

A wide-angle photograph of a solar farm. Numerous blue solar panels are arranged in long rows, stretching across the frame. They are mounted on metal frames and stand in a field of dry, golden-brown grass. The sky above is a clear, pale blue with scattered white and grey clouds.

SIMON SUSTAINABILITY REPORT 2019



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Clinton Crossing Premium Outlets in Connecticut recently installed a roof-top solar system that offset approximately 40% of the center's energy use.



A MESSAGE FROM OUR CEO

Welcome to Simon's 2019 Sustainability Report.

Over the last years, like many companies, we have dealt with a lot of change within our industry. These changes have made us more efficient and improved our operational dynamics. Yet we have remained consistent with the way we do business and its sustainability.

We focus on three key areas: First, we aim to run a safe, responsible, and profitable business. Second, we are committed to reducing negative impact on the environment. And third, we are committed to making a positive contribution to society by making our properties a source of pride in the community.

Some of our key sustainability achievements include:

- Achieved a 38% reduction in electricity consumption across the portfolio, which represents 373,777 MWh (2003 to 2018).
- Reduced greenhouse gas emissions by 45%, eliminating over 260,000 metric tons of carbon dioxide equivalents—including scope 1, scope 2, and for scope 3, inclusion of employee commuting and business travel (2003 to 2018).
- 100% of Simon shopping malls participate in local community activities. In 2019, we launched Simon's Go Green Week activities in celebration of Earth Week. This event allowed an opportunity to promote sustainability efforts for 91 retailers, and engage in person with more than 5,500 customers.
- Graduated more than 19,800 students from Simon Youth Foundation's (SYF) 37 academies across 15 states in the U.S. We and others have invested more than \$34 million to support SYF's mission of helping students reach graduation day.
- Published a white paper on the advantages of physical retail compared to e-commerce when it comes to sustainability. We have the clear advantage! You can read key results on page 29.
- For almost a decade, Simon has consistently been recognized for its ongoing commitment to sustainability management, performance, and disclosure by international organizations such as CDP and Global Real Estate Sustainability Benchmark. Again in 2018 we achieved top scores.

I am also proud to announce that as we roll out our new sustainability strategy in 2020, we are announcing our commitment to setting greenhouse gas emission reduction targets in line with climate science and the guidelines provided by the Science Based Targets Initiative—a joint initiative by CDP, the UN Global Compact, the World Resources Institute, and WWF.

We will continue to strive to be a leader in sustainability performance by continuously innovating a wide range of environment, social, and community-based sustainability programs that contribute not only to improving our financial performance but also towards tackling global sustainability challenges.



A handwritten signature in black ink that reads "David Simon".

David Simon
Chairman, Chief Executive Officer & President
Simon Property Group
December 2019

Company Highlights

A Global Leader

In Retail Real Estate and an S&P 100 Company

\$89 Billion

Approximate Total Market Capitalization

204

U.S. Portfolio Properties

181 Million

Square Feet of GLA in North America

>\$60 Billion

Annual Retail Sales Generated by U.S. Properties

\$5.7 Billion

Annual Consolidated Revenues

Financial Highlights

Year ending December 31, 2018
dollars in millions, except per share figures

2018

Consolidated Revenue \$5,658

Net Income Per Share (Diluted) \$7.87

Funds from Operations (FFO) \$4,325

FFO Per Share (Diluted) \$12.13

Dividends Per Share \$7.90

Common Stock Price \$167.99

Total Equity Capitalization \$59,855

Total Market Capitalization^{*} \$90,156

*Includes our share of consolidation and joint venture debt

Portfolio Highlights



U.S. Portfolio

Simon Premium Outlets®

69 **30**

Properties Comprising Million Square Ft

Simon Malls®

106 **120**

Properties Comprising Million Square Ft

The Mills®

14 **22**

Properties Comprising Million Square Ft

International Portfolio

09

Designer Outlets in Austria, Canada, France, Germany, Italy, the Netherlands, and the UK

21.9%

Interest in Klepierre, a publicly traded real estate company based in Paris with a portfolio of high-quality shopping centers in 16 countries in Europe

20

Simon Premium Outlets in Canada, Japan, Malaysia, Mexico, and South Korea

10

Million Square Ft

Building the Shopping Destinations of the Future

Domestic Properties

Significant Redevelopment and Expansions

Completed in 2018 & 2019

Aventura Mall

North Miami Beach, FL
217,000 SF expansion

Burlington Mall

Burlington (Boston), MA
Redevelopment of the former Sears TBA into
The Village at Burlington Mall

Southdale Center

Edina (Minneapolis), MN
Redevelopment of the former JCPenney building with
Life Time Athletic, Life Time Work/Sport, and restaurants

The Shops at Riverside*

Hackensack (New York), NJ
Completion of multi-year transformation with dramatic
luxury redevelopment

New Development

Completed in 2018

Denver Premium Outlets*

Denver, CO
328,000 SF upscale Premium Outlets center

International Properties

New Development and Expansions

Opened in 2018 & 2019

Premium Outlet Collection Edmonton

International Airport
Edmonton, Canada
424,000 SF upscale Premium Outlets center

Shisui Premium Outlets

Shisui, Japan
68,000 SF Phase II expansion

Toronto Premium Outlets*

Toronto, Canada
Redevelopment and 145,000 SF expansion
Addition of parking deck

Premium Outlets® Querétaro

Querétaro, Mexico
294,000 SF upscale Premium Outlets center

Malaga Designer Outlet

Malaga, Spain
191,000 SF upscale Designer Outlet center

Paju Premium Outlets

Seoul, South Korea
116,000 SF Phase II expansion

Vancouver Designer Outlet

Vancouver (British Columbia), Canada
84,000 SF Phase II expansion

Ashford Designer Outlet

Kent, United Kingdom
98,000 SF Phase II expansion

Tosu Premium Outlets

Tosu, Japan
38,000 SF Phase IV expansion

Noventa Di Piave Designer Outlet

Noventa di Piave (Venice), Italy
29,000 SF Phase V expansion

Simon at the Epicenter of Commerce and Community



SUSTAINABILITY FRAMEWORK & GOALS

For Simon, sustainability is a business approach that enhances the communities in which we operate as well as long-term shareholder value by embracing opportunities, improving our bottom line, and mitigating environmental and social risks.

Our sustainability vision is to be recognized as a leader in sustainable development and operations in retail real estate in the U.S. We define and implement sustainability initiatives that consider all stages of our business. The four areas of our sustainability framework are outlined below:



Environment

Strive for efficiency in developing and operating our properties with innovative solutions that lower operational costs and reduce our environmental footprint



Customers

Anticipate customers' needs and enhance the shopping experience at Simon centers while assisting our tenants to be successful in their business



Communities

Create meaningful social and economic impact in the communities in which we operate and build strong communities through development and engagement activities



Employees

Strive for high levels of employee engagement by creating a culture that attracts and retains the industry's best talent

Goals



Mona Benisi
Global VP of Sustainability

“ We are thrilled to announce that we have exceeded all of our 2020 sustainability goals. We will continue to set goals on our material ESG topics, enabling us to measure and track issues that matter most for our stakeholders and us. ”

Key focus areas for 2020 onwards include:

— Reducing our GHG emission and committing to setting science-based reduction targets

We recognize the crucial part the business community can play in minimizing the risk climate change poses to society. We are committing to setting greenhouse gas emission reduction targets in line with climate science and the guidelines provided by the Science Based Targets Initiative—a joint initiative by CDP, the UN Global Compact, the World Resources Institute, and WWF.

— Engaging with Stakeholders

Simon will assess the feasibility of joining the United Nations (UN) Global Compact and aligning our sustainability strategy with the UN Sustainable Development Goals.

— Improving Reporting and Transparency of Climate-Related Disclosure

Simon will incorporate the recommendations of the Task Force on climate-related Financial Disclosures for its climate-related company disclosures.

— Embracing Diversity & Inclusion

We will name a Diversity Ambassador with the objective of enhancing the company's diversity and inclusion strategies and creating an action plan for completion over the next years.



SUSTAINABILITY FRAMEWORK & GOALS

Progress on 2020 Sustainability Goals

Framework Area	Goal	Status	Comments
ENVIRONMENT	Improve GHG efficiency by 5%-10% by 2020*	Completed	Reduced absolute emissions from Scope 1 and Scope 2 over 21% since 2013. More info available in the Focus Area Environment section.
	Improve portfolio-wide energy efficiency by 5%-10% by 2020*	Completed	Reduced absolute energy use by over 10.7% since 2013. More info available in the Focus Area Environment section.
	Improve portfolio-wide water efficiency by 20% by 2025*	On track	Simon has achieved reductions of 13.3%.
	Divert pre-consumer food waste from landfills at selected properties by 2020	Completed	Introduced food waste recycling programs at 15 centers across the portfolio. Going forward we will continue to assess the viability of introducing such programs.
CUSTOMERS	Provide electric vehicle charging stations for our customers at 100% of our properties by 2020 ¹	On track	Currently completed installations at 115 properties. We will continue to install stations as EV providers enter new markets across our portfolio of properties. More info available in the Focus Area Environment section.
	Install Wi-Fi at 90% of our properties by 2025	On track	Installed Wi-Fi at over 85% of our properties.
EMPLOYEES	Engage with key tenants on sustainability issues relevant to shoppers to improve the overall sustainability performance of our properties	Completed	Conducted over ten meetings with major retailers' sustainability teams to identify areas of opportunity related to improving the overall sustainability performance of centers. More info available in the Focus Area Customers section.
	Encourage Simon employees to volunteer in their communities	Completed	Simon supports activities that benefit the communities in which we live, work, and where Simon malls serve the public, thus aligning with our core value of responsible citizenship.
	Build awareness of sustainability topics among all our employees by increasing engagement initiatives	Completed	Included sustainability information as part of regular communication and engagement for employees.
COMMUNITIES	Maintain our strong support of Simon Youth Foundation through donating commercial space and scholarships for SYF graduates	Completed	Simon, its employees, and others have invested more than \$34 million (since 1998) to support SYF's mission of helping students reach graduation day. More info available in the Focus Area Communities section.
	Continue to participate in community engagement activities at 100% of our properties	Completed	Simon completes community engagement activities at 100% of the portfolio of our properties. More info available in the Focus Area Communities section.

