

TROPHY  
PROPERTIES  
IN THE  
MOST  
DESIRABLE  
MARKETS.  
UNIQUELY  
MACERICH.



SUSTAINABILITY  
REPORT 2014

# FROM OUR CEO

Macerich's comprehensive commitment to sustainability is both a natural and essential value for our company.



Macerich in 2014 was honored to be named the retail Leader in the Light by the National Association of Real Estate Investment Trusts (NAREIT) for our comprehensive sustainability efforts. As well, in 2014 our company earned the Global Real Estate Sustainability Benchmark (GRESB) Green Star, an important measure of sustainability performance for real estate portfolios around the world.

To us, these two high-profile designations underscore a strong year of achievements in environmental sustainability across our irreplaceable portfolio of unique and high-performing properties in the country's top gateway markets.

In 2014 we set new and ambitious goals to build on the great strides we have already made in reducing our environmental impacts. Macerich's 10-by-20 goals call for us to reduce our absolute greenhouse gas (GHG) emissions, energy use, water consumption and waste generation by 10 percent by 2020 (compared to 2013 levels.)

In 2014 we quadrupled our clean renewable energy capacity through six new solar projects and one new fuel cell site. By the end of 2015, our company will rank among the top 15 largest commercial solar operations in the United States. For Macerich, solar energy is a very bright spot.

We are proud of our industry-leading environmental initiatives, including our participation in voluntary disclosure programs through the CDP (formerly Carbon Disclosure Project). Sharing our performance information and strategies on global peer-to-peer platforms helps us pinpoint new opportunities to heighten our sustainability practices while increasing transparency among all our stakeholders.

All of us at Macerich value the results of our fully integrated sustainability approach and we are actively committed to building on these significant accomplishments.

