF Teacher



Carol started her career in the insurance industry, but decided to go back to school for a teaching certificate. She joined SYF in its inaugural year, helped build the entrepreneurial curriculum, and has taught it to thousands of SYF students for over 18 years. This curriculum, now taught by Whitney, provides students with hands-on experience and opportunities that empowers them to be successful in continuing their education and careers, based on their own strengths. Thousands of Carol's students, including Whitney, are a living testament to the success of Carol's and SYF's approach.

**“My message to my students was always that ‘you have gifts, you can do more.’”**

**Carol Bolin**  
SYF Teacher

[Click here for the latest impact report.](#)



# ENVIRONMENT

REDUCING OUR ENVIRONMENTAL FOOTPRINT

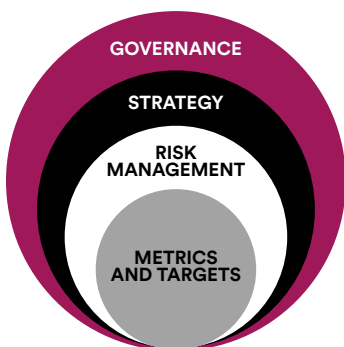




# SIMON'S CLEAR COMMITMENTS TOWARD A SUSTAINABLE WORLD

## CLIMATE CHANGE MANAGED AT SIMON

We have aligned our climate-related risk disclosure with the recommendations made by the Task Force on Climate Related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB).



### GOVERNANCE

The Board takes responsibility for overseeing climate change risks and opportunities. See page 8 for more information.

### STRATEGY

Insight on actual and potential climate change impacts on Simon's operations.

### RISK MANAGEMENT

Risk management processes and procedures in place.

### METRICS AND TARGETS

Scope 1, 2, and 3 GHG emissions are reported annually and long-term reduction targets have been set in accordance with the SBTi.

At Simon, we have been at the frontline of action and responsibility for a more sustainable world. In 2020, we identified clear, sector-leading focus areas to minimize our impact on climate change, and we continue to roll out our water conservation plan. By supporting the Science Based Targets initiative and resetting our carbon reduction targets, Simon is prepared to take the necessary steps to reduce its environmental impact now and into the future.

## CLIMATE CHANGE

Enhancing energy and natural resource efficiencies in our buildings and operations is an essential part of addressing climate change. Over the last decade, Simon has implemented a program to actively minimize our energy use by improving benchmarking and promoting efficiency best-practice shared across our portfolio of over 200 shopping centers. To provide full transparency towards our stakeholders, Simon is integrating the Task Force's recommendations on Climate-related Financial risk Disclosure (TCFD) in this report.

## EFFICIENT OPERATIONS

To better manage properties in the coming years and achieve our energy and greenhouse gas emission targets, we continue to develop our Environmental Management System (EMS). As part of our EMS, we continued to upgrade conventional lighting to energy-efficient LED lighting at over 200 properties over the last few years. A series of capital investments in aggregate of over \$70 million for LED lighting has already resulted in electricity savings of over 11.6 million kWh. In 2019, we invested \$24.5 million on 625 energy efficiency projects. We also invest in intelligent energy pilots of sensor-enabled LEDs in partnership with industry-leading companies such as GE and Acuity. Simon is further exploring opportunities to install smart networks and sensors to optimize LED lighting both indoors and outdoors.

Simon continuously assesses its portfolio to upgrade to more efficient equipment, such as Central Plants, Energy Management Systems, and HVAC replacements. Energy audits and retro-commissioning are the foundation of our energy efficiency programs.

## CLIMATE-RELATED RISK IDENTIFICATION & ASSESSMENT PROCESS

The process for identifying climate-related risks is in line with Simon's Enterprise Risk Management (ERM) Framework, which involves risk identification, prioritization, and addressing/mitigating substantive risks. Within Simon's risk framework, subcategories of strategic risks, operational risks, compliance risks, and financial risks exist. Audit Services completes an annual risk assessment by engaging with internal departments, key executives, and external organizations to allow for a better and more comprehensive understanding of these risks and opportunities to mitigate them. The information gathered is then used to rank each risk based on its "Significance to Simon" and "Management Preparedness". Upon completion of the risk assessment, a report & mitigation plan is presented to the Audit Committee of the Company's Board of Directors for review.

## CLIMATE-RELATED RISK MANAGEMENT & INTEGRATION PROCESS

After completing the risk assessment and finalizing our mitigation plan, our Risk Management Team works alongside our third party risk consultants, Global Risk Consultants (GRC), who conduct regular site and building surveys along with a variety of engineering services across Simon's 200+ properties.

- We inspect our properties' conditions on a regular basis to assess their weather and climate readiness to sustain risks such as natural disasters, flooding, snowstorms, etc. Upon completion of property assessments, Simon receives customized and comprehensive reports containing necessary information (e.g., finish floor elevations and flood mapping) that permits us to make informed, practical business decisions to mitigate, transfer, accept, or control climate-related risks.



- We conduct an analysis to identify an appropriate range of likelihood of risk occurrence in different scenarios; such as, the overall impact to the business including financial implication, the costs to mitigate potential risk, and the potential for shareholder or customer concern. The size and scope of identified risks is demonstrated by mapping the number of properties affected and calculating the potential financial implication if a particular risk materializes (e.g., flood maps, sites affected by drought).
- Each year, as part of the insurance renewal process, we perform a thorough loss analysis to determine the most appropriate deductible or other self-insurance amounts based on loss history and loss estimates determined as part of the annual GRC assessment process (e.g., Anticipated Probable Loss, Probable Maximum Loss, or Maximum Foreseeable Loss). This process enables Simon to make informed decisions about appropriate levels of risk retention and minimize the expense of shifting risk to third parties.

## IDENTIFIED CLIMATE-RELATED RISKS & OPPORTUNITIES

Category	Time Horizon	Identified Risks & Opportunities	Business Impacts & Responses
Policy & Regulation	Short-Term	<p>Potential and emerging regulations resulting from climate considerations may limit Simon's development capacity at certain locations (e.g. water, energy, or land use/zoning restrictions) and may impact Simon's business and regular operating mechanisms.</p> <p>Changes in laws promoting more sustainable land-use practices due to climate change may also cause delays in development projects and increase costs.</p>	<p>We create awareness for the design and construction team to put procedures in place to prioritize sustainable design and ensure centers are designed to meet regulatory expectations and respond to climatic conditions by employing passive and active design principles.</p> <p>We publicly disclose to GRESB and CDP and publish our annual sustainability report, showcasing our leadership position in energy management, and approach to risk management and climate resiliency.</p> <p>We promote adoptions of building certifications, such as LEED, that promote energy efficiency.</p>
Technology	Short-Term	<p>We seek opportunities to participate in programs and adopt technologies that may facilitate a transition to a lower carbon footprint and reduce energy-related operating costs.</p> <p>As tenants' preferences shift towards renewable energy sources, there is an increased expectation that landlords will offer renewable energy sources to tenants.</p> <p>An unsuccessful investment in climate-positive technologies and renewable energy sourcing may put us at a financial disadvantage.</p>	<p>We have established property-level targets for energy efficiency, water, and recycling rates, which support capital allocation for low-carbon technologies.</p> <p>We conduct ongoing assessments of energy efficiency and renewable projects across our portfolio, both at corporate and shopping center locations.</p>
Legal	Short-Term	<p>Current and emerging regulation on climate-related issues brings legal risks related to monitoring, compliance, fines, and potential reputational damage.</p> <p>Asset level development activities pose risks related to land, air, or water contamination.</p>	<p>We conduct thorough environmental studies as part of the due diligence process prior to commencing development or redevelopment to mitigate potential legal risks.</p>
Market/Reputation	Medium-term	<p>Growing investor preference to engage with companies that incorporate climate risk into investment decisions and tenant preferences for properties that incorporate climate change mitigation into design and development.</p> <p>Lack of response to stakeholder preferences and failure to comply with regulations could create a reputational risk and potentially a competitive disadvantage to attract and retain tenants.</p>	<p>We have been increasing our engagement strategy with general contractors and maintenance companies to ensure we have the right partners that can help prepare us for managing climate-related risks and opportunities at our sites.</p> <p>We engage our top 10 tenants regarding sustainability topics to identify opportunities to engage and manage reputation risks.</p>
Operations	Short Medium Long-term	<p>With over 200 locations in 37 U.S. states, our operations are subject to extreme weather events, which can result in property loss and disrupt the ability of staff and tenants to work and customers to shop. Both may increase operational costs and reduce lease income.</p> <p>Longer-term shifts in climate patterns are likely to increase average temperatures that can impact the energy requirements of our properties.</p>	<p>Extreme weather events can have a financial impact like increased operational costs or lost revenues due to business interruption.</p> <p>We have adjusted our strategy related to physical risks to include business continuity plans and ongoing training for our employees on emergency preparation and safety in the case of extreme weather events.</p>

# SCIENCE-BASED TARGETS

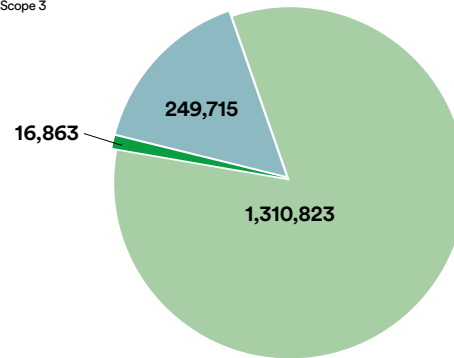
In the period 2013-2019, we reduced our direct energy consumption by 20% and our carbon footprint by 32%. At Simon, we are taking deliberate steps to minimize our carbon footprint. Therefore, we fully support the Science Based Targets initiative (SBTi), a joint initiative by the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute, and the WWF. Simon commits to reduce absolute Scope 1 and 2 GHG emissions by 68% by 2035, from a 2019 base year.