* Base year 2013.

¹ Applicable at locations where Simon has ownership of parking facilities and where EVCS suppliers are available.

Sustainability Recognition



DRIVING SUSTAINABLE ECONOMIES



Achieved highest leadership recognition for top sustainability performance granted by CDP (2016–2018). Named on the Climate 'A' List (2014–2015).

Received a Green Star rating, the highest designation for sustainability in the real estate industry awarded by the Global Real Estate Sustainability Benchmark (GRESB) (2014–2019).

Recognized as StormReady by National Weather Service. All Properties.

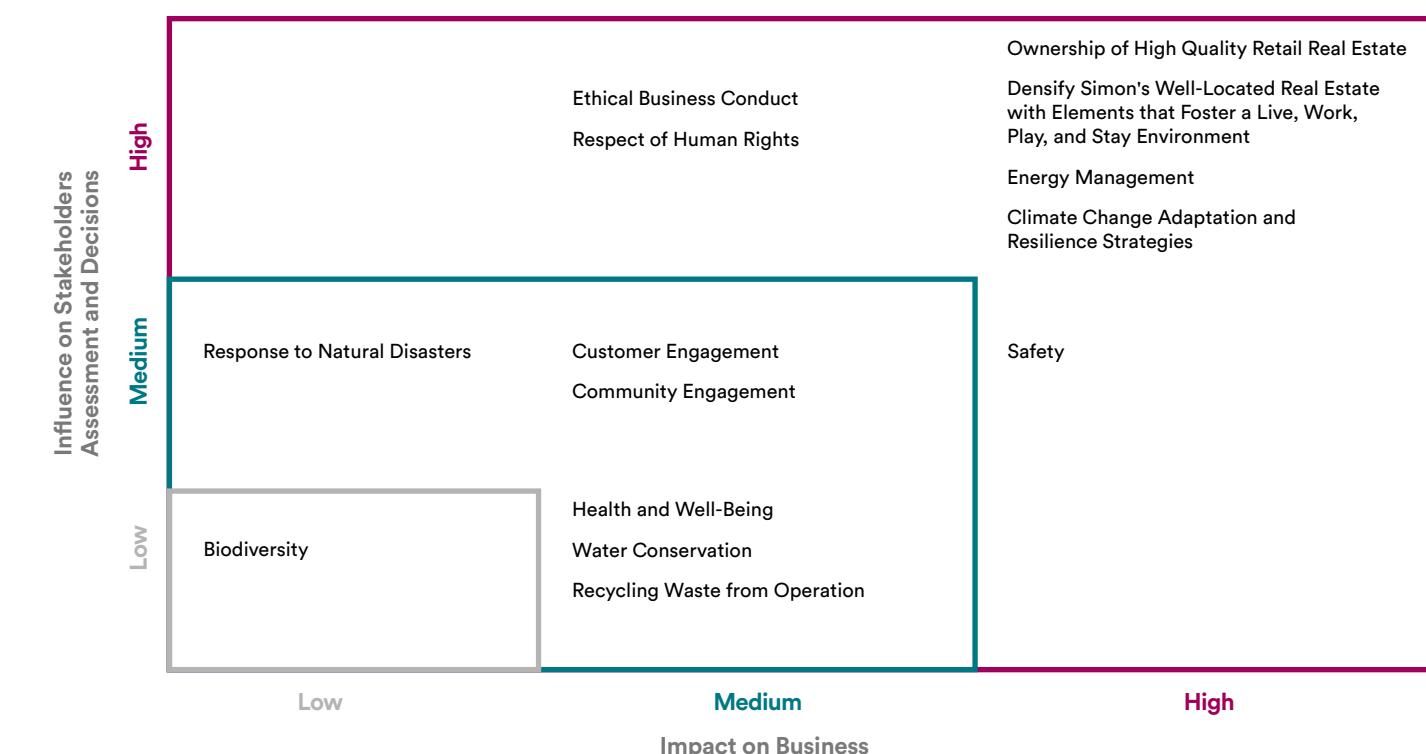
MATERIALITY ASSESSMENT

We have utilized the Global Reporting Initiative (GRI) guidelines for conducting a materiality assessment to identify key environmental, social, and governance risks and opportunities. The outcome guides the prioritization of sustainability initiatives at Simon. As part of Simon's materiality process, we have engaged with various external and internal stakeholders. Key steps within Simon's materiality assessment are shown in Chart A. Simon's material topics are summarized in Chart B. Simon will update this assessment periodically to ensure all relevant and current topics are covered within the company's sustainability framework.

Chart A: Steps for Completing Simon's Materiality Assessment



Chart B: Simon's Key Material Aspects



STAKEHOLDER ENGAGEMENT

We view stakeholder engagement as the foundation for sustainable business success. It enables us to develop and foster business relationships and allows for ongoing dialogue through which we are able to better understand our stakeholders' needs and concerns.

Stakeholder engagement supports the creation of business opportunities and mitigates risk. Our stakeholder engagement considers external and internal parties. To identify the various groups, Simon performs a stakeholder analysis in which we discuss procedures for engaging with each group such as frequency of engagement, method of engagement, etc.

The stakeholder engagement process is applied across Simon's portfolio of existing properties and new developments while stakeholder engagement activities are conducted at a corporate level, property level, and project level.

Finally, Simon's leadership carefully reviews the feedback from these engagements. We derive value from the stakeholder dialogue process and are committed to the integration of the feedback into our strategic planning.

Stakeholder	Level of Engagement	Type of Engagement
INVESTORS	●	In addition to quarterly earnings calls and the company's annual stockholder meeting, Simon's Investor Relations team meets with existing and potential investors frequently to solicit their feedback and provide updates on business priorities and earnings results. Upon request, the head of Sustainability provides updates on the company's sustainability progress.
JOINT VENTURE PARTNERS	● ●	Simon's Partnership Relations team is exclusively focused on communicating with joint venture partners to share information on the performance of jointly owned assets. Upon request, the head of Sustainability provides updates on sustainability progress.
RETAILERS	● ● ●	Simon regularly conducts meetings with tenants to receive feedback and increase customer satisfaction. It is important to work collaboratively to further both Simon's and our tenants' sustainability goals. In 2017, we launched our sustainability tenant engagement program where we partnered with select retailers to collaborate and assess opportunities to assist them in achieving their corporate sustainability objectives.
SHOPPERS	● ● ●	To ensure that shoppers have an excellent shopping experience, we actively seek shopper feedback through social media, shopper interviews, and encourage shoppers to complete feedback forms at Simon Guest Services kiosks within the properties.
COMMUNITIES AND NGOs	● ● ●	Simon works in close partnership with local nonprofit organizations to provide philanthropic support to the communities in which we are active. In addition, we focus on providing education for at-risk students through Simon Youth Foundation.
GOVERNMENT & INDUSTRY RELATIONS	● ●	Simon regularly interacts with local, state, and federal to be up to date with current and upcoming policies related to our properties and business, with a focus on land use planning, affordable housing, and key infrastructure investment. We engage with industry groups to collaborate in addressing issues facing the industry and lifting the benchmark for industry sustainability.
SUPPLIERS	● ●	Operating sustainably is something we expect not just of ourselves—we assess our suppliers' sustainability as well.
EMPLOYEES	● ●	Promoting ongoing two-way dialogue with our employees is vital to retaining and developing our talent. The Simon Employee Association, Simon's open-door policies, and leadership development programs encourage regular communication of business priorities, new corporate initiatives, and performance management, while soliciting employee feedback.

● Corporate Level ● Property Level ● Project Level

Select Partnerships with External Groups

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

Environmental, Social, and Governance (ESG) Engagement

- We continue to engage investors on environmental, social, and governance topics through various channels including conducting one-on-one meetings and by participating in investor-led ESG surveys and rankings. In 2018, we completed CDP's Climate Change Questionnaire and received a Green Star rating from the Global Real Estate Sustainability Benchmark. Furthermore, we monitor ESG research providers' questionnaires such as ISS-Oekom, MSCI, and Sustainalytics.
- As part of preparing the annual sustainability report, we discussed our sustainability disclosure strategy with different stakeholders including retailers, investors, and joint venture partners on an ongoing basis. We have worked towards integrating their feedback in this and future reports.