Arthur M. Coppola  
Chairman and Chief Executive Officer





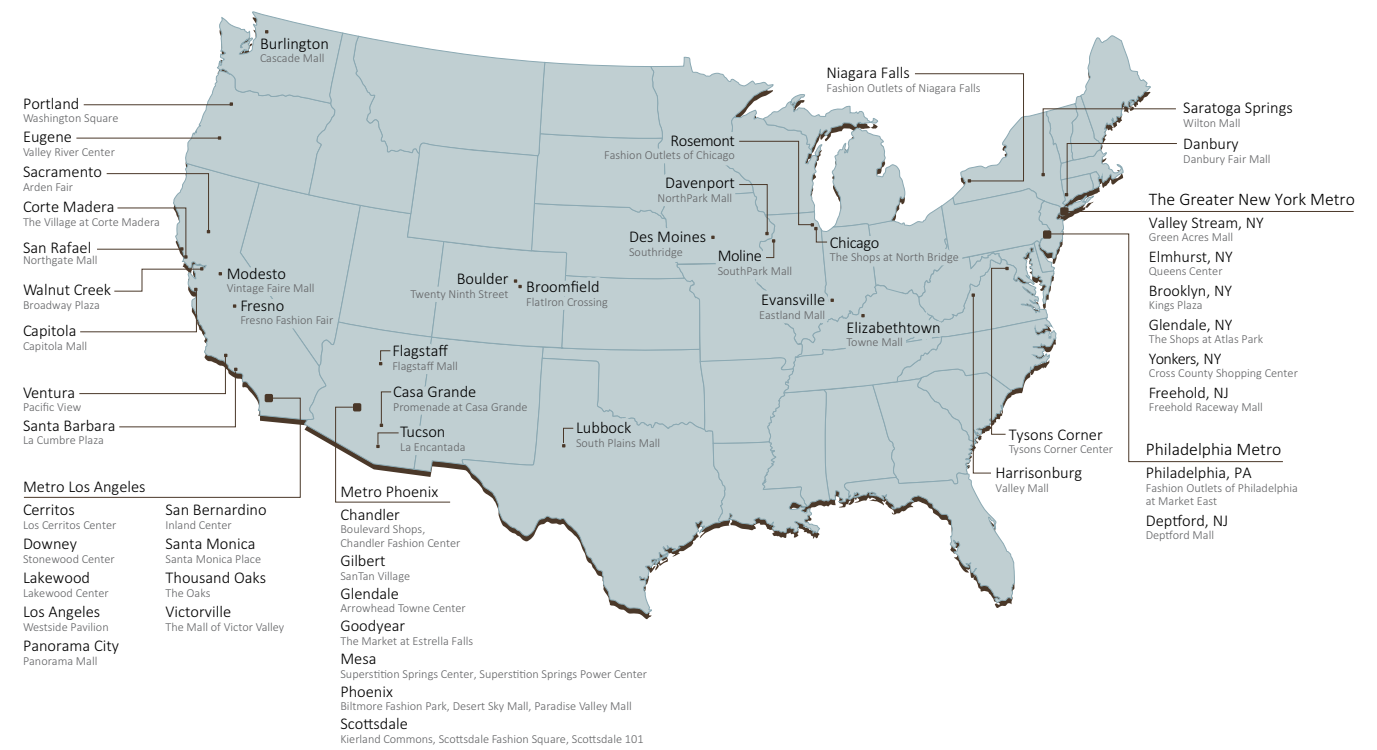


# COMPANY OVERVIEW

An S&P 500 company, Macerich is one of the country’s leading owners, operators, and developers of major retail real estate (NYSE:MAC). Since 2010, the company has outperformed the FTSE NAREIT All Equity REITs Index as well as the S&P 500 Index. Our performance is driven by our sharp focus on operational excellence and attentive management of every property, every day. Our unique and irreplaceable properties span the United States from California to New York, and include the nation’s gateway markets – the most internationally appealing, affluent, and densely populated areas in the United States.

Our portfolio of 50+ major retail properties includes Queens Center in New York City, Tysons Corner Center in Northern Virginia, Scottsdale Fashion Square in Arizona, Washington Square near Portland, Oregon, as well as Broadway Plaza in Walnut Creek, and the acclaimed Santa Monica Place in California. The company’s growing ownership of top-tier outlet properties, such as Fashion Outlets of Chicago, offers an additional avenue for growth and consumer engagement.

We have one of the industry’s most successful, long-term track records for delivering value and performance for retailers and investors at our high-quality properties located in many of the nation’s most desirable markets.



IMPACT AT A GLANCE



**13** 13 renewable energy projects complete by the end of 2015 with a total capacity of 12 MW, generating enough to power 2000+ homes

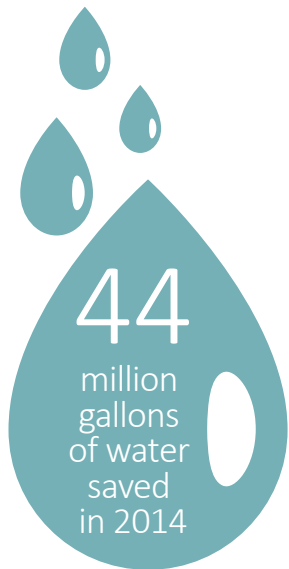
Macerich will rank among the **top 15 U.S. companies** by solar capacity once projects are completed, according to 2014 SEIA Ranking

NAREIT LEADER IN THE LIGHT 2014

**12,252 TONS**  
of waste per year recycled



**NEARLY 4,000 TREES SAVED**  
in the last 2 years by using 400,000 lbs of recycled paper content and reducing use by 10%



REPLACED MORE THAN 110,000 LIGHT FIXTURES WITH ENERGY-EFFICIENT FIXTURES

**5 LEED GOLD PROJECTS**  
4 completed  
1 in progress



**29%**

DROP IN ENERGY USE IN 6 YEARS SINCE 2008

Continuing Our Commitment to Sustainability

Macerich is fully committed to continuing its strategic sustainability activities and looks forward to driving shared value for our company, the environment, investors, partners, retailers and communities in the years ahead.

For our company, sustainability is the intersection of economic development and long-term viability of the natural environment. Smart, sustainable business practices stimulate technological innovation, advance our competitiveness as a company, and improve quality of life for all.

Our success to date validates these principles, and we are committed to continuing to generate value for our company, our stakeholders, and our communities through real economic savings and reduced environmental impacts.

In 2015 and beyond, Macerich will continue to advance our sustainability efforts. Below is a summary of our near-term plans. We will:

Implement renewable energy by:

- Completing four additional solar projects currently underway, and continuing to evaluate opportunities for new fuel cell projects.
- Considering opportunities for and assessing the value of integrated battery storage, with a focus on existing photovoltaic and fuel cell installations.

Enhance our energy and operational efficiency programs by:

- Continuing to expand our central energy management system to achieve a further reduction of 12 million kWh of energy use across the portfolio in 2015.
- Completing a portfolio-wide upgrade of interior lighting across our properties to LED technology.
- Improving total plant efficiencies by up to 45% through continued retrofits and redevelopments of central cooling plants.
- Completing the upgrade to a new Utility Management System to enhance our capabilities in sustainability reporting and property management.

Increase waste management by:

- Increasing our recycling rate up to 38% by the end of 2016.

Advance sustainable development by:

- Finalizing LEED certification at Tysons Corner and Broadway Plaza, among other properties in the pipeline.

Increase use of sustainable landscape practices by:

- Focusing on use of drought-resistant and native plantings and reducing water use through operational best practices, as well as exceeding the state-mandated 20% reduction goals for California properties.

Enhance tenant sustainability by:

- Launching a new pilot program at the Twenty Ninth Street property in Boulder, Colorado, that partners with tenants, the local utility, and the municipal government to develop a total, scalable sustainability approach. We also will analyze other properties across the portfolio to determine optimal candidates for program roll-out.