To meet the 2035 goal, we are remodelling our environmental program, and have captured multiple scenarios on how to achieve the targets. Our roadmap will be finalized in 2021 and will break down the actions to be taken in the next 5, 10, and 15 years.

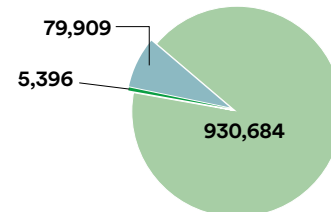
We have also set a 2035 target to reduce our absolute Scope 3 carbon emissions for our downstream leased assets by 20.9%, in alignment with a two-degree scenario reduction. Collaboration with our tenants to reduce their operational emissions will be key to our success, and while it presents a challenging objective given the large number of tenants (3,500+), we will continue to share our knowledge in the sector and extend the relationship with this critical stakeholder group. The main measure we intend to take includes further engagement with our tenants to encourage them to adopt science-based targets themselves and invest in renewable energy and other efficiency measures.

## BASELINE EMISSIONS BY SCOPE

2019 - Scope 1 and Scope 2  
2018 - Scope 3



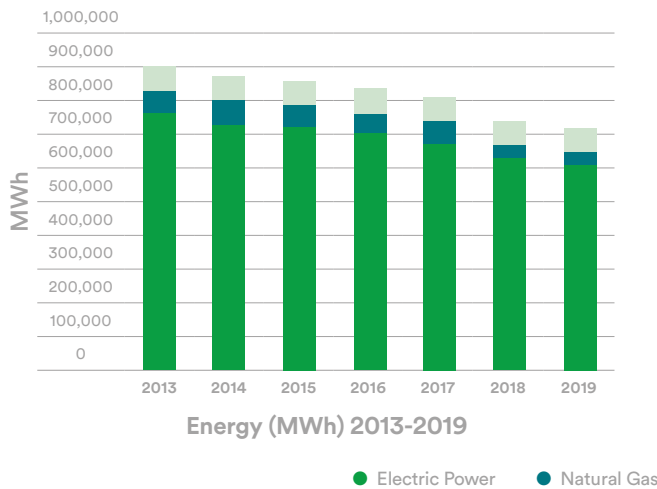
## 2035 TARGET EMISSIONS BY SCOPE



● Scope 1 ● Scope 2 ● Scope 3 (TENANT EMISSIONS ONLY)

We follow the GHG Protocol Corporate Standard for our greenhouse gas inventory. For our GHG data tracking, we use the operational control boundaries since it most accurately reflects the day-to-day practices of our business, and is most relevant to retail real estate.

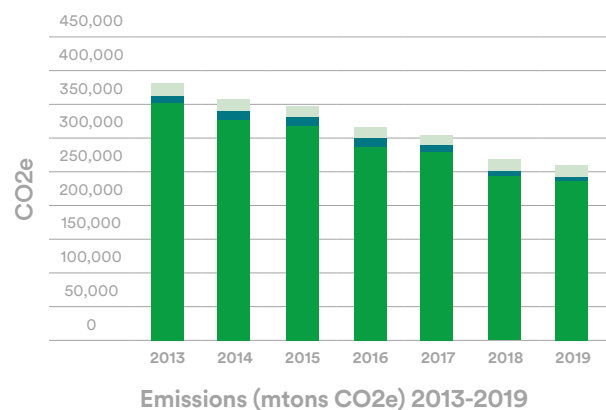
## REDUCED ENERGY CONSUMPTION BY OVER 20% (MWh)



Energy (MWh) 2013-2019

● Electric Power ● Natural Gas ● Other Energy/Emissions Sources\*

## REDUCED ABSOLUTE EMISSIONS FROM SCOPE 1 AND SCOPE 2 OVER 30% (METRIC TONS OF CO2e)



Emissions (Metric Tons CO2e) 2013-2019

● Electric Power ● Natural Gas ● Other Energy/Emissions Sources\*

Energy Source (MWh)	2013	2014	2015	2016	2017	2018	2019	% Reduction (2013-2019)
Electric Power	761,951	722,765	713,437	701,020	675,049	631,065	606,977	-20.34%
Natural Gas	64,112	72,345	64,342	60,986	63,800	37,322	40,744	-36.45%
Other Energy Sources*	75,518	73,707	73,529	73,792	68,533	72,374	71,073	-5.89%
<b>Total</b>	<b>901,580</b>	<b>868,817</b>	<b>851,308</b>	<b>835,797</b>	<b>807,402</b>	<b>740,761</b>	<b>718,795</b>	<b>-20.27%</b>

Emissions Source (Metric Tons CO2e)	2013	2014	2015	2016	2017	2018	2019	% Reduction (2013-2019)
Electric Power	361,572	337,885	327,258	296,312	285,425	251,283	241,711	-33.15%
Natural Gas	11,628	13,112	11,677	11,073	11,583	6,776	7,399	-36.37%
Other Energy Sources*	18,834	17,537	17,503	17,272	16,090	18,301	17,468	-7.25%
<b>Total</b>	<b>392,034</b>	<b>368,533</b>	<b>356,438</b>	<b>324,657</b>	<b>313,099</b>	<b>276,360</b>	<b>266,578</b>	<b>-32.00%</b>

\* Other energy/emission sources include chilled water, diesel, ethanol blends, gasoline petrol, propane, and refrigerants.



## NATURAL RESOURCES

Responsible water management is a priority for Simon and we apply best practices to manage our water footprint across our portfolio. We aim to reduce our water consumption by 20% between 2013 and 2025. In the period 2018-2019, we reduced our water consumption by 5.4%, resulting in an aggregated 18.5% reduction (1.5 million gallons) compared to the baseline year.

Our water conservation and efficiency program includes active benchmarking of water consumption data. By tracking and analyzing water consumption data monthly, we can effectively identify water leaks and high-consuming assets that need prioritization for updates. The main water efficiency measures are targeted at water usage in restrooms, irrigation, air conditioning, and cleaning. Water efficiency measures in restrooms include the installation of low-flow fixtures, aerators, automatic shutoffs, low-flow toilets, and waterless urinals. Investments in more efficient equipment, such as cooling towers, are made where and when replacements are required.

We continuously assess methods for water reuse (e.g., the recovery and use of rainwater) across the portfolio. We minimize the water use needed for landscaping through more drought-tolerant plant species, eliminating irrigation through xeriscaping, installing local drip-irrigation systems, efficient sprinkler heads, as well as smart irrigation control systems.

In 2019, we completed a water risk assessment using Aqueduct's Water Risk Atlas Tool, a platform run by the World Resources Institute. The tool analyzed potential water risks at properties

from three perspectives, including physical risks, the quantity of available water, as well as regulatory and reputation risks. Simon's results indicate that the impact that water could have on our overall organization is relatively low, but we keep track of the potential increase in any of these risks.

## WASTE MANAGEMENT

Simon aims to reduce waste generated through the construction and operations of our shopping centers wherever possible. We want to reduce our environmental footprint and lower waste handling costs. Simultaneously, reducing waste helps us achieve a lower carbon impact—contributing to a better environment and benefitting our long-term target to reduce our Scope 3 emissions by 21% by 2035.

Simon has cardboard recycling programs in place at all properties and has rolled out plastic film recycling programs at select centers across the portfolio. On an ongoing basis, we assess the financial and operational feasibility of the use of single-stream recycling. By offering single-stream recycling, higher recycling rates are typically achieved because less waste separation is required from retailers.

Simon has rolled out a tenant education program which outlines the availability of recycling programs, announces improved signage at centers, and regularly communicates reminders about proper implementation of recycling programs. We continue to explore innovative solutions for waste stream separation, collection, training, and hauling that can be scaled across Simon's properties.





# ENERGY EFFICIENCY AT WORK IN CIELO VISTA MALL



“A Whole Building” approach characterizes Simon’s building energy efficiency strategy. This approach accounts for optimized operational efficiency and financial performance, shopper and tenant comfort, and climate-change mitigation. A model example of our approach is the energy efficiency projects completed at Simon’s Cielo Vista Mall in El Paso, Texas, which were led by Shawna G. Thomson and Dirk Kunkel, the Mall’s General Manager and Operations Director, respectively.