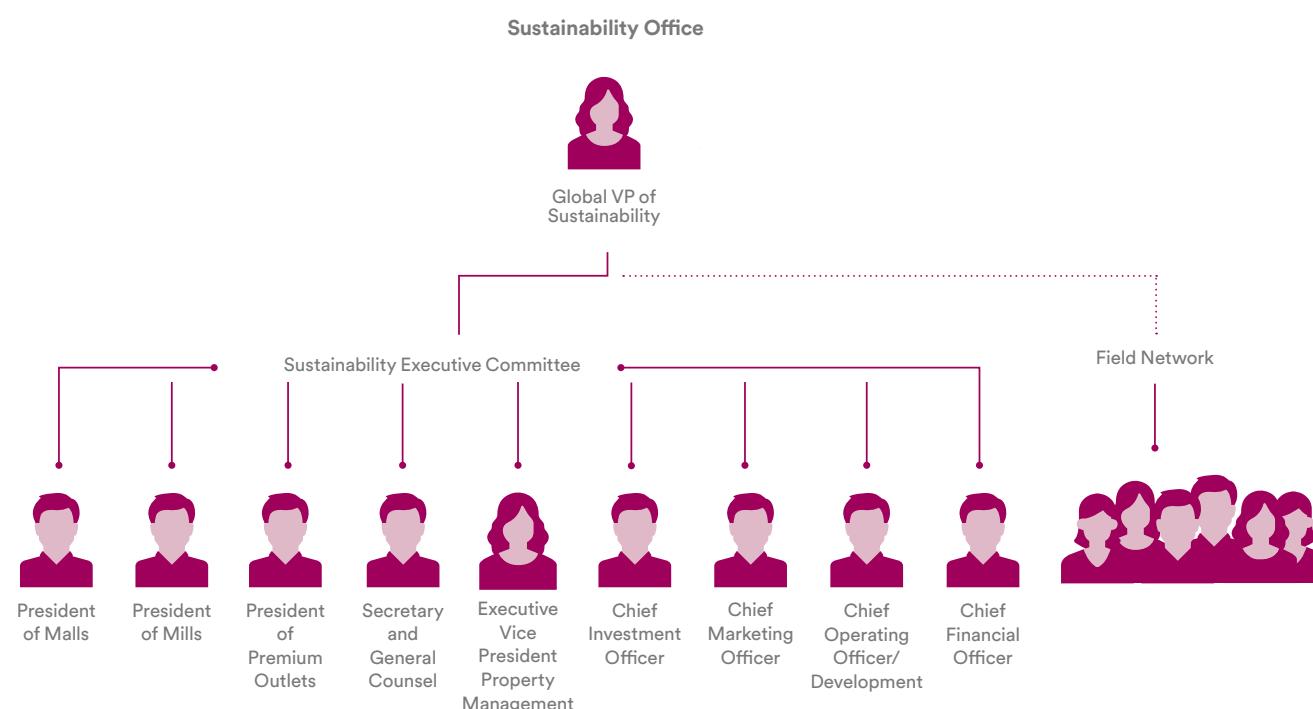
SUSTAINABILITY GOVERNANCE

Sustainability governance is well established at Simon. Sustainability has a dedicated department and its activities are steered by the head of Sustainability who is responsible for developing Simon's sustainability strategy, managing sustainability key performance indicators, and setting the company's sustainability short- and long-term objectives.

The head of Sustainability drives sustainability initiatives through close collaboration with key corporate functions and oversees the implementation of various initiatives across the portfolio. She chairs the Sustainability Executive Committee that includes C-suite executives from the company's core functions (see Chart C). This committee has overall supervision of Simon's sustainability performance.

The Sustainability Executive Committee provides leadership and oversight to encourage and assure sustainability opportunities are supported and recognized at the highest level of the company. Additionally, our Global Head of Sustainability reports annually directly to the Board of Director's Nominating and Governance Committee on our sustainability efforts. The field network is comprised of the management teams at centers across the portfolio who ensure appropriate procedures are in place to implement the corporate sustainability objectives within their local environments.

Chart C: Sustainability Governance



Company Governance

OVER 75%
Independent Directors

33%
of Independent
Directors Are Female

Board Committees Are Comprised of

100%
Independent Directors

40%
of Our Independent
Directors Have Joined
the Board Since 2015

- Sustainability is considered at the board level through 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.



FOCUS AREA

ENVIRONMENT

Energy

In the U.S., buildings alone account for approximately 40% of the country's GHG emissions. Solving climate change will involve improving energy consumption in buildings. Over the last decade, Simon has actively focused on understanding Simon's energy use by improving energy benchmarking and promoting energy efficiency best-practice sharing across our portfolio of over 200 shopping centers.

As our results demonstrate, we have successfully developed corporate energy objectives that have enabled us to implement specific action plans to reduce energy consumption and costs across our properties, allowing us to maximize returns for our shareholders and reduce the company's environmental impact. Key examples of our energy management initiatives are discussed below.

Benchmarking Energy Use

We have developed a proprietary sustainability benchmarking tool for enclosed centers that allow us to better compare properties to improve the shopping center's overall energy use. This benchmarking tool aggregates the center's physical property and energy data and allows the property's energy consumption to be compared using an "apples to apples" approach, normalizing for certain factors such as weather and tenant mix. The energy benchmark offers an easy 1-100 score, a reference point for all enclosed shopping centers. The results are summarized in the form of a detailed energy scorecard and are utilized internally for decision making.

LED Updates

Simon has upgraded conventional lighting such as fluorescent and metal halide to energy-efficient LED lighting at over 200 properties over the last few years. In the previous years, we have invested over \$70 million and achieved 11.6 million kWh electric savings as part of our capital update projects alone. Additionally, we deploy LEDs as part of ground-up and redevelopment projects.

Leveraging Internet Of Things

We are investing in intelligent energy pilots of sensor-enabled LEDs in partnership with industry-leading companies such as GE and Acuity. Simon will further explore opportunities to install smart networks and sensors to optimize LED lighting both indoors and out. To date, we have 151 centers in which we have introduced lighting control technologies and continue to maximize the value these control systems create.

Energy Efficiency Projects

Simon continuously assesses our portfolio to upgrade to more efficient equipment, such as Central Plant, Energy Management Systems, and HVAC replacements. Energy audits and retro-commissioning are the foundation of our energy efficiency programs. We completed several ASHRAE Level II and energy audits and select centers participated in demand response programs.

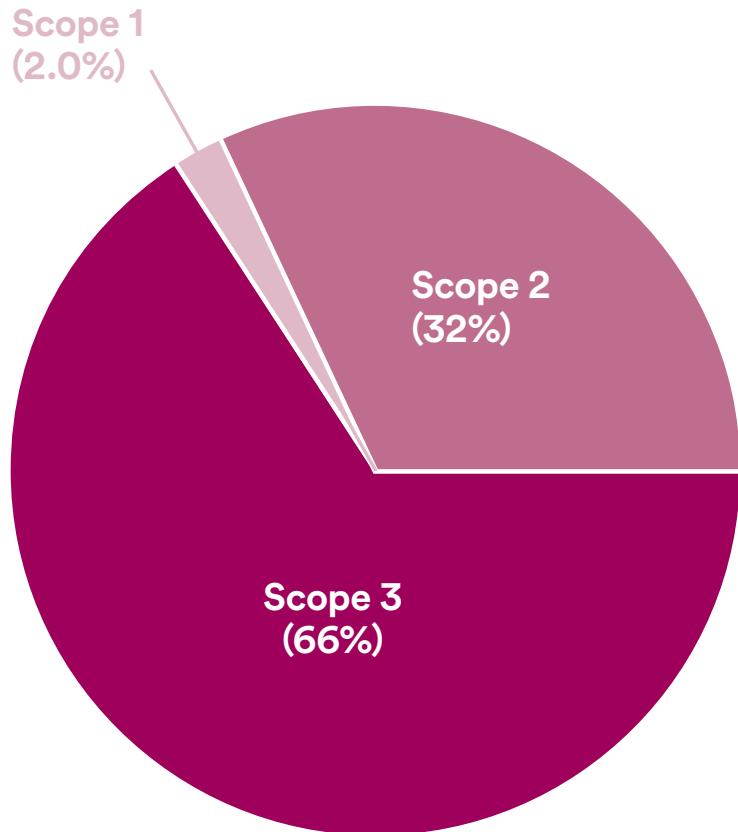
On-site Solar and Battery Storage

Over the last two years, we have initiated the installation of over 3MW solar photovoltaic arrays at three regional malls and three Premium Outlets® sites in the New York/New Jersey area. In 2019, we completed roof-top solar system installations at Clinton Crossing Premium Outlets®, Jersey Shore Premium Outlets®, Jackson Premium Outlets, and The Westchester.

These installations will complement Simon's existing solar energy project at The Shops at Mission Viejo (Los Angeles), Jersey Shore Premium Outlets (Metro New York), and St. Louis Premium Outlets® in Missouri.

Additionally, we have completed battery storage installations at Ontario Mills® and Del Amo Fashion Center, both located in California. We continue to operate two Tesla Powerpack systems with a combined 750 kW/1.5 MWh capacity at Brea Mall. Ontario Mills has one indoor and one outdoor battery storage system. Stem, Inc. will install the 351 kW/570 kWh Tesla and Panasonic batteries. At Del Amo Fashion Center, Advanced Microgrid Solutions (AMS) installed the 500 kW/3,000 kWh Tesla outside battery.

Greenhouse Gas Emissions

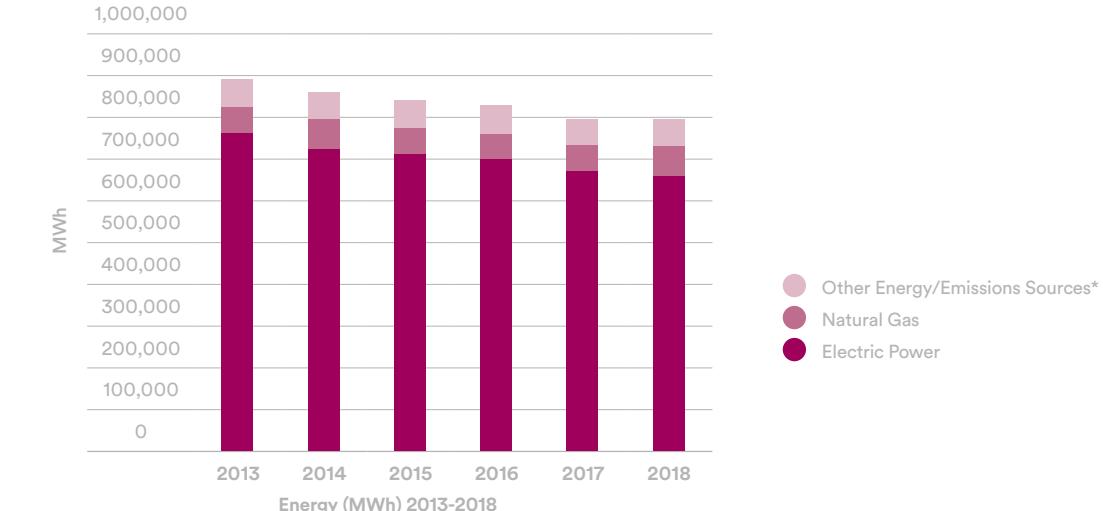


- Scope 1 GHGe
- Direct GHG emissions
 - Natural gas
 - Transport fuel
 - Refrigerants

- Scope 2 GHGe
- Indirect GHG emissions
 - Purchased electricity
 - Purchased chilled water

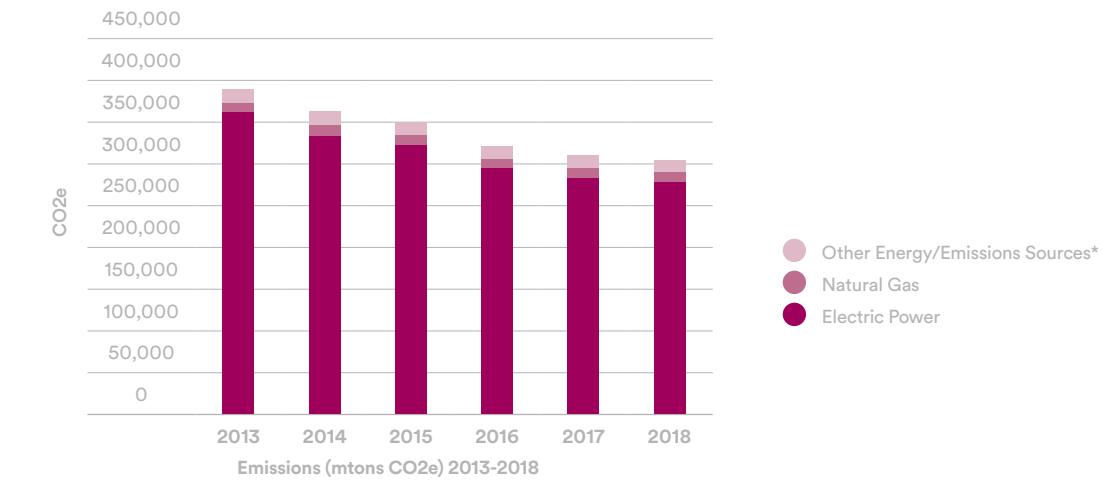
- Scope 3 GHGe
- Other indirect emissions
 - Use of electricity by downstream leased assets
 - Disposal of waste
 - Employee commuting

Reduced Energy Consumption by Over 10% (2013-2018)



Energy Source (MWh)	2013	2014	2015	2016	2017	2018	% Reduction (2013-2018)
Electric Power	763,306	724,010	714,663	701,004	674,882	660,873	-13.42%
Natural Gas	64,214	72,433	64,477	61,054	63,874	73,715	14.80%
Other Energy Sources*	70,963	70,476	70,309	70,584	65,311	67,475	-4.92%
Total	898,483	866,919	849,449	832,642	804,067	802,063	-10.73%

Reduced Absolute Emissions from Scope 1 and Scope 2 over 21% (2013-2018)



Emissions Source (mtons CO2e)	2013	2014	2015	2016	2017	2018	% Reduction (2013-2018)
Electric Power	362,305	338,565	327,918	296,447	285,479	280,006	-22.72%
Natural Gas	11,654	13,145	11,701	11,085	11,596	13,383	14.84%
Other Emission Sources*	18,814	17,505	17,508	17,279	16,089	16,650	-11.50%
Total	392,773	369,215	357,127	324,811	313,164	310,039	-21.06%

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

Expanding Electric Vehicle Charging Station Infrastructure

In 2012, Simon became a leading player in the electric vehicle (EV) arena by contributing to the infrastructure expansion for electric vehicle charging stations (EVCS)—84 Level 2 stations were installed at 30 centers across the nation. Every year since then, Simon has continued to expand its EV network by increasing both the number of properties with EVCS as well as increasing the number of charging stations available at centers. Simon currently has 740 stations installed at 115 centers across the nation with the highest concentration in the states of California, Massachusetts, New Jersey, Florida, and Georgia. Of the current installations, 503 charging stations are Level 3 EVCS and 237 are Level 2 EVCS.

Simon aims to install EV charging stations at 100% of qualified properties.* To date, Simon has charging stations at 55% of our properties. In 2019, EV charging stations are under construction at 14 additional centers and 49 centers are being prepared for development.

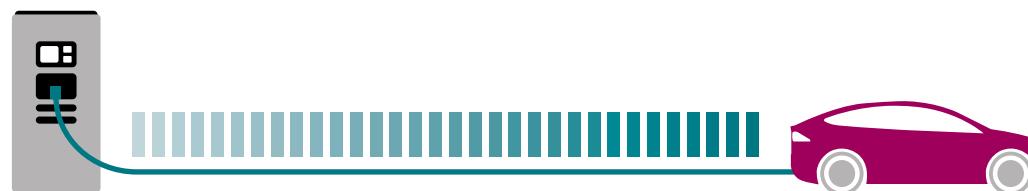
Level 2 Charging

Up to 10 miles/30 minutes



Level 3 DC Fast Charging

Up to 90 miles/30 minutes



* Where EVCS providers are available and Simon has operational control of site.

115
Centers

237
Level 2 Stations

740
Stations

503
Level 3 Stations

Toronto Premium Outlets' First Charge Event

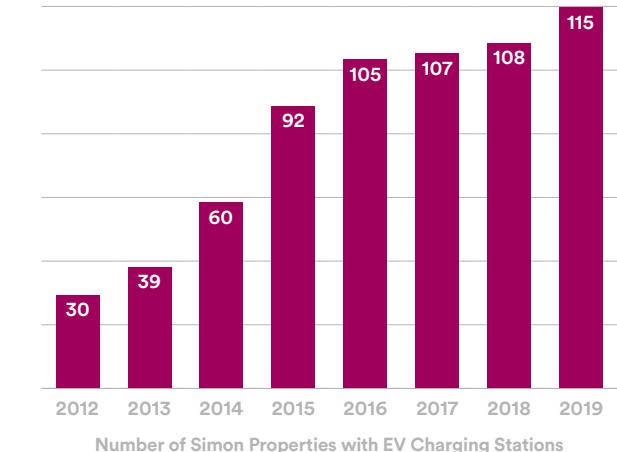
On September 25, 2019, Electrify Canada unveiled its new-to-market electric vehicle charging site at Simon's Toronto Premium Outlets* which is the first of 32 operational sites in Canada.

Beyond a ribbon-cutting ceremony, the media, influencers, EV enthusiasts, and invited dignitaries were the first to experience some of the newest EV models from Volkswagen Group Canada. The event included a Q&A session, along with remarks from Electrify Canada and Volkswagen Group Canada and the Toronto Premium Outlets management team. The 2018 Volkswagen e-Golf, 2019 Audi e-tron, and new 2020 Porsche Taycan models were charging at the Electrify Canada dispensers.

Notable guests in attendance included Halton Hills Mayor Rick Bonnette; President and CEO of Volkswagen Group Lorie-Ann Roxburgh; President of Audi Giorgio Delucchi; COO of Electrify Canada Rob Barrosa; and a strong showing from local city councilors and the media.



Tesla charging stations at Desert Hills Premium Outlets*



ENVIRONMENT

Water

Simon strives for responsible water management and we apply best practices to manage our water footprint across our portfolio. Select areas of opportunity for water conservation and efficiency that we continuously evaluate are listed below.

- Benchmarking: We record and analyze water consumption data monthly which allows for the benchmarking of shopping centers' water use.
- Water efficiency updates: Main water efficiency measures are targeted at water use in restrooms, air conditioning, and cleaning. As part of the renovations completed by the Property Management teams alone, since 2013 we have updated water equipment in 85 restrooms. Water efficiency measures in restrooms include installation of low-flow fixtures, aerators, and automatic shutoffs, low-flow toilets, and waterless urinals within the common area restrooms. Investments in more efficient equipment, such as cooling towers, are made where and when replacements are required.
- Water reuse: We continuously assess methods for water reuse (e.g. the recovery and reuse of rainwater) across the portfolio.
- Water use in landscaping: Water efficiency in landscaping is achieved through the use of more drought-tolerant plant species, eliminating irrigation through xeriscaping, installing local drip-irrigation systems, efficient sprinkler heads, as well as smart irrigation control systems.
- Water risk assessment: In 2019, we completed a water risk assessment using Aqueduct's Water Risk Atlas Tool which is a platform run by the World Resources Institute. Aqueduct is comprised of tools that help corporations, governments, and civil society understand and respond to water risks—such as water stress, variability, pollution, and water access. Its maps and data are used directly by hundreds of companies and are cited in many publications. The tool analyzes potential water risks at properties from three perspectives including physical risks, 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.

Waste

Simon aims to reduce waste generated through the construction and operations of our shopping malls wherever possible. We want to reduce our environmental footprint and lower waste handling costs. Key areas of opportunity for improved waste handling and increased recycling that we deploy are listed below.

Recycling

Simon has cardboard recycling programs in place at all properties. 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. Currently, 54 centers have single-stream recycling on-site. We have rolled out plastic film recycling programs at select centers across the portfolio. Additionally, throughout the year our local teams host recycling events at our centers.

Diverting Food Waste from Landfill

At select Simon centers, including properties in California and Massachusetts, we have launched programs that divert pre-consumer food waste from landfills. Having the right equipment, tenant education, and participation are essential elements that determine the success of these programs. We work to improve these elements on an ongoing basis.

Construction and Development Waste Programs

We seek opportunities to reuse and recycle materials during major renovation and redevelopment projects. We encourage our general contractors to create waste management plans and implement job site recycling programs.

Tenant Recycling Education Program

Simon has rolled out a tenant education program. This program includes providing tenants with information that outlines the availability of recycling programs at centers, the use of improved signage at centers, and regularly communicating with tenants to remind and reinforce the proper implementation of recycling programs.