Included in the energy efficiency projects at Cielo Vista:

- Upgraded central plant with a new chiller, pumps, and Variable Frequency Drives
- Installation of New Energy Management Controls
- Installation of LED lights in the parking area and internal hallways (+700 fixtures)

- Replacement, upgrade, and calibration of the new duct interior and exterior sensors
- Upgraded Energy Management System—the addition of 28 new space temperature controls

As a result of these sustainable investments of almost \$1.4 million, Cielo Vista is operating 14% more efficiently—reducing its electric power consumption by over 1,800 MWhs annually—in 2019 compared to 2017. The cost of operating the center is 34% lower— saving over \$760,000 in electrical power costs—in 2018 and 2019 combined. In addition, annual CO2 emissions have been reduced by 16% between 2017-2019, totalling over 1,700 metric tons of CO2 emissions avoided.

“This project was absolutely amazing in terms of doing our part to help reduce our carbon footprint and help create a better environment. We are proud of our efficient, better controlled, and optimized equipment.”

**Shawna G. Thomson**  
Cielo Vista Mall General Manager



# DIGITAL VS PHYSICAL SHOPPING

A study conducted by Simon and Deloitte Consulting has shown physical shopping to be up to 60% more environmentally sustainable than digital shopping. Consequences of digital shopping that have a negative impact on the environment are increased returns, expedited shipping, and the additional packaging of e-commerce. The lower emissions associated with brick and mortar were driven by shoppers making a greater number of purchases per trip and combining their physical visits with other activities as part of their ‘trip chain.’

Simon has updated the analysis from a 2016 Deloitte study that looked at greenhouse gas emissions associated with all material, energy, and waste attributable to a product in its life-cycle with new data on shopper behavior for both digital and physical shopping. It shows that physical shopping is approximately three times more environmentally sustainable than just four years ago due to changing consumer behaviors. Shopping digitally leads to five times more returns which considerably increases environmental impact. Emissions from packaging for online orders are five times

higher than emissions associated with the use of plastic or paper bags consumers typically bring home from a physical trip. Finally, physical shoppers buy more products per trip and visit other places on their trip—something called “trip chaining.” Trip chaining lowers the emissions specifically related to physical visits because the transportation is being allocated to multiple purposes.

Quick home delivery through online shopping also significantly increases emissions, but data for how the percentage of residential parcel delivery modes has changed is incomplete. Therefore, airfreight changes that could have added GHG emissions to online shopping were excluded from the analysis until more data is available.

The original 2016 analysis found online shopping to have a 7% greater greenhouse gas impact than physical shopping for the same basket of goods. Simon updated this analysis to be compliant with the life-cycle assessment protocol and revealed a 23% larger greenhouse gas footprint for online shopping.

“As in the previous assessment, Simon has been consistently focused on a data-driven report that is rigorous and transparent. To capture changes in shopper behaviors and dynamics such as product returns, Simon conducted an extensive literature review for data to support the assumptions associated with increased product returns for online shopping. As a result, the report shows a clear difference in shopping impacts that allows consumers to evaluate their choices.”

**Kyle Tanger**  
Managing Director, Sustainability  
Deloitte Consulting LLP

ENVIRONMENTAL IMPACT - MALL SHOPPING	DELIVERY & LOGISTICS	CUSTOMER INTERFACE	PACKAGING	PRODUCT ACQUISITION	RETURNS	TOTALS
TOTAL AVERAGE EMISSIONS (MTCO2e)	10,408	10,264	574	18,032	6,633	45,911
% OF TOTAL	23%	22%	1%	39%	14%	

ENVIRONMENTAL IMPACT - ONLINE SHOPPING	DELIVERY & LOGISTICS	CUSTOMER INTERFACE	PACKAGING	PRODUCT ACQUISITION	RETURNS	TOTALS
TOTAL AVERAGE EMISSIONS (MTCO2e)	17,627	3,153	4,403	32,003	16,262	73,447
% OF TOTAL	24%	4%	6%	44%	22%	

PHYSICAL SHOPPING EMISSIONS ARE 60% (27,536 MTCO2E) LESS THAN EMISSIONS FROM ONLINE SHOPPING.

THE IMPACT DIFFERENCE IS THE SAME AS:



67 million miles driven by an average U.S. passenger car

OR



68,000 incandescent lamps replaced with LEDs





OVERALL STUDY FOUND...

IN-STORE  
SHOPPING MAY BE  
**UP TO 60%  
BETTER**  
FOR THE  
ENVIRONMENT THAN  
ONLINE SHOPPING

RFID



# EMPLOYEES

CREATING TEAMS THAT CAN MAKE A DIFFERENCE



# EMPLOYEE ENGAGEMENT

Our employees are the driving force behind our success. Their commitment, creativity, and ability to deliver consistently outstanding results are what keep Simon ahead of the competition and at the top of our sector year after year. To ensure we continue to attract, develop, and retain the best talent across the organization, we invest in our employees and provide equal opportunities.

## POSITIVE CULTURE AND ENGAGEMENT

Our corporate culture supports a collaborative, results-oriented environment that recognizes excellence at every level. We strive to create an atmosphere for employees that emphasizes productivity, job satisfaction, and general well-being. Our talent acquisition practices enable us to attract top candidates everywhere we do business. We also offer a variety of ongoing talent programs that foster continual development, high performance, and overall organizational effectiveness.

Flexible work hours, remote work options, competitive compensation, comfortable office conditions, professional and personal growth opportunities, wellness benefits, and volunteer opportunities promote a healthy work-life environment that appeals across generations of workers.

## RETAINING OUR TALENT

We conduct an annual talent-assessment process for selected business functions within our corporate and field organizations. Through this process, we are able to identify and make recommendations regarding how executive leaders can identify the capability and potential of their current talent pool and address the needs of employees on their teams. The talent-assessment helps Simon to close existing organizational talent gaps and identify and mitigate potential retention risks. Plans are made for individual employee career development and long-term leadership succession.

We conduct an annual performance appraisal process for all regular Simon employees through our HR platform. Through this process, employees work with their manager to identify and document goals at the start of the year to further their effectiveness and help prepare them for potential career growth opportunities. Those goals are formally evaluated at the end of the year.



4,539

EMPLOYEES



34.5%

EMPLOYEES WORKING PART-TIME



2,985

EMPLOYEES PARTICIPATING  
IN TRAINING PROGRAMS



9,172

TRAINING HOURS  
IN TOTAL



# LEADERSHIP PROGRAM

## DEVELOPING SIMON'S FUTURE LEADERS

We understand that the best professionals actively seek opportunities to grow where they work and we take tremendous pride in offering our employees the chance to realize their full career potential at Simon. To help develop the next generation of Simon leaders, we maintain a series of leadership development programs.

### ADVANCED LEADERSHIP DEVELOPMENT PROGRAM

Designed for high-potential corporate managers, Simon's Advanced Leadership Program is an intensive learning experience that broadens the strategic thinking and leadership skills of Simon's future senior leaders, preparing them to assume roles of increased influence and responsibility. This learning program focuses on providing the practical skills needed to become a successful leader of a business function, and to inspire exceptional employee performance at every level.

### ADVANCED MANAGEMENT PROGRAM (AMP)

Designed for high-potential field managers, Simon's Advanced Management Program is an experiential learning journey tailored to help elite leaders work more effectively across boundaries, think more broadly about their business, and lead teams at a regional level. Participants learn how to balance tactical concerns with strategic priorities, acquiring critical decision-making skills with an enterprise-wide perspective.

## EMERGING LEADERS PROGRAM (ELP)

Designed for team members who aspire to one day assume a leadership role, Simon's Emerging Leaders Program equips our high-potential non-supervisory employees with the foundational skills needed to make the transition from being a strong individual performer to becoming an effective leader. This cohort learning program focuses on personal skill assessment, targeted leadership development, and the acquisition of sector-specific business acumen.

### MALL MANAGEMENT TRAINING PROGRAM (MMT)

Our Mall Management Training Program is an accelerated leadership training program with a direct path to Property Management. Participants learn all aspects of running a successful shopping center, which include operations, guest relations, marketing, leasing, and security. Additionally, participants are taught the leadership and management skills that will help them build a high-performing team. Upon successful completion of the program, participants are transitioned to run their own successful Simon center.

## GENERAL DEVELOPMENT AND ON-DEMAND LEARNING

We believe in empowering employees to take control of their own individual development. To support ongoing professional growth in a variety of skills and competencies, employees are given access to Simon's Online Learning Center as well as the opportunity to attend live, instructor-led training sessions offered throughout the year. In 2019, over 2,900 employees participated with General Development and On-Demand Learning, of which a majority of the employees who took advantage of this resource were female.



# OPPORTUNITIES TO GROW

Experiences from our employees who have participated in the Simon leadership development programs in the last years.

## Mall Management Training Program (MMT)

“Joining Simon in the MMT Program was an outstanding career launch, and meaningfully more in-depth than anticipated. The combination of learning center operations and diverse corporate training exercises provided dynamic management development. Building professional relationships with the property team across all departments including operations, marketing, administration, guest services, leasing, security, and more brought an enhanced training atmosphere.”

**Michael Galioto**

Area Assistant General Manager  
Southdale Center | Twin Cities Premium Outlets | Albertville Premium Outlets

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## Advanced Management Program (AMP)

“Simon is one of the most successful companies in the world, a dominant force and undisputed sector leader. One of the most important components of that success is our people. This program further developed my skills in leadership, perseverance, and in consistently executing at the highest levels.”