We continue to explore innovative solutions from waste stream separation, collection, training, and hauling that can be scaled across Simon's properties.

Updated Simon Study Reveals In-Store Shopping Can Be Up to 60% More Favorable for the Environment than Online Shopping

Simon published a whitepaper outlining the environmental impact of shopping online versus brick and mortar. The study, conducted with Deloitte Consulting, affirms mall shopping to be up to 60% more environmentally sustainable than online shopping.

A number of factors, including increased returns, expedited shipping, and additional packaging, contributed to e-commerce's negative environmental impact. Whereas the lower emissions associated with brick and mortar were driven by shoppers making a greater number of purchases per trip and combining their mall visits with other activities as part of their "trip chain."

An initial study was conducted by Deloitte in 2016 that assessed the greenhouse gas emissions associated with all material, energy, and waste attributable to a product in its lifecycle. Simon has updated the analysis with new data to incorporate recent trends in shopper behaviors for both online and mall shopping. To ensure comparability, the life cycle assessment assumed that the consumer purchased the same basket of goods online as they would in a brick-and-mortar location. The updated study demonstrates that shopping at a mall is approximately three times¹ more environmentally sustainable than just three years ago due to changing consumer behaviors—both online and in-store.

Key findings from the study show that:

- Shopping online leads to five times more returned products which considerably increases the environmental impact. An extensive literature search shows that approximately 40% percent of online purchases are returned versus 7% in the case of brick and mortar.
- Shopping online creates five times more emissions from packaging for online orders (corrugated boxes, bubble wraps, etc.) compared with the emissions associated with the use of plastic/paper bags consumers typically bring home from the mall.
- Mall shoppers buy on average 3.5 products per trip and visit other places on their way to the mall, which is often referred to as trip chaining and lowers the emissions specifically related to their mall visit, because the transportation is being allocated to multiple purposes.

An additional consideration of the analysis was the impact of quick home delivery through online shopping. While it is likely that additional airfreight could be required for quick delivery, which significantly increases emissions, there is incomplete industry data for how the percentage of residential parcel delivery modes has changed. Therefore, airfreight changes that could have added GHG emissions to online shopping was excluded from the analysis until more detailed data is available.

“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

¹ In the original 2016 analysis, Simon found online shopping to have a 7% greater greenhouse gas impact than mall shopping for the same basket. Because of changes to customer visits data and U.S. EPA greenhouse gas emissions factor methodologies, Simon updated this analysis to be compliant with life-cycle assessment protocol and revealed a 23% larger greenhouse gas footprint for online shopping.

Download the study at simon.com/sustainability



Engaging with Our Shoppers

We are laser-focused on exceeding our shoppers' expectations. Virtually every decision we make reinforces this commitment. We're reinvesting billions of dollars in our centers, transforming them into premier community gathering spaces that encourage shoppers to linger and spend the day in an inviting, engaging retail environment. We provide best-in-class amenities that deliver a superior shopping experience. Examples are listed below.

- State-of-the-art children's play areas
- VIP lounges
- Common area soft-seating/gathering spaces with outdoor fire pits and al fresco fountains
- Complimentary Wi-Fi and charging stations
- Interactive digital directories
- Valet parking
- Electric car charging stations

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. Key projects include:



Phipps Plaza

Undergoing a groundbreaking transformation featuring a signature Nobu Hotel and Nobu Atlanta restaurant, a 90,000-square-foot Life Time Athletic, Pinstripes, and a 13-story Class A office building.



Northgate

A paradigm for Simon's 360° live, work, play, stay, shop community model featuring an NHL Seattle corporate complex, three ice skating rinks, plus 800,000 square feet of new Class A office space, 1,200 luxury multifamily residences, hotels, and dramatic green spaces.



Brea Mall

Reimagined as a mixed-use destination, development is underway to include a Life Time Athletic, luxury residences, great restaurants, and fresh retail brands.

Engaging With Our Tenants on Sustainability Topics

When we think about our sustainability strategy, we look at what takes place not only within our common areas but also throughout the mall. This broad view is important because the majority of our environmental impacts—as well as our biggest opportunities—occur in operations and spaces we do not directly control but can influence. Balancing areas of operational control and influence shapes the ways we can address change in our centers. As part of our sustainability work, we partner with retailers to collaborate and assess opportunities to assist them in achieving their corporate sustainability objectives. We continue to work with tenants on a variety of sustainability topics such as increasing energy efficiency or recycling with select retailers on an ongoing basis.

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

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

2019 Earth Week

Simon celebrated Earth Week in April 2019. Across the portfolio, centers ran a campaign to promote awareness around sustainability. The social media campaign was embraced by our customers, securing 1.3 million impressions and generating 20,000 engagements on our social channels.

Additionally, ten centers hosted Go Green Week, providing interactive and engaging educational opportunities for local communities through recycling drives, exhibits, activations, and family-friendly events. Go Green Week allowed an opportunity to promote sustainability efforts for 91 retailers, and engage in person with more than 5,500 customers.



Innovation Spotlight

Introducing New and Exciting Brands to the Simon Portfolio

Simon's New Business team is responsible for introducing new and exciting brands to the Simon portfolio. The team works closely with brands from across channels and across the globe to develop their own unique retail strategy and helps to educate and support as they grow in Simon's shopping centers.

The team onboards hundreds of new brands to the portfolio each year and the demand for direct-to-consumer retail continues to grow. Today, the success of a store can be measured beyond just selling products and services. Today's stores increase brand loyalty with unique experiences, streamline fulfillment as mini distribution centers, serve as customer service touch points, and drive traffic online as part of the store "halo" effect.

In 2019, Simon teamed up with Hope & Henry to launch their first 15 physical stores. Hope & Henry was founded by two former retail executives who wanted to do better. Their brand is based on sourcing sustainable and organic cottons and sharing profits with factory workers. Brands with similar initiatives in the Simon portfolio include Warby Parker, Everlane, and some of our larger retailers like H&M and Zara who have commitments to sustainability.

“We are a company of ideas. For over 50 years, our mission has been to continually elevate and reinvent our properties in modern and innovative ways for the customers, brands, and communities we serve. Fueled by creativity and inspired by a transformative vision of the future, our best-in-class team continues to reinforce our long-term success through a culture of innovation. **”**

David Simon
Chairman, Chief Executive Officer & President

FOCUS AREA

COMMUNITIES



Community Engagement

For Simon, engaging with our communities means creating positive social and economic impacts where we operate. We understand that engaging with our communities is essential to our business success. We are committed to being a responsible corporate citizen, building strong communities through promoting development activities and social initiatives.

“The development, construction, and operation of shopping centers supports local and national economies through job creation, small and local business development, and other investments that contribute to economic development. 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 create gathering spaces for visitors to shop, dine, socialize, and share in-person experiences with family, friends, and other members of their local communities. **”**

David Simon
Chairman, Chief Executive Officer & President



100%

of properties engage in community engagement efforts



6,581

Hours of staff time dedicated to hosting fundraising events



1,224

Approximate number of non-fundraising events (e.g. blood drives, etc.)



435

Approximate number of fundraising events held at Simon properties



\$7.2 million

Funds raised at fundraising events for charity

COMMUNITIES

Showcasing Simon's Community Engagement Initiatives

American Cancer Society – Making Strides against Breast Cancer Walk at Woodbury Common Premium Outlets® in Woodbury, New York

For the last 24 years, Woodbury Common Premium Outlets has joined forces with the American Cancer Society to hold the Hudson Valley's Making Strides Against Breast Cancer Walk.

With over 9,000 guests in attendance, walkers hit the pavement at Woodbury Common Premium Outlets for a noncompetitive three-mile walk that helps raise awareness and funds that support innovative research, provides free information and support, and helps people reduce their breast cancer risks. In 2019, the walkers at Woodbury Common Premium Outlets helped raise over \$439,000.



Third Annual Give Back Christmas Feast at Town Center at Boca Raton® in Boca Raton, Florida

Town Center at Boca Raton partnered with the local family resource center, Boca Helping Hands to host the third annual Give Back Christmas Feast in December 2018. Over 160 volunteers came together to serve a Christmas Day meal for those in need in our community.

The feast was held in the Cafes at Boca which was transformed into an upscale dining hall with white linens, porcelain dinnerware, and flowers on each table. All of the food, estimated at about \$10,000, was donated by mall and area restaurants: The Capital Grille, Boston Market, Chick-fil-A, Pummarola, Joseph's Classic Market, Maggiano's, Mariposa in Neiman Marcus, Oceans 234, and California Pizza Kitchen.

Following the feast, each restaurant received a Godiva Gift Basket and a Thank You letter signed by the mall team and all of the local dignitaries that volunteered, including U.S. Congressmen, Ted Deutch; Boca Raton Mayor, Scott Singer; City Commissioner, Robert Weinroth; and State Representative, Tina Polsky.



The Mills' Job Fairs at Sawgrass Mills® in Sunrise, Florida

Linking employers with potential employees is the focus of Sawgrass Mills' bi-annual job fairs. The job fairs are held at two peak hiring periods, April just before the summer months and October just in time for the busy holiday season. Filling positions, developing careers, and gainfully employing thousands, these efforts contribute to the local economies.

In 2019, Sawgrass Mills aided more than 80 retailers to find new hires. The center organized and financially supported the events including the advertising to draw participants, the supplies and equipment, and the event staffing. More than 400 job seekers

attended the fairs and retailers were introduced to well-qualified candidates as well as a pipeline for future positions. Retailers were able to prequalify with retailers such as Tommy Hilfiger identifying 40 potential hires and Polo Ralph Lauren hiring 15 candidates on the spot.

Similar job fairs are held throughout Simon Mills properties in markets such as Denver, Charlotte, Nashville, San Jose, and Los Angeles.

Simon's Industry-Leading Safety and Security Program

The Simon Security Program is a leader in the retail real estate industry in the deployment of cutting-edge strategies and technologies.

The Simon Operational Intelligence Center (OIC) was expanded to provide a full suite of services to 72 properties (increased from 30). The OIC provides a centralized approach allowing for continuity of operations, enhanced situational awareness, while providing professional customer service through standardized training and work-flow management.

Simon's public/private partnership was bolstered when Simon held its 13th Law Enforcement Summit since 2009, bringing together over 300 participants including top leadership from local, state, and federal law enforcement agencies, management and security teams from 72 Simon properties, and security executives from 20 luxury retail brand 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.

Through an arduous, 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 of the strategies 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.

COMMUNITIES

Simon Malls® are the heart of communities—for 20 years, Simon Youth Foundation has helped thousands of students reach graduation day.

In 1998, Simon employees founded Simon Youth Foundation (SYF) as a way to give back to the community. SYF started a nationwide community scholarship program to help graduating seniors pursue post-secondary education and partnered with local public school districts to meet students at risk of dropping out where they were—in the mall instead of in school—by creating nontraditional high schools called Simon Youth Academies inside Simon Malls.

SYF sees kids who struggle to succeed in a traditional classroom environment for who they really are—a girl working two jobs to support her family. A boy surviving homelessness. A girl soon to be first in her family to graduate high school. SYF understands that their circumstances require a different kind of learning so SYF works with school districts in local communities to craft educational environments and opportunities that are right for them.



37 Simon Youth Academies in
15 states in partnership
with 22 public school districts

\$18M in scholarships
to more than
5,000 students

Read our student stories @
syf.org/blog

See why
#SYFmeansGraduation
@ syf.org/StudentStory

To date, SYF has launched 37 Simon Youth Academies in 15 states, helping more than 19,800 students earn their high school diplomas. SYF has also awarded more than \$18 million in scholarships to graduating seniors in every community home to a Simon Mall. Simon Youth Academy students graduated at a 93% graduation rate in the 2019 academic year, well above the national average. This is especially impactful given that the majority of Simon Youth Academy students had either dropped out of high school previously or were on the verge of dropping out.

Since 1998, Simon, its employees, and others have invested more than \$34 million to support SYF's mission of helping students reach graduation day.





FOCUS AREA

EMPLOYEES

Our Approach

Our employees are the driving force of our success and their commitment, creativity, and ability to deliver consistently outstanding results are what keeps Simon ahead of the competition and at the top of our industry year after year. To ensure we continue to attract, develop, and retain our brightest talent across the organization, we maintain focus on the following key priorities.

Effective Talent Management

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.

Total Rewards

Our compensation and benefits programs reward employees for their value-added service while at the same time supporting Simon's long-term business goals with high levels of quality and compliance.

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.



EMPLOYEES

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.

Leadership Development Programs

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, inspiring exceptional employee performance at every level.

The 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 and think more broadly about their business to 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.

The 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 of people. This cohort learning program focuses on personal skill assessment, targeted leadership development, and the acquisition of industry-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 property.

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.

Retaining Our Talent

— We conduct an annual talent-assessment process for selected business functions within our corporate and field organizations. This process helps inform and measure the health of an organization's overall talent pipeline and retaining the brightest talent. 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
- Address the needs of the 'rising stars' or potentially underutilized talent in their organization
- Close existing organizational talent gaps and identify and mitigate potential retention risks
- Develop plans for individual employee career development and long-term leadership succession

— We conduct an annual performance appraisal process for all permanent 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 and those goals are formally evaluated at the end of the year.

— All employees undergo the annual performance review process which is designed to provide managers with the opportunity and resources to help incorporate career development planning into the annual review discussion. We use a competency-based approach to performance management, which allows managers to discuss specific areas of opportunity with the employee to further their effectiveness and help prepare them for potential career growth opportunities.

“The Advanced Management Program was a remarkably beneficial opportunity for me. The program not only gave me tools and resources to more effectively lead my property team, but also inspired me to think more globally about my impact on Simon. I am proud to work for a company that values their employees' long-term success and shows it by offering development programs like this one. **”**

Angie Pyszczynski
General Manager, Stanford Shopping Center

“The MMT Program was a transformative experience that stitched all departmental fabrics together while driving me to fine-tune my managerial skills. The time spent with highly successful teams and leaders, tackling challenges, exploring opportunities, and assisting properties to reach new heights helped solidify my foundation as a leader. The program introduced me to a new network of Simon professionals and those relationships continue to flourish and serve as resources for my ongoing professional growth. **”**

Robson Souza
General Manager, Sugarloaf Mills®



EMPLOYEES

Diversity at Simon

Diversity and Inclusion Policy

Simon values diversity of background, experience, and thinking and as a company, we are committed to continuously improving diversity and inclusion in the workplace. We believe that diversity among our employees contributes to our ability to create value for our shareholders, our clients, and the consumers and communities we serve. We operate in communities that have a rich mix of cultures, and building a workforce that is reflective of our customer base, is imperative to our business. It enables us to understand and meet current and future customer demands which provides us with a great opportunity to increase customer satisfaction and offers us a competitive advantage. We aim to leverage the full potential of our employees irrespective of individual differences, such as gender, ethnicity, age, physical abilities, sexual preference, family status, religion, expression, or characteristics.

Highlights

- Achieved a 50:50 gender balance between male and female employees across our workforce (+/- 5%)
- 33% female representation of our independent members of our Board of Directors
- Achieved over 34% female representation among Simon leadership (Vice President level and above)
- Name Diversity Ambassador with the objective of enhancing the company's diversity and inclusion strategies in 2020

Our Diversity Action Plan Seeks to

Walk the Talk

- Improve transparency and disclosure on workforce diversity metrics
- Build awareness around diversity across our employee base

Implement Initiatives

- Implement targeted initiatives that will improve the sense of belonging, skills, networking capabilities, and career opportunities for particular groups
- Create a more inclusive workplace

Engage with Stakeholder

- Provide diversity through leadership and advocacy among REITs in the area of diversity and inclusion

Total Number of Employees

	Female	Male	Total
Corporate Office	694	605	1299
Field Employees	1684	1760	3444
Total			4743

Total Workforce

	Female	Male	Total
Manager	452	525	977
Non-Manager	1926	1840	3766
Grand Total	2378	2365	4743

Age Distribution

	Count	%
Employees Under 30	1241	26%
Employees Between 30-50	2069	44%
Employees Over 50	1433	30%
Total	4743	

Senior Management (Vice President level and above)

	Count	%
Women	76	34%
Men	149	66%
Total	225	

Executive Management

	Count	%
Women	16	22%
Men	57	78%
Total	73	

Data as of December 31, 2017

Promoting Diversity Through Leasing

At Simon, we are not only committed to continuously improving diversity and inclusion in our workplace, but also through our leasing efforts in our shopping centers. We embrace brands that share our inclusive philosophy. For example, during recent years we have opened Morphe stores at 13 locations across our portfolio. Morphe was founded in 2008 among the artists and influencers of Los Angeles. Morphe earned its reputation for a bold approach to makeup that honors individuality and self expression. Learn more at morphe.com.



MORPHE X MANNY MUA



EMPLOYEES

Promoting Flexibility and Volunteerism at Simon

Improving the overall workplace experience for employees helps promote a healthy work-life balance for employees at Simon. Flexible work hours, the ability to work remotely, prioritizing a healthy culture, competitive compensation, comfortable office conditions, and opportunities for professional and personal growth, wellness benefits, and opportunities for social connections promote a flexible work environment that appeals across generations of workers.

Companies that create opportunities for employees to engage in positive and meaningful activities inside and outside the office enjoy increased morale, commitment, and performance. Led by a dedicated committee of Simon employees and leaders, the Simon Employee Association (SEA) is an employee-focused program that creates a variety of opportunities and experiences that increase employee engagement and help make Simon a rewarding place to work. Simon also supports activities that enhance, benefit, and serve the communities in which we live and work; this aligns with our core values of responsible citizenship.

Corporate and field employees volunteer and participate in a variety of programs and events throughout the year, which typically include but are not limited to:

- Local and national volunteer and philanthropic service and fundraising opportunities
- Community engagement opportunities
- Lunch and learn seminars
- Company picnics and special events
- Employee mix and mingle events
- Corporate challenges and internal Simon sports leagues



SIMON 2019 POLITICAL CONTRIBUTIONS REPORT

This report provides information about Corporate Contributions made in the United States by Simon. It also includes information about our lobbying expenses and certain memberships in trade and industry groups.

Corporate Contributions

We generally do not make Political Contributions and we did not make any such contributions in 2019.

- Simon did not make any contributions to state candidates and other 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 operate and our employees. In 2019, we did not participate in any ballot measures and it is not generally Simon's practice to do so.

Our participation in the political process is governed by law and if contributions are made, we will comply with all applicable laws and regulations pertaining to political campaign contributions at the federal, state, and local levels. All corporate political campaign contributions and expenditures, as well as other payments made to relevant trade associations, and similar entities are reviewed by the General Counsel.

Lobbying Expenses

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

Certain Memberships

Simon maintains memberships in several industry and trade groups including organizations that may engage in lobbying activities. We believe that membership in these organizations is generally consistent with the company's interests as well as those of our shareholders. Even though Simon may from time to time not agree with the views of one of these organizations, we believe that membership is worthwhile because such organizations encourage dialogue on important policy issues and help to move the industry toward consensus in these areas.

— International Council of Shopping Centers (ICSC)

ICSC's mission is to ensure the retail real estate industry is broadly recognized for the integral role it plays in the social, civic, and economic vibrancy of communities across the globe. Founded in 1957, today we are a 70,000-member network joined together in one vibrant global community.

— National Association of Real Estate Investment Trusts (NAREIT)

NAREIT is the worldwide representative voice for real estate investment trusts – REITs – and publicly traded real estate companies with an interest in the U.S. real estate and capital markets. NAREIT advocates for REIT-based real estate investment with policymakers and the global investment community.