**Kevin Caulson**

Mall Manager, Brea Mall

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## Emerging Leaders Program (ELP)

“The Emerging Leaders Program was a great opportunity to interact with a diverse group of individuals across the company. The program encourages teams to work together to overcome challenges facing leaders, including communication and personality styles. Simon has done an excellent service to the organization by educating future leaders through development programs like this one.”

**Cherie Pantell**

Audit Manager, Audit Services



# DIVERSITY & INCLUSION

We believe that diversity of background, experience, and thinking among our employees contributes to our ability to create value for our shareholders, our tenants, our visitors, and the consumers and communities we serve.

The Company is committed to providing a work environment that is not only free from any form of discrimination or harassment on the basis of race, ethnicity, gender, creed, religion, age, disability, sexual orientation or any other status protected by law, but also embraces principles of inclusiveness. It is our policy to provide equal opportunity to all employees with regard to hiring, pay rates, training and development, promotions, and other terms of employment.

## OUR STRATEGIC D&I GOAL

Our aim is to implement a sustainable Diversity and Inclusion (D&I) strategy that is aligned with the Company values and guiding operating principles. The strategy will in time become fully integrated by leaders and employees at all levels of the company and it will become part of our culture and day-to-day business practices. With our D&I framework in mind, we will develop a clear roadmap for the coming years to:

- Formally announce our renewed D&I commitment and approach to our employee population
- Form an internal workforce to assist in conducting an internal organizational assessment to help establish benchmarks and appropriate D&I targets
- Equip our leaders with practical guidance on how to facilitate employee/team discussions regarding D&I topics
- Appoint a senior Executive D&I sponsor
- Launch an online D&I awareness learning campaign for employees and managers
- Report relevant metrics, and improved internal practices
- Update new hire training requirements to emphasize D&I and related policies
- Participate in NAREIT's Dividends Through Diversity and Inclusion (DDI) initiative to become an active member in our sector's ongoing D+I conversation

Based upon the findings of our assessment activities, we will begin to further build out our D&I framework, develop an internal D&I policy, and implement additional targeted solutions for employees in 2021.

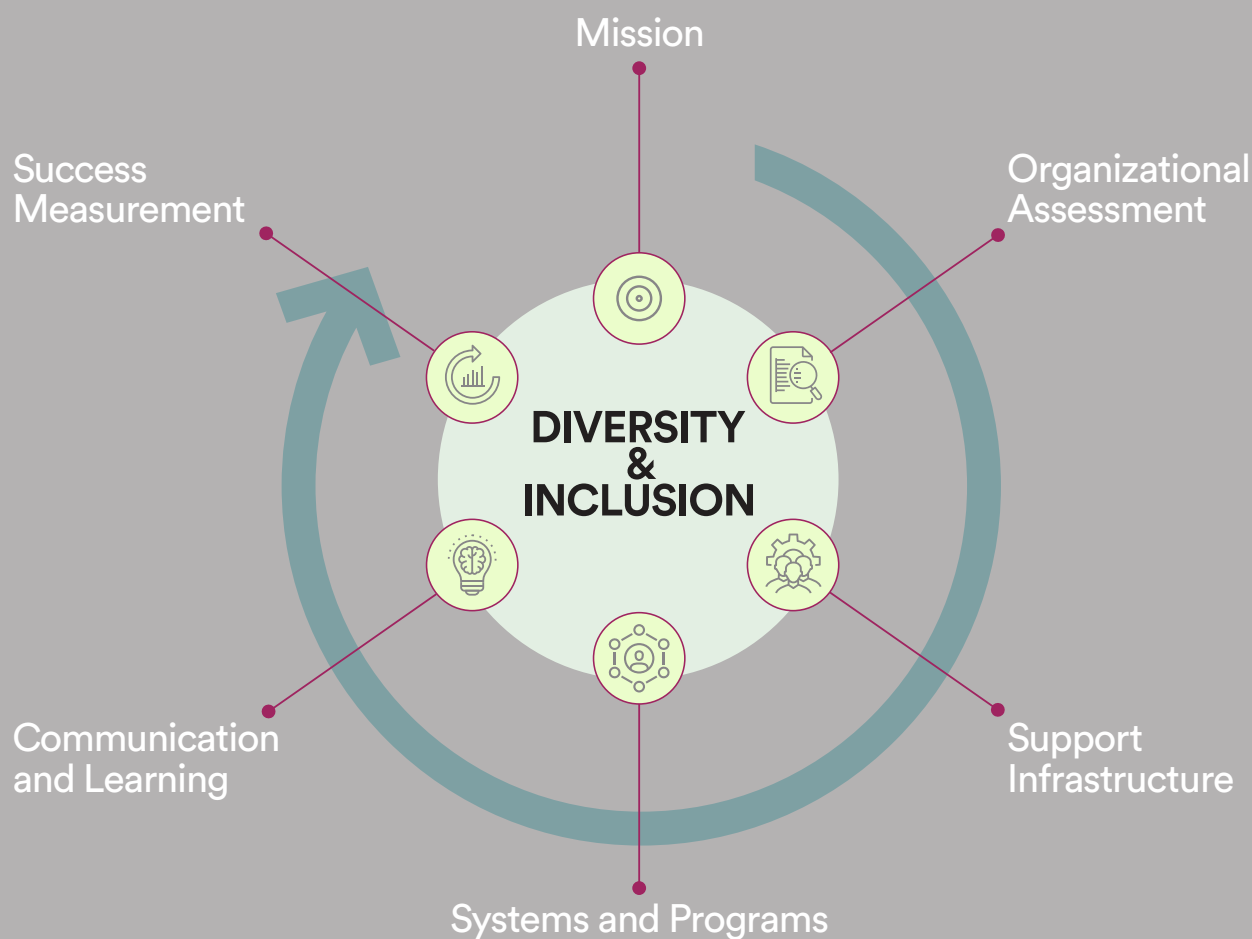
Employees by Age Category	2018	2019
Total employees under 30 years old	1,241	1,178
Total employees bet ween 30-50 years old	2,069	1,926
Total employees over 50 years old	1,433	1,435

New Employee Hired in Reporting Period by Age Category and Gender (GRI 401-1)	2018	2019
Under 30 years old	1,101	1,183
Between 30-50 years old	423	414
Over 50 years old	169	183
Female employees	1,145	1,084
Male employees	548	514

Employees by Gender and Department	2018	2019
Total number of female employees	2,378	2,316
Total number of male employees	2,365	2,147
Total number of female employees - Field	1,684	1,637
Total number of male employees - Field	1,760	1,548
Total number of female employees - Corporate Office	694	679
Total number of male employees - Corporate Office	605	599
Senior management female employees - (VP level and above)	76	74
Senior management male employees - (VP level and above)	149	142
Executive management female employees	16	16
Executive management male employees	57	60

# DIVERSITY & INCLUSION STRATEGIC FRAMEWORK

Simon will implement a cyclical process of annual assessment, action, and evaluation. The Human Resources Department, led by Susan Massela, Senior Vice President, in collaboration with other relevant internal stakeholders, will build out and execute an updated framework that will address key questions within six D&I categories:



“Success in this area will result in not only a more rewarding work experience for employees, but also improved business performance and a unique competitive advantage for Simon.”

**Susan Massela**  
Senior Vice President  
Human Resources



# CORPORATE GOVERNANCE

## POLITICAL CONTRIBUTIONS AND EXPENDITURES:

We do not make political contributions, and as such we did not make any such contributions in 2019.

- Simon did not make any contributions to state candidates or candidate political organizations in 2019. U.S. law does not allow companies to make contributions to federal candidates.
- Furthermore, Simon does not have a Political Action Committee. Simon obeys all laws regarding engagement in the political process everywhere we operate. Our Code of Business Conduct and Ethics, which states the core principles that govern Simon's business practices, contains a section on Political Activities and Public Service, including rules governing participation in the political process.

The Audit Committee of our Board of Directors oversees our Code of Business Conduct and Ethics. The U.S. Supreme Court in the Citizens United case broadened the ability of corporations to make independent political expenditures in the context of federal elections. Therefore, we reserve our right to make contributions to candidates relating to Simon's legislative interests, including the communities in which we and our employees operate. In 2019, we did not participate in any ballot measures and it is not generally Simon's practice to do so.

## TRADE ASSOCIATIONS

Our participation in the political process is governed by law and if any contributions are made, we will comply with all applicable laws and regulations pertaining to political campaign contributions at the federal, state, and local levels. Any corporate political campaign contributions and expenditures, including other payments made to relevant trade associations, and similar entities are reviewed by the General Counsel. In 2019, the Company was a member in trade associations.

## LOBBYING EXPENSES

To promote policies that support the Company's objectives, we may make payments to external consultants and lobbyists. In addition, any portion of any trade association dues we pay may be used for lobbying. We adhere to all U.S. federal, state, and local laws, as well as applicable laws and regulations outside the United States. Our lobbying expenditures will be reported in 2020 and future reports.

## DISCLOSURE OF CERTAIN POLITICAL CONTRIBUTIONS AND EXPENDITURES

Type of Contribution or Expenditure	Amount given in Calendar Year 2019
Direct and indirect contributions to federal, state, or local candidates or political organizations	\$0
Direct and indirect contributions to "voter education" organizations (which includes both 501(c)(4) and 527 organizations) that have the primary purpose of funding independent expenditure ads to influence candidate elections and ballot measures	\$0
Expenditures intended to influence elections or ballot measures	\$0
Memberships in trade associations where annual dues paid exceed \$50,000	National Association of Real Estate Investment Trusts



## GOVERNANCE INDICATORS AND KEY FACTS

### Company Governance

**OVER 75%**  
INDEPENDENT DIRECTORS

**30%**  
OF INDEPENDENT DIRECTORS  
ARE FEMALE

### Board Committees Are Comprised of

**100%**  
INDEPENDENT DIRECTORS

**40%**  
OF INDEPENDENT DIRECTORS HAVE  
JOINED THE BOARD SINCE 2015

- Sustainability, including climate-related risk, is considered at the board level through a presentation given annually to the Nominating and Governance Committee.
- All five members of the Audit Committee are Audit Committee Financial Experts as such term is defined by the Securities and Exchange Commission.
- Each Independent Director and named Executive Officer is subject to stock ownership requirements, aligning their interests with those of the Company's shareholders.



# APPENDIX

1. Lucideon Assurance Statement
2. Climate Change Impact Scenario Analysis
3. Methodology
4. GRI Index

# INDEPENDENT ASSURANCE STATEMENT



**Simon Property Group, Inc.**  
**225 W. Washington**  
**Indianapolis,**  
**IN 46204**  
**USA**

**To the Executive Management Team and Shareholders of Simon Property Group, Inc.**

**Verification of Simon Property Group's 2019 Greenhouse Gas Emissions:**

In 2020, Lucideon CICS engaged with Simon Property Group to perform an independent, third party limited assurance of Simon Property Group's greenhouse gas (GHG) assertion for calendar year 2019 detailing the total reported emissions for Scopes 1 (Direct), 2 (Indirect) and 3 (Other Indirect) which is equivalent to the GRI G4 specific standard disclosures EN15, EN16, and EN17.

Lucideon performed several tasks to provide the limited assurance of the GHG assertion for calendar year 2019 pursuant to the ISO 14064-3 verification standard. These tasks included evaluation of conflict of interest to ensure the risk of verifier bias was low, reviewing scope of verification and boundaries, developing a verification plan pursuant to ISO 14064-3, developing a sampling plan pursuant to ISO 14064-3 and testing of reported data and calculations against underlying data pursuant to the verification and sampling plan.

Lucideon developed the verification and sampling plans based on a risk evaluation of the GHG data per source type considering inherent risks, control risks, and detection risks, such that the plan was designed to minimize the risk of failing to detect material errors. A five percent (5%) materiality threshold was established and met.

A positive verification opinion was provided to Simon Property Group, Inc.

Sincerely

**Andrew Shepherd**  
**Lead Verifier**

21 July 2020

Lucideon CICS Limited  
Queens Road, Penkhull  
Stoke-on-Trent  
Staffordshire ST4 7LQ, UK

T +44 (0)1782 411008  
support@lucideon.com  
www.lucideon.com  
Reg. England 1871628



# CLIMATE CHANGE IMPACT SCENARIO ANALYSIS

We have evaluated the resilience of our strategy in a qualitative scenario analysis exercise, taking into consideration two different climate-related scenarios. We leveraged two of IEA's scenarios that are published in their 2019 World Energy Outlook Report: Sustainable Development Scenario (SDS) and Stated Policies Scenario (STEPS). The time horizons associated with these scenarios are long-term and extend through the year 2040. The policy intensive SDS and STEPS scenarios have presented opportunities for strategic considerations in response to the related risks and opportunities below:

Scenario(s)	Climate-related Risk	Business Impact	Strategy Response Considerations
SDS	Establishment of a carbon price of \$140/tonne by 2040, mandatory cap-and-trade schemes in some states and a California economy-wide cap-and-trade scheme.	May increase operating expenditures.	Implement an internal carbon price to prepare for a possible externally imposed future carbon price.
SDS	Expectation of universal access to electricity along with a phase out of fossil fuel subsidies.	May encourage more online retail businesses thereby increasing the difficulty to attract new physical tenants and reduce lease income.	Set renewable energy procurement thresholds to optimize use of incentive programs, as well as mitigate future carbon prices and associated regulations while also helping track toward our Science-Based Target.
SDS	Expectation of roll out of more net-zero building standards and adherence to such standards from tenants or other stakeholders.	May require engagement of new construction vendors and increase operating expenditures and capital allocation.	Continue to actively engage our tenants on climate-related risks and opportunities.
SDS & STEPS	Implementation of existing (STEPS) and new (SDS) policies that support renewable, lower-carbon technologies, and energy efficiency programs.	May increase capital allocation and funding for projects.	Implement more rigorous vendor selection guidelines to enable new construction and renovation projects to meet net zero emissions building standards and any other current or future building codes.
SDS & STEPS	Expectation of increased severity and likelihood of physical climate-related risks in the short and medium (STEPS) to long term (SDS).	May damage physical infrastructure and increase operating expenditures and capital allocation.	Continue to actively engage our utility companies, local governments, and construction vendors in order to best prepare them and our portfolio for a smooth low-carbon transition.
GOVERNMENT & INDUSTRY RELATIONS	Availability and implementation of a transparent and detailed deep decarbonization strategy, consistent with the 2°C – or below – with GHG emission targets for 2020, 2030, and 2050.	May cause store closures and loss of tenants due to more frequent business interruption and reduce lease income.	Conduct a physical climate screening to assess which climate-related hazards pose elevated risks to specific facilities in order to better guide capital planning initiatives for mitigation and adaptation measures.

The Sustainable Development Scenario employs ambitious policy roll-outs, inclusive of 3 SDG outcomes (i.e. universal access to energy, to reduce the severe health impacts of air pollution, and to tackle climate change), and implementation of wide-scale renewable technologies that together are expected to mitigate emissions and limit global temperature rise to 1.65 °C with a 50% probability.

The Stated Policies Scenario assumes the support and deployment only of policies that have been already announced or implemented and is projected to allow emissions to rise to 4°C under a more business-as-usual context.

# METHODOLOGY

Simon's GHG inventory is consistent with the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) Greenhouse Gas Protocol Initiative (GHG Protocol) for corporate GHG accounting and reporting.

Simon defines its organizational boundary conditions consistent with the GHG Protocol according to the "control approach." This means the scope of Simon's organizational boundaries includes locations in the company's ownership or under its control where Simon has responsibility for GHG emissions from these locations. The "control approach" is the most appropriate organizational boundary for Simon because it reflects where Simon can influence decisions that impact GHG emissions. Facilities included in Simon's boundary include retail properties and office buildings.

Simon has established GHG and Energy goals that we plan to track over time. As our portfolio changes, Simon strives to ensure that disclosure of emissions are both consistent and relevant and therefore, have established accounting rules that help account for changes in our emissions over time. As noted in the GHG Protocol, there are certain structural changes that can essentially 'trigger' a recalculation of our emissions. These structural changes include the buying and selling of sites within our portfolio and are defined below:

- Acquisition (Buying a facility): If SIMON were to buy a facility, we estimate consumption back to our baseline in order to maintain consistency over time.
- Divestiture (Selling a facility): If Simon were to sell one of their facilities, we would remove consumption information back to our baseline.

It's important to include adjustments for both sites that Simon sells and buys to ensure that Simon isn't falsely accounting for emissions reductions that were a result of selling facilities or alternatively, seeing an increase in emissions due to buying additional facilities.

**Note:** Any brand new construction or complete demolition of a facility is not considered a structural change that will retrigger any emissions calculations. Therefore, any brand new construction that Simon undergoes will ultimately impact our emissions trending. Continued efforts in energy efficiency initiatives and other reduction activities will help to offset these impacts.

## EMISSION FACTORS

All methodologies are based on guidance from the GHG Protocol. Emission factors are from governmental and non-governmental organizations' sources including the United States Environmental Protection Agency (EPA), Climate Registry, International Energy Agency (IEA), Department for Environment Food and Rural Affairs (DEFRA), Climate Leaders, and US Energy Information Administration (EIA).

## WATER

The company's data compiling is consistent with the way inventory for energy and GHG emissions are compiled, whereas Simon defines its organizational boundary conditions with the GHG protocol according to the operational control approach. Therefore, the same boundary has been utilized for water data. The only limitation in the data collection process was in regards to purchases made directly by the tenant as this information is currently not available for reporting purposes.

## WASTE & RECYCLING

Simon's waste reporting is limited to properties that are only within Simon's operational control, similar to how energy and GHG data are compiled. A small portion of our facilities, 6% (12 out of 200 operational control sites that are also corporate entities) were unable to provide solid waste information and 7% (14 out of 200 operational control sites that are also corporate entities) of properties were not able to provide recycling data.

Simon's historical recycling figures have changed year over year. This is due to additional data validation and quality assurance checks that have been established as part of Simon's waste and recycling data collection process. As we've received clarity from sites on information that was historically provided, we've worked to update the data to reflect the most current and accurate information. Simon will continue to establish processes and engage stakeholders to increase the comprehensiveness of the waste data.