— Real Estate Roundtable

The Real Estate Roundtable brings together leaders of the nation's top publicly-held and privately-owned real estate ownership, development, lending, and management firms with the leaders of major national real estate trade associations to jointly address key national policy issues relating to real estate and the overall economy.

ANNEX

About This Report

Simon's 2019 Sustainability Report provides updates on the company's ongoing sustainability efforts and achievements. This report includes information from Simon properties in the U.S. which includes Simon Malls®, Simon Premium Outlets®, and The Mills®.

The information disclosed in this report is based on data for the year ending December 31, 2018. The scope of this report is focused on 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 in accordance with GRI Standards core reporting requirements. The GRI content index is available at the end of this report.

For additional sustainability information, please visit our website at simon.com/sustainability.

INDEPENDENT ASSURANCE STATEMENT

Verification of Simon Property Group's 2018 Greenhouse Gas Emissions



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

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

Verification of Simon Property Group's 2018 Greenhouse Gas Emissions:

In 2019, 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 2018 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 2018 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.

Sincerely

Andrew Shepherd
Lead Verifier

Methodology

Simon's greenhouse gas (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 of 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 that are part of the operational control boundary include retail properties and office buildings.

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

- Acquisition: In this case, we estimate consumption back to the defined baseline in order to maintain consistency over time.
- Divestiture: In this case, we remove consumption information back to the defined baseline.

It's important to include adjustments for both sites that Simon acquires and divests to ensure that Simon isn't inaccurately accounting for emissions reductions that result from selling facilities or alternatively, seeing an increase in emissions due to the acquisition of facilities. New constructions are added to Simon's operational control boundary upon availability of one full year of operational data.

GLOBAL REPORTING INITIATIVE CONTENT INDEX

General Standard Disclosure GRI 102: Organizational Profile

Disclosure Number	Disclosure Title	2018 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	As of December 31, 2018, we owned or held an interest in 206 income-producing properties in the United States, which consisted of 107 malls, 69 Premium Outlets, 14 Mills, four lifestyle centers, and 12 other retail properties in 37 states and Puerto Rico. Additional information is available in our 2018 Form 10 K, Part 1, item 1.
102-5	Ownership and legal form	Simon is a Real Estate Investment Trust (REIT) and is publicly traded on the NASDAQ Stock Market. <ul style="list-style-type: none">In 2018, Simon owned or held an interest in properties in 37 U.S. states and Puerto Rico.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 eight Designer Outlet properties in Europe.Simon also owned a 21.9% 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.Simon serves more than 3,000 leading tenants.
102-6	Markets served	
102-7	Scale of the organization	Additional information is available in our 2018 Form 10 K, Part 1, item 1 and item 3.
102-8	Information on employees and other workers	At December 31, 2018, we and our affiliates employed approximately 5,000 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 2018. Additional information is available under the Employee section of this report.

GRI 102: Organizational Profile, continued

Disclosure Number	Disclosure Title	2018 Response
102-9	Supply chain	<p>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.</p> <p>We are committed to ensuring that our suppliers maintain high standards of ethics and environmental compliance.</p>
102-10	Significant changes to the organization and its supply chain	No significant changes have been made to Simon's supply chain in 2018.
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. For example, over the last years Simon has expended approximately \$70 million for LED lighting replacements that significantly improve energy efficiency across the portfolio. This amount excludes LEDs that are deployed as part of ground up and redevelopment projects.
102-12	External initiatives	<p>Simon participates in CDP climate change questionnaire and the Global Real Estate Sustainability Benchmark (GRESB).</p> <ul style="list-style-type: none"> 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. 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. International Council of Shopping Centers: Michael McCarty, EVP Development of Operations is on the Board of Trustees and Directors. Member of National Association of Real Estate Investment Trusts (NAREIT) and Sustainability Policy Advisory Committee of the Real Estate Round Table.
102-13	Membership of associations	

GRI 102: Strategy

Disclosure Number	Disclosure Title	2018 Response
102-14	Statement from senior decision-maker	A Message From Our CEO
102-15	Key impacts, risks, and opportunities	Simon CDP Response 2018

GRI 102: Ethics and Integrity

Disclosure Number	Disclosure Title	2018 Response
102-16	Values, principles, standards, and norms of behavior	<p>Simon's Code of Business Conduct can be found on Simon's Investor Relations Governance page titled Code of Business Conduct & Ethics at investors.simon.com/code-business-conduct-ethics.</p> <p>Simon company values can be found at business.simon.com/about.</p>

GRI 102: Governance

Disclosure Number	Disclosure Title	2018 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
102-22	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 Number	Disclosure Title	2018 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 Title	2018 Response
102-45	Entities included in consolidated financial statements	All entities listed in our 2018 Annual Report and 2018 Form 10-K that fall within Simon's operational control.
102-46	Defining report content and topic boundaries	<i>About This Report</i>
102-47	List of material topics	<i>Materiality Assessment</i>
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	2018 calendar year
102-51	Date of most recent report	Released Dec, 2018 covering 2017
102-52	Reporting cycle	Biennial
102-53	Contact point for questions regarding the report	<i>About This Report</i>
102-54	Claims of reporting in accordance with the GRI Standards	<i>About This Report</i>
102-55	GRI content index	<i>Global Reporting Initiative Content Index</i>
102-56	External assurance	<i>Independent Assurance Statement</i>

GRI Standard—Topic-Specific Disclosures

GRI 201: Economic Performance

Disclosure Number	Disclosure Title	2018 Response
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>
103-2	The management approach and its components	2018 Form 10-K and 2019 Proxy Statement
103-3	Evaluation of the management approach	
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 2018 CDP Submission

GRI 203: Indirect Economic Impacts

Disclosure Number	Disclosure Title	2018 Response
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>
103-2	The management approach and its components	<i>Communities Annual Report</i>
103-3	Evaluation of the management approach	
203-1	Development and impact of infrastructure investments and services supported	<i>Communities</i>
203-2	Significant indirect economic impacts	<i>The Impact of Brick and Mortar Shopping Report at https://simon-malls.cld.bz/Simon-the-Impact-of-Brick-and-Mortar-Shopping</i>

GRI 205: Anti-Corruption

Disclosure Number	Disclosure Title	2018 Response
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>
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 investors.simon.com/code-business-conduct-ethics
103-3	Evaluation of the management approach	

GRI 205: Anti-Corruption, continued

Disclosure Number	Disclosure Title	2018 Response
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).
		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.
205-2	Communication and training about anti-corruption policies and procedures	The Code of Business Conduct can be found at investors.simon.com/code-business-conduct-ethics . 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	2018 Response	Additional Info
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>	
103-2	The management approach and its components	<i>Focus Area Environment - Energy</i>	
103-3	Evaluation of the management approach		
302-1	Energy Consumption Within the Organization	2016 2017 2018 Unit of Measurement (UOM)	
A	Total fuel consumption from non-renewable sources	308,678 294,721 342,530 GJ	Sum of diesel mobile, gasoline petrol mobile, natural gas, and propane volume
B	Total fuel consumption from renewable fuel sources	5,058 4,558 3,379 GJ	Sum of Ethanol (E85) - mobile and ethanol blend (E10) volume

GRI 302: Energy, continued

Disclosure Number	Disclosure Title	2018 Response	Additional Info		
302-1	Energy Consumption Within the Organization, <i>continued</i>	2016 2017 2018 UOM			
C	Breakdown of total consumption				
	Electricity consumption	2,523,613	2,429,575	2,379,143	GJ Electric power
	Heating consumption	0	0	0	GJ
	Cooling consumption	160,161	165,789	162,376	GJ Chilled water
	Steam consumption	0	0	0	GJ
E	Total energy consumption	2,997,510	2,894,644	2,887,428	GJ Sum of fuel consumption from non-renewable sources, fuel consumption from renewable fuel sources, heating, and cooling consumption
F	Standards, methodologies, and assumptions used		<i>Methodology</i>		
G	Source of the conversion factors used		<i>Methodology</i>		
GRI 302-2	Energy Consumption Outside the Organization	2016 2017 2018 UOM			
A	Energy consumed outside of the organization	3,707,416	3,594,362	3,565,793	GJ Includes downstream leased assets and rental vehicles. Excludes fuels from employee commuting.
B	Standards, methodologies, and assumptions used		<i>Methodology</i>		
C	Source of the conversion factors used		<i>Methodology</i>		

GRI 302: Energy, continued

Disclosure Number	Disclosure Title	2018 Response			Additional Info	
GRI 302-3	Energy Intensity	2016	2017	2018	UOM	
A	Energy intensity rates	0.0831	0.0804	0.0800	GJ/ft ²	
B	Organization-specific metric (the denominator) chosen to calculate ratio	ft ²	ft ²	ft ²		
C	Types of energy included in the intensity ratio (such as fuel, electricity, heating, cooling, steam, or all)	All	All	All		
D	Report whether the ratio uses energy consumed within the organization, outside of it, or both	Both	Both	Both		
GRI 302-4	Reduction of Energy Consumption	2016	2017	2018	UOM	
A	Amount of reduction in energy consumption achieved	-14,812	-29,401	-13,269	MWh	Resulting from conservation and efficiency initiatives
B	Types of energy included in the reductions	Electricity	Electricity	Electricity		
C	Basis for calculating reductions in energy consumption	This includes year-over-year reductions based on specific efficiency initiatives performed by Simon	This includes year-over-year reductions based on specific efficiency initiatives performed by Simon	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	Excludes portfolio-wide organic growth	Excludes portfolio-wide organic growth		

GRI 303: Water and Effluents

Disclosure Number	Disclosure Title	2018 Response			Additional Info	
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>				
103-2	The management approach and its components					
103-3	Evaluation of the management approach					
GRI 303-1	Total Water Withdrawal by Source	2016	2017	2018	UOM	
	Municipal water	13,130,463	12,642,877	12,612,918	M ³	
B	Standards, methodologies, and assumptions used	<i>Methodology</i>				