## EMISSION FACTORS & GLOBAL WARMING POTENTIAL

All methodologies are based on guidance from the GHG Protocol. Emission factors are from governmental and non-governmental organizations' sources including U.S. Environmental Protection Agency (EPA), Climate Registry, International Energy Agency (IEA), Department for Environment Food and Rural Affairs (DEFRA), Climate Leaders, and U.S. Energy Information Administration. Additionally, where available, we utilize utility-specific emission factors that support our market-based inventory. As of 2019, we utilize IPCC's Fifth Assessment Report (AR5) as our source for global warming potentials.

### GLOBAL WARMING POTENTIAL (GWP) VALUES RELATIVE TO CO<sub>2</sub>

Industrial designation or common name	Chemical formula	GWP values for 100-year time horizon		
		Second Assessment Report (SAR)	Fourth Assessment Report (SAR)	Fifth Assessment Report (SAR)
Carbon Dioxide	CO <sub>2</sub>	1	1	1
Methane	CH <sub>4</sub>	21	25	28
Nitrous Oxide	N <sub>2</sub> O	310	298	265



# SIMON—2019 GRI INDICATORS

## GRI 102: ORGANIZATIONAL PROFILE

Disclosure number	Disclosure title	2019 Response
102-1	Name of the organization	Simon Property Group, Inc. (SPG)
102-2	Activities, brands, products, and services	Simon owns, develops, and manages premier shopping, dining, entertainment, and mixed-used destinations which consist primarily of Simon Malls, Premium Outlets, and The Mills. Additional information is available in our 2018 Form 10-K.
102-3	Location of headquarters	225 West Washington Street, Indianapolis, IN 46204
102-4	Location of operations	Portfolio Highlights
102-5	Ownership and legal form	Simon is a Real Estate Investment Trust (REIT) and is publicly traded on the NASDAQ Stock Market.
102-6	Markets served	<ul style="list-style-type: none"> <li>• In 2019, Simon owned or held an interest in properties in 37 U.S. states and Puerto Rico.</li> <li>• Additionally, Simon had ownership interests in nine Premium Outlets in Japan, four Premium Outlets in South Korea, three Premium Outlets in Canada, two Premium Outlets in Malaysia, and one Premium Outlet in Mexico. Simon also owns an interest in nine Designer Outlet properties in Europe.</li> <li>• Simon also owned a 22% equity stake in Klépierre SA, or Klépierre, a publicly traded, Paris-based real estate company, which owns, or has an interest in, shopping centers located in 16 countries in Europe.</li> <li>• Simon serves more than 3,000 leading tenants.</li> </ul>
102-7	Scale of the organization	Additional information is available in our 2019 Form 10-K, Part 1, item 1 and item 3.
102-8	Information on employees and other workers	At December 31, 2019, we and our affiliates employed 4,500+ persons at various properties and offices throughout the United States, of which approximately 1,700 were part time. Approximately 1,000 of these employees were located at our corporate headquarters in Indianapolis, Indiana. No significant variations in employment numbers has occurred in 2019. Additional information is available under the Employee section of this report.
102-9	Supply chain	We work with hundreds of suppliers including construction contractors, engineering consultants, and service providers. We have a broad supply chain that consists of all materials and services needed to provide space, power infrastructure, as well as heating and cooling to our tenants. Examples of categories of our service providers include security personnel, janitorial services, and waste management companies. We expect high standards of ethics and environmental compliance from all our suppliers. We are committed to ensuring that our suppliers maintain high standards of ethics and environmental compliance.
102-10	Significant changes to the organization and its supply chain	No significant changes have been made to Simon's supply chain in 2019.
102-11	Precautionary principle or approach	While conducting business, Simon meets or exceeds all applicable local, regional, and federal laws and regulations. Additionally, it is our ambition to reduce or to avoid negative impacts on the environment. Social and environmental considerations are incorporated into our design and development processes. We seek cost-effective measures to prevent environmental degradation.
102-12	External initiatives	Simon participates in CDP climate change questionnaire and the Global Real Estate Sustainability Benchmark (GRESB).
102-13	Membership of associations	<ul style="list-style-type: none"> <li>• Business Round Table (BRT): Simon is a member of BRT and has made public presentations on various sustainability topics such as the benefits of PACE.</li> <li>• Real Estate Round Table (RER): As a member of RER, Simon is leading the discussion in proposing changes to the CBECS process to help ensure a more robust data collection effort. Simon supported efforts to make Section 179D of the Internal Revenue Code tax incentive usable for a broader range of real estate owners and other stakeholders.</li> <li>• International Council of Shopping Centers</li> <li>• Member of National Association of Real Estate Investment Trusts (NAREIT) and Sustainability Policy Advisory Committee of the Real Estate Round Table.</li> </ul>

## GRI 102: STRATEGY

Disclosure number	Disclosure title	2019 Response
102-14	Statement from senior decision maker	Message From Our CEO
102-15	Key impacts, risks, and opportunities	Simon CDP Response 2019

## GRI 102: ETHICS AND INTEGRITY

Disclosure number	Disclosure title	2019 Response
102-16	Values, principles, standards, and norms of behavior	Simon's Code of Business Conduct can be found on Simon's Investor Relations Governance page titled Code of Business Conduct & Ethics at <a href="https://investors.simon.com/code-business-conduct-ethics">investors.simon.com/code-business-conduct-ethics</a> .  Simon company values can be found at <a href="https://business.simon.com/about">business.simon.com/about</a> .

## GRI 102: GOVERNANCE

Disclosure number	Disclosure title	2019 Response
102-18	Governance structure and its composition	Simon 2019 Proxy section Corporate Governance of the company p. 7
102-19	Delegating authority	Simon 2019 Proxy section Corporate Governance of the company p. 7
102-20	Executive-level responsibility for economic, environmental, and social topics	Sustainability Governance
102-21	Consulting stakeholders on economic, environmental, and social topics	Materiality Assessment
102-22	Composition of the highest governance body and its committees	Simon 2019 Proxy section Corporate Governance of the company p. 7
102-23	Chair of the highest governance body	Simon 2019 Proxy section Corporate Governance of the company p. 7
102-24	Nominating and selecting the highest governance body	Simon 2019 Proxy section Corporate Governance of the company p. 9
102-25	Conflicts of interest	Simon 2019 Proxy section Corporate Governance of the company p. 7
102-26	Role of highest governance body in setting purpose, values, and strategy	Sustainability Governance
102-27	Collective knowledge of highest governance body	Sustainability Governance
102-31	Review of economic, environmental, and social topics	Sustainability Governance
102-32	Highest governance body's role in sustainability reporting	Sustainability Governance

## GRI 102: STAKEHOLDER ENGAGEMENT

Disclosure	Disclosure title	2019 Response
102-40	List of stakeholder groups	Stakeholder Engagement
102-41	Collective bargaining agreements	There are no collective bargaining agreements in place.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement
102-43	Approach to stakeholder engagement	Stakeholder Engagement
102-44	Key topics and concerns raised	Stakeholder Engagement and Materiality Assessment



## GRI 102: REPORTING PRACTICE

Disclosure number	Disclosure	2019 Response
102-45	Entities included in consolidated financial statements	All entities listed in our 2019 Annual Report and 2019 Form 10-K that fall within Simon's operational control.
102-46	Defining report content and topic boundaries	About This Report
102-47	List of material topics	Materiality Assessment
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	2019 calendar year - 2020 where specifically mentioned
102-51	Date of most recent report	Released Dec, 2019 covering 2018
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	About This Report
102-54	Claims of reporting in accordance with the GRI Standards	About This Report
102-55	GRI content index	Global Reporting Initiative Content Index
102-56	External assurance	Independent Assurance Statement

## GRI 201: ECONOMIC PERFORMANCE

Disclosure number	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	2019 Form 10-K and 2020 Proxy Statement
103-3	Evaluation of the management approach	2019 Form 10-K and 2020 Proxy Statement
201-1	"Direct economic value generated and distributed"	2018 Form 10-K
201-2	Financial implications and other risks and opportunities due to climate change	Simon 2019 CDP Submission

## GRI 205: ANTI-CORRUPTION

Disclosure	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	Can be found on Simon's Investor Relations Governance page titled Code of Business Conduct & Ethics at <a href="https://investors.simon.com/code-business-conduct-ethics">investors.simon.com/code-business-conduct-ethics</a> .
103-3	Evaluation of the management approach	Can be found on Simon's Investor Relations Governance page titled Code of Business Conduct & Ethics at <a href="https://investors.simon.com/code-business-conduct-ethics">investors.simon.com/code-business-conduct-ethics</a> .
205-1	Operations assessed for risks related to corruption	Simon regularly reviews its business operations and market conditions across the company's portfolio to assess the various risk factors that may adversely affect our business including risks relating to retail operations, real estate investments and operations, risks related to debt and the financial markets, risks relating to income taxes, risks relating to joint ventures, and risks relating to environmental matters. These risk factors, including corruption-related items are reported annually as part of our SEC filing. Please refer to our 10-K filing. Additionally, Simon's Audit Services completes an annual corporate risk assessment by engaging with internal departments, key executives, and external organizations. The discussions confirm or revise existing risk definitions as well as identify and define new risks. Additionally, the information gathered allows us to rank each risk based on its Significance to Simon and Management Preparedness. In the overall risk assessments corruption is included as a risk factor. Upon completion of risk assessment, a report is presented to the Audit Committee of the Company's Board of Directors for review. Further, Simon's Audit Services assesses corruption-related risks and the mitigating controls during the execution of its annual audit plan (based on the completed risk assessment).
205-2	Communication and training about anti-corruption policies and procedures	Simon is committed to the highest standards of business and professional conduct. We have designed our Code of Business Conduct to reflect the values that define the Company and the principles that guide us to avoid circumstances that may give rise to even an appearance of impropriety. The Code of Business Conduct can be found at <a href="https://investors.simon.com/code-business-conduct-ethics">investors.simon.com/code-business-conduct-ethics</a> . We ensure that this Code is communicated to all directors, officers, employees, and if applicable, to business partners. All employees sign the Code and we use mandatory trainings to ensure that all employees have the guidance they need to apply the standards in their daily decision making and actions on behalf of Simon. Each employee is personally responsible for making sure that our business decisions and actions comply with this Code. The General Counsel is responsible for interpreting and making enforcement decisions regarding this Code. We maintain a confidential and anonymous 24-hours-a-day hotline that can be called in case of questions.
205-3	Confirmed incidents of corruption and actions taken	Review our SEC filings for detailed reporting on Corruption, Ethics, and Compliance issues.



## GRI 302: ENERGY

Disclosure number	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	See chapter: Environment
103-3	Evaluation of the management approach	See chapter: Environment

GRI 302-1	Energy Consumption Within the Organization	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Total fuel consumption from non-renewable sources (includes diesel, gasoline, natural gas, and propane)	294,489	211,551	226,027	GJ	Sum of Diesel-Mobile Volume, Gasoline Petrol-Mobile Volume, Natural Gas-Volume, Propane- Volume Due to a change in methodology for Natural Gas categorization for 2018 and 2019, a portion of consumption has now been allocated to Downstream Leased Assets, driving down Scope 1 emissions but increasing Scope 3.
B	Total fuel consumption from renewable fuel sources (Includes ethanol blends such as E10 and E85)	4,558	3,409	2,278	GJ	Sum of Ethanol (E85) - Mobile Volume, Ethanol Blend (E10) Volume
C	Breakdown of total consumption					
	Electricity consumption:	2,430,175	2,271,832	2,185,118	GJ	Electric Power Volume
	Heating consumption:	0	0	0	GJ	
	Cooling consumption:	165,789	162,376	158,004	GJ	Chilled Water Volume
	Steam consumption:	0	0	1,367	GJ	
E	Total energy consumption	2,895,010	2,649,169	2,572,795	GJ	Sum of total fuel consumption from non-renewable sources, total fuel consumption from renewable fuel sources, heating consumption, cooling consumption
F	Standards, methodologies, and assumptions used	See methodology				
G	Source of the conversion factors used	See methodology				

GRI 302-2	Energy Consumption Outside the Organization	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Energy consumed outside of the organization (Excludes fuels from employee commuting - only available for downstream leased assets and rental vehicles)	3,594,362	3,815,336	3,801,101	GJ	Sum of Electric Power - Downstream Leased Assets Volume, Natural Gas - Downstream Leased Assets Volume, Rental Vehicle - Diesel - Mobile Volume, Rental Vehicle - Ethanol Blend (E10) - Mobile Volume, Rental Vehicle - Gasoline (Petrol) - Mobile Volume
B	Standards, methodologies, and assumptions used	See methodology				
C	Source of the conversion factors used	See methodology				

GRI 302-3	Energy Intensity	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Energy intensity rates	0.0435	0.0433	0.0427	GJ/ft^2	
B	Organization-specific metric/ratio denominator chosen to calculate ratio	ft^2				
C	Types of energy included in the intensity ratio (such as fuel, electricity, heating, cooling, steam, or all)	All				
D	Report whether the ratio uses energy consumed within the organization, outside of it or both	Both				

GRI 302-4	Reduction of Energy Consumption	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Amount of reduction in energy consumption achieved (as direct result of conservation and efficiency initiatives)	-14,812	-29,401	-30,909	MWh	
B	Types of energy included in the reductions	Electricity				
C	Basis for calculating reductions in energy consumption	This includes year-over-year reductions based on specific efficiency initiatives performed by SIMON				
D	Standards, methodologies, and assumptions used	*excludes portfolio-wide organic growth				

Total annual energy consumption and corresponding floor area	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
Amount of reduction in energy consumption achieved (as direct result of conservation and efficiency initiatives)	0.043515964	0.043349201	0.042741608	GJ/ft^2	Square footage includes all Simon-owned GLA and common areas.

### GRI 303: WATER AND EFFLUENTS

Disclosure number	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	See chapter: Environment
103-3	Evaluation of the management approach	See chapter: Environment

GRI 303-1	Total Water Withdrawal by Source	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Municipal water:	12,605,851	12,605,486	12,342,937	m^3	Water - CAM, Water - Outdoor (Landlord Controlled), Water - Shared Services, Water - Tenant Space (Tenant Controlled)
B	Standards, methodologies, and assumptions used	See methodology				

## GRI 303: WATER AND EFFLUENTS

GRI 303-2	Water Sources Significantly Affected by Withdrawal of Water	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	<p>Total number of water sources significantly affected by withdrawal by type</p> <p>Size of water source:</p> <p>Whether or not the sources is designated as a protected area (nationally or internationally):</p> <p>Biodiversity value (such as species diversity and endemism, total number of protected species):</p> <p>Value or importance of water source to local communities and indigenous people:</p>	<p>The regulatory process requires Simon to grant permission from government authorities to extract water from water bodies. The authorities determine the level of significance based on each development application. If water source is deemed to be significantly affected then developments are unlikely to gain approval.</p>				
B	Standards, methodologies, and assumptions used	See methodology				

GRI 303-3	Percentage & Total Volume of Water Recycled and Reused	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Total volume of water recycled and reused by the organization	During construction, water is captured and reused on site; however, this is managed by the civil contractor. Simon does not have control or visibility into the percentage of total volume reused.				
B	Total volume of water recycled and reused as a percentage of the total water withdrawal reported under indicator G4-EN8	During operation, Simon sometimes collects water for reuse in watering public open spaces; however, we do not record the total volume captured.				
C	Standards, methodologies and assumptions used	See methodology				

Building Water Intensity	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
Total annual water consumption and corresponding floor area	0.0845	0.0845	0.0828	m <sup>3</sup> /ft <sup>2</sup>	Square footage includes all Simon-owned GLA and common areas.



## GRI 305: EMISSIONS

Disclosure number	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	See chapter: Environment
103-3	Evaluation of the management approach	See chapter: Environment

GRI 305-1	Direct GHG Emissions (Scope 1)	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Direct GHG Emissions (Scope 1)	19,392	16,966	16,863	Metric tons CO2 equivalent (CO2-e)	Sum of Diesel - Mobile, Ethanol (E85) - Mobile, Ethanol Blend (E10), Gasoline (Petrol) - Mobile, Natural Gas, Propane, Refrigerant
B	Gases included in the calculation	For mobile fuels: CO2; For all stationary fuels: CO2, CH4, N2O				
C	Biogenic CO2 emissions in metric tons of Co2 equivalent separately from the gross direct GHG emissions	21	17	11	Metric tons CO2	Biogenic emissions from Ethanol (E85) - Mobile and Ethanol Blend (E10)
D	Base Year	2013			Metric tons CO2	
	i. the rationale for choosing it	We determined 2013 as the most appropriate year to set our baseline as it was the most representative of our portfolio, both in terms of site footprint as well as data coverage.				
	ii. Emissions in the base year	22,826				
	iii. The context for any significant changes in emissions that triggered recalculations of base year emissions	Acquisitions / divestitures				
E	Source of the emission factors and global warming potentials (GWP) rates used	See methodology				
F	Consolidation approach for emissions	Operational Control				
G	Standards, methodologies, assumptions, and / or calculation tools used	See methodology				

## GRI 305: EMISSIONS

GRI 305-2	Energy Indirect GHG Emissions (Scope 2)	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Energy indirect GHG Emissions (Scope 2) - Independent of any GHG trades, such as purchases, sales, or transfers of offsets/allowances)	293,707	259,394	249,715	Metric tons CO2 equivalent (CO2-e)	Sum of Chilled Water, Electric Power, Steam
B	If available, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent	293,564	259,252	249,715	Metric tons CO2 equivalent (CO2-e)	REC purchases included
C	If available, the gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 or all	CO2, CH4, N2O				Biogenic emissions from Ethanol (E85) - Mobile and Ethanol Blend (E10)
D	Base Year	2013			Metric tons CO2	*updated to 2013 vs. 2003
	i. the rationale for choosing it	We determined 2013 as the most appropriate year to set our baseline as it was the most representative of our portfolio, both in terms of site footprint as well as data coverage.				
	ii. Emissions in the base year	368,998				
	iii. The context for any significant changes in emissions that triggered recalculations of base year emissions	Acquisitions / divestitures				
E	Source of the emission factors and global warming potentials (GWP) rates used	See methodology				
F	Consolidation approach for emissions	Operational Control				
G	Standards, methodologies, assumptions, and / or calculation tools used	See methodology				