GRI 303: Water and Effluents, continued

Disclosure Number	Disclosure Title	2018 Response			Additional Info	
GRI 303-2	Water Sources Significantly Affected by Withdrawal of Water	2016	2017	2018	UOM	
A	Total number of water sources significantly affected by withdrawal by type					
B	Size of water source					
A	Whether or not the source is designated as a protected area (nationally or internationally)					
B	Biodiversity value (such as species diversity and endemism, total number of protected species)					
A	Value or importance of water source to local communities and indigenous people					
B	Standards, methodologies, and assumptions used	<i>Methodology</i>				
GRI 303-3	Percentage and Total Volume of Water Recycled and Reused	2016	2017	2018	UOM	
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	<i>Methodology</i>				

GRI 305: Emissions

Disclosure Number	Disclosure Title	2018 Response			Additional Info	
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>				
103-2	The management approach and its components	<i>Focus Area Environment - Energy</i>				
103-3	Evaluation of the management approach					
GRI 305-1	Direct GHG Emissions (Scope 1)	2016	2017	2018	UOM	
A	Direct GHG Emissions (Scope 1)	20,364	19,404	21,923	Metric tons CO ₂ equivalent (CO ₂ -e)	Sum of Diesel <ul style="list-style-type: none"> • Mobile, Ethanol (E85) • Mobile, Ethanol Blend (E10), Gasoline (Petrol) • Mobile, Natural Gas, Propane, Refrigerant
B	Gases included in the calculation	For mobile fuels: CO ₂ ; For all stationary fuels: CO ₂ , CH ₄ , N ₂ O	For mobile fuels: CO ₂ ; For all stationary fuels: CO ₂ , CH ₄ , N ₂ O	For mobile fuels: CO ₂ ; For all stationary fuels: CO ₂ , CH ₄ , N ₂ O	N/A	

GRI 305: Emissions, continued

Disclosure Number	Disclosure Title	2018 Response			Additional Info
GRI 305-1	Direct GHG Emissions (Scope 1), <i>continued</i>	2016	2017	2018	UOM
C	Biogenic CO2 emissions in metric tons of CO2 equivalent separately from the gross direct GHG emissions	25	21	15	Metric tons CO2
	Base Year	2013	2013	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
D	ii. Emissions in the base year	22,827	22,827	22,827	Metric tons CO2
	iii. The context for any significant changes in emissions that triggered recalculations of base year emissions	Acquisitions and divestitures	Acquisitions and divestitures	Acquisitions and divestitures	N/A
E	Source of the emission factors and global warming potentials (GWP) rates used	Methodology			
F	Consolidation approach for emissions	Operational Control	Operational Control	Operational Control	N/A
G	Standards, methodologies, assumptions, and/or calculation tools used	Methodology			
GRI 305-2	Energy Indirect GHG Emissions (Scope 2)	2016	2017	2018	UOM
A	Energy indirect GHG Emissions (Scope 2) <ul style="list-style-type: none"> • Independent of any GHG trades, such as purchases, sales, or transfers of offsets/allowances) 	304,447	293,760	288,116	Metric tons CO2 equivalent (CO2-e)
B	If available, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent	304,405	293,618	287,974	Metric tons CO2 equivalent (CO2-e)
C	If available, the gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all	CO2, CH4, N2O	CO2, CH4, N2O	CO2, CH4, N2O	N/A

GRI 305: Emissions, continued

Disclosure Number	Disclosure Title	2018 Response			Additional Info
GRI 305-2	Energy Indirect GHG Emissions (Scope 2), <i>continued</i>	2016	2017	2018	UOM
	Base Year	2013	2013	2013	N/A
	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
D	ii. Emissions in the base year	369,946	369,946	369,946	N/A
	iii. The context for any significant changes in emissions that triggered recalculations of base year emissions	Acquisitions and divestitures	Acquisitions and divestitures	Acquisitions and divestitures	N/A
E	Source of the emission factors and global warming potentials (GWP) rates used	Methodology			
F	Consolidation approach for emissions	Operational Control	Operational Control	Operational Control	N/A
G	Standards, methodologies, assumptions, and/or calculation tools used	Methodology			
GRI 305-3	Other Indirect GHG Emissions (Scope 3)	2016	2017	2018	UOM
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)	604,001	580,998	591,378	Metric tons CO2 equivalent (CO2-e)
B	If available, the gases included in the calculation, whether CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, or all	CO2, CH4, and N2O	CO2, CH4, and N2O	CO2, CH4, and N2O	
C	Biogenic CO2 emissions in metric tons of CO2 equivalent separately from the gross indirect GHG emissions	0.888	1.987	0.368	Metric tons CO2

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

GRI 305: Emissions, continued

Disclosure Number	Disclosure Title	2018 Response			Additional Info
GRI 305-3	Other Indirect GHG Emissions (Scope 3), <i>continued</i>	2016	2017	2018	UOM
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	
	Base Year	2013	2013	2013	Updated to 2013 from previously 2003
E	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	554,714	554,714	554,714	
	iii. The context for any significant changes in emissions that triggered recalculations of base year emissions	Acquisitions and divestitures	Acquisitions and divestitures	Acquisitions and divestitures	
F	Source of the emission factors and global warming potentials (GWP) rates used	Methodology			
G	Standards, methodologies, assumptions, and/or calculation tools used	Methodology			
GRI 305-4	GHG Emission Intensity	2016	2017	2018	UOM
A	GHG emission intensity ratio	0.004	0.004	0.004	Metric tons Co2-e/ft ²
B	Organization-specific metric/ratio denominator chosen to calculate the ratio	ft ²	ft ²	ft ²	
C	Types of GHG emissions included in the intensity ratio (Scope 1, scope 2, and other indirect scope 3)	Scope 1 and scope 2	Scope 1 and scope 2	Scope 1 and scope 2	
D	Gases included in the calculation	Material gases include CO ₂ , CH ₄ , and N ₂ O	Material gases include CO ₂ , CH ₄ , and N ₂ O	Material gases include CO ₂ , CH ₄ , and N ₂ O	Square footage includes all SF within operational control as well as landlord-provided cooling square footage

GRI 305: Emissions, continued

Disclosure Number	Disclosure Title	2018 Response			Additional Info
GRI 305-5	Reduction of Greenhouse Gas (GHG) Emissions	2016	2017	2018	UOM
A	Amount of GHG emissions reductions achieved as a direct result of initiatives to reduce emissions	-6,747	-13,394	-6,045	Metric tons Co2-e
B	Gases included in the calculation	Material gases include CO ₂ , CH ₄ , and N ₂ O	Material gases include CO ₂ , CH ₄ , and N ₂ O	Material gases include CO ₂ , CH ₄ , and N ₂ O	
C	Base year or baseline including rationale for choosing it	2013	2013	2013	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 <ul style="list-style-type: none"> • whether direct (Scope 1) • energy indirect (Scope 2), and/or other indirect (Scope 3) 	Scope 2	Scope 2	Scope 2	
E	Standards, methodologies, assumptions, and / or calculation tools used	Methodology			
GRI 305-7	Nitrogen Oxides (NO _x), Sulfur Oxides (SO _x), and Other Significant Air Emissions	2016	2017	2018	UOM
A	Significant Air Emissions (NO _x , SO _x , POP, VOC, HAP, PM)	Simon utilizes the GHG Protocol Corporate Standard as a guide to compile its 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 (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF ₆). Based on our current operations, we do not believe these emissions are significant therefore are not included as part of our inventory.			

GRI 306: Effluent and Waste

Disclosure Number	Disclosure Title	2018 Response			Additional Info
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>			
103-2	The management approach and its components	<i>Focus Area Environment - Waste</i>			
103-3	Evaluation of the management approach				
GRI 306-2	Total Weight of Waste by Type & Disposal Method	2016	2017	2018	UOM
A	Total weight of hazardous waste	N/A	N/A	N/A	
	Total weight of non-hazardous waste, by the following disposal methods				
B	Recycling	98,671	114,606	148,077	U.S. Tons
	Landfill	321,655	316,609	352,624	U.S. Tons
C	How the waste disposal method was determined	<i>Methodology</i>			
GRI 306-3	Significant Spills	2016	2017	2018	UOM
A	Total number and total volume of recorded significant spills	N/A	N/A	N/A	
	Building Energy Intensity	2016	2017	2018	UOM
	Total annual energy consumption and corresponding floor area	0.0831	0.0804	0.0800	GJ/ ft ²
					Square footage includes all square footage within operational control for common areas as well as where Simon provides cooling or redistributes energy to tenants. The tenant square footage is calculated in a way so that square footage is not duplicated for areas where Simon provides both cooling and redistributes energy to tenants.
	Building Water Intensity	2016	2017	2018	UOM
	Total annual water consumption and corresponding floor area	0.1627	0.1567	0.1563	M ³ / ft ²
					Square footage includes all square footage within operational control for common areas as well as where Simon provides cooling or redistributes energy to tenants. The tenant square footage is calculated in a way so that square footage is not duplicated for areas where Simon provides both cooling and redistributes energy to tenants.

GRI 401: Employment

Disclosure Number	Disclosure Title	2018 Response
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>
103-2	The management approach and its components	<i>Focus Area Employees</i>
103-3	Evaluation of the management approach	
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	2018 Response
103-1	Explanation of the material topic and its boundary	<i>Materiality Assessment</i>
103-2	The management approach and its components	<i>Focus Area Employees</i>
103-3	Evaluation of the management approach	
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.

*Note: changes in operational control boundary can often change the values reported for historical years. This is normal and should be anticipated each year.

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.



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Simon is a global leader in retail real estate ownership, management and development and an S&P 100 company (Simon Property Group, NYSE:SPG).