GRI 305-3	Other Indirect GHG Emissions (Scope 3)	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Other Indirect (Scope 3) GHG emissions (excluding indirect emissions from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the organization.)	581,318	581,318	579,488	Metric tons CO2 equivalent (CO2-e)	Commute Bus, Commute Car, Commute Rail, Commute Subway, Commute Taxi, Electric Power Downstream Assets, Natural Gas Downstream Assets, Rental Vehicle Diesel Mobile, Rental Vehicle (E10) Mobile, Rental Vehicle Gas (Petrol) Mobile, Solid Waste, Solid Waste - Estimated, Air Travel- Long Haul, Air Travel- Medium Haul, Air Travel- Short Haul, Business Travel - Intercity Rail
B	If available, the gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3 or all	CO2, CH4, N2O - less mobile fuels and emissions from waste (CO2 only)			N/A	
C	Biogenic CO2 emissions in metric tons of Co2 equivalent separately from the gross indirect GHG emissions	1.987	0.368	0.273	Metric tons CO2	
D	Other Indirect (Scope 3) GHG emissions (excluding indirect emissions from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the organization.)	N/A	N/A	N/A		
E	Base Year	2013	2013	2013		*updated to 2013 vs. 2005
	i. the rationale for choosing it	We determined 2013 as the most appropriate year to set our baseline as it was the most representative of our portfolio, both in terms of site footprint as well as data coverage.				
	ii. Emissions in the base year	573,890	573,890	573,890		
	iii. The context for any significant changes in emissions that triggered recalculations of base year emissions	Acquisitions/ divestitures	Acquisitions/ divestitures	Acquisitions/ divestitures		
F	Source of the emission factors and global warming potentials (GWP) rates used	See methodology				
G	Standards, methodologies, assumptions, and / or calculation tools used	See methodology				



## GRI 305: EMISSIONS

GRI 305-4	GHG Emission Intensity	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	GHG emission intensity ratio	0.002	0.002	0.002	Metric tons Co2-e/ft <sup>2</sup>	Square footage includes all SF within operational control as Simon provides cooling to tenants - so the square footage is representative of total mall sf and will not align with GLA.
B	Organization-specific metric/ratio denominator chosen to calculate the ratio	ft <sup>2</sup>	ft <sup>2</sup>	ft <sup>2</sup>		
C	Types of GHG emissions included in the intensity ratio (Scope 1, scope 2, and other indirect scope 3)	Scope 1 & Scope 2	Scope 1 & Scope 2	Scope 1 & Scope 2		
D	Gases included in the calculation	Material gases - CO2, CH4, N2O	Material gases - CO2, CH4, N2O	Material gases - CO2, CH4, N2O		

GRI 305-5	Reduction of Greenhouse Gas (GHG) Emissions	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Amount of GHG emissions reductions achieved as a direct result of initiatives to reduce emissions	-6,747	-13,394	-21,945	Metric tons Co2-e	
B	Gases included in the calculation	Material gases - CO2, CH4, N2O				
C	Base year or baseline including rationale for choosing it	We determined 2013 as the most appropriate year to set our baseline as it was the most representative of our portfolio, both in terms of site footprint as well as data coverage.				
D	Scopes in which reductions took place - whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3)	Scope 2				
E	Standards, methodologies, assumptions, and / or calculation tools used	See methodology				

GRI 305-7	"Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions"	Additional Information
	Significant Air Emissions (NOx, SOx, POP, VOC, HAP, PM)	Simon utilizes the GHG Protocol Corporate Standard as a guide to compile our GHG emissions inventory. "This GHG Protocol Corporate Standard provides standards and guidance for companies and other types of organizations preparing a GHG emissions inventory. It covers the accounting and reporting of the six greenhouse gases covered by the Kyoto Protocol — carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF6)." Therefore, we have not sought to include NOx or SOx as part of our inventory, nor do we believe it to be significant based on our current operations.

## GRI 306: EFFLUENTS AND WASTE

Disclosure number	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	See chapter: Environment
103-3	Evaluation of the management approach	See chapter: Environment

GRI 306-2	Total Weight of Waste by Type & Disposal Method	2017	2018	2019	Unit of Measurement (UOM)	Additional Information
A	Total weight of hazardous waste, by the following disposal methods)	N/A	N/A	N/A	N/A	
B	Total weight of non-hazardous waste, by the following disposal methods					
	Recycling:	113,398	149,354	209,255	US Tons	
	Landfill:	315,876	354,501	327,044	US Tons	
C	How the waste disposal method was determined					
	i. Disposed of directly by the organization or otherwise directly confirmed:	N/A	No	No		
	ii. Information provided by the waste disposal contractor:	N/A	Yes	Yes		
	iii. Organizational defaults of the waste disposal contractor:	N/A	No	No		

## GRI 401: EMPLOYMENT

Disclosure number	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	See chapter: Employees
103-3	Evaluation of the management approach	See chapter: Environment
401-1	New employee hires and employee turnover	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Simon provides part-time and full-time employees with life insurance; health care, disability, and invalidity coverage; as well as retirement provisions, though these may vary based on employment contracts.
401-3	Parental leave	Simon provides disability income benefits for full-time employees that are unable to work because of non-work-related illness or injury, which includes the birth of a child. The disability benefits can help provide income protection while an employee is temporarily disabled and unable to work. Benefit amounts and duration of benefits vary by position. In addition to leave under the Family and Medical Leave Act of 1993 (FMLA), Simon abides by State family and medical leave laws that may apply.

## GRI 413: LOCAL COMMUNITIES

Disclosure number	Disclosure title	2019 Response
103-1	Explanation of the material topic and its boundary	Materiality Assessment
103-2	The management approach and its components	See chapter: Communities
103-3	Evaluation of the management approach	See chapter: Environment
413-1	Operations with local community engagement, impact assessments, and development programs	100%. All Simon properties have specific community involvement plans. Environmental impact assessments for all projects are undertaken to gain development approval.
413-2	Operations with significant actual and potential negative impacts on local communities	No Simon operation has been identified to have posed a significant actual or potential negative impact on local communities. Potential negative impacts are typically identified in the planning and approval phase and tackled in accordance with local laws and regulations.



This Sustainability Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include, among other things, information concerning our sustainability strategies and objectives, including projected cost savings, water usage, waste, energy consumption, building certifications, development and redevelopment activity, and other forward-looking financial data. In some instances, forward-looking statements can be identified by the use of forward-looking terminology such as “expect,” “future,” “will,” “would,” “pursue,” or “project” and variations of such words and similar expressions that do not relate to historical matters. Forward-looking statements are based on Simon’s current expectations, beliefs, and assumptions and are not guarantees of future performance. Forward-looking statements are inherently subject to uncertainties, risks, changes in circumstances, trends, and factors that are difficult to predict, many of which are outside of Simon’s control. Accordingly, actual performance, results, and events may vary materially from those indicated in the forward-looking statements and you should not rely on the forward-looking statements as predictions of future performance, results, or events. Numerous factors could cause actual future performance, results, and events to differ materially from those indicated in the forward-looking statements, including, among others: global market and general economic conditions and their effect on our liquidity and financial conditions and those of our tenants; adverse economic or real estate conditions generally and specifically, in the States of California and Washington; risks associated with our investment in real estate assets, which are illiquid and with trends in the real estate industry; defaults on or non-renewal of leases by tenants; any significant downturn in tenants’ businesses; our ability to re-lease property at or above current market rates; costs to comply with government regulations, including environmental remediation; the availability of cash for distribution and debt service and exposure to risk of default under debt obligations; increases in interest rates and our ability to manage interest rate exposure; the availability of financing on attractive terms or at all, which may adversely impact our future interest expense and our ability to pursue development, redevelopment and

acquisition opportunities, and refinance existing debt; a decline in real estate asset valuations, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing and which may result in write-offs or impairment charges; significant competition, which may decrease the occupancy and rental rates of properties; potential losses that may not be covered by insurance; the ability to successfully complete acquisitions and dispositions on announced terms; the ability to successfully operate acquired, developed, and redeveloped properties; the ability to successfully complete development and redevelopment projects on schedule and within budgeted amounts; delays or refusals in obtaining all necessary zoning, land use and other required entitlements, governmental permits and authorizations for our development and redevelopment properties; increases in anticipated capital expenditures, tenant improvement, and/or leasing costs; defaults on leases for land on which some of our properties are located; adverse changes to, or implementations of, applicable laws, regulations or legislation, as well as business and consumer reactions to such changes; risks associated with joint venture investments, including our lack of sole decision-making authority, our reliance on co-venturers’ financial condition and disputes between us and our co-venturers; environmental uncertainties and risks related to natural disasters; and our ability to maintain our status as a REIT. These factors are not exhaustive and additional factors could adversely affect our business, sustainability program, and financial performance. For a discussion of additional factors that could materially adversely affect Simon’s business, sustainability program, and financial performance, see the factors included under the caption “Risk Factors” in Simon’s annual report on Form 10-K for the year ended December 31, 2018 and its other filings with the Securities and Exchange Commission. All forward-looking statements are based on currently available information and speak only as of the date on which they are made. Simon assumes no obligation to update any forward-looking statement made in this Sustainability Report that becomes untrue because of subsequent events, new information or otherwise, except to the extent we are required to do so in connection with our ongoing requirements under federal securities laws.