Increase sustainability disclosure and reporting by:

- Continuing to communicate sustainability practices and results to stakeholders in order to effectively engage local regulatory bodies, business partners, employees, and the investor community.



SUSTAINABILITY: PART OF WHO WE ARE

Our strategic sustainability efforts help us create a healthy environment for our employees, tenants, guests, and communities for generations to come. This approach is central to our long-term business strategy and organizational culture.

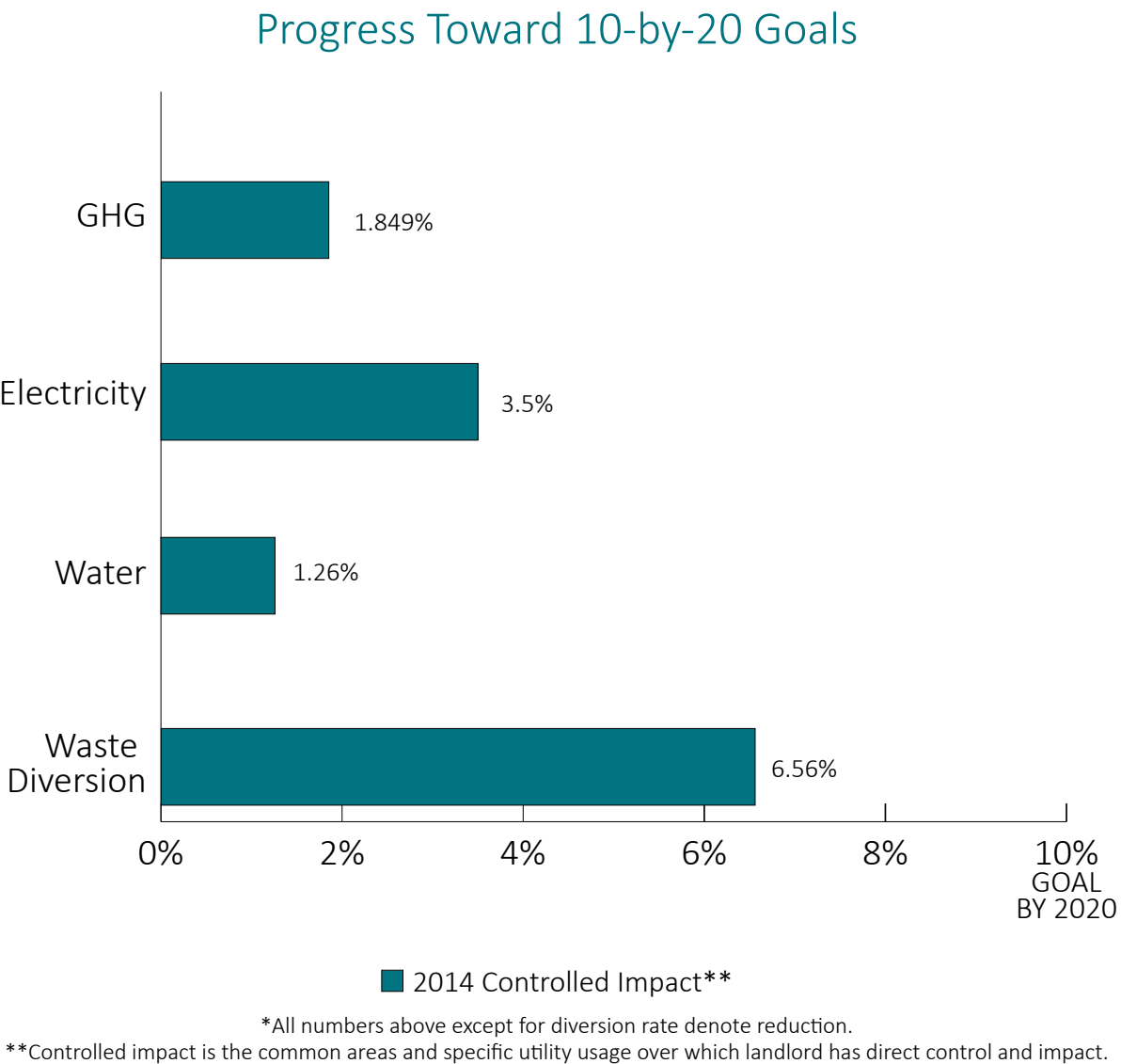
As a result of our strategic investments in efficient operations and renewable energy, we have become an award-winning sustainable property owner, operator and developer. In addition to lowering our environmental impact, those investments in energy efficiency programs reduced operating costs by over \$4.6 million in 2014, and \$26.6 million since 2008. Also in 2014, our on-site solar installations and fuel cell energy technology produced over 10.5 megawatt-hours (MWh) of renewable and low-carbon energy.

In 2014, we introduced our 10-by-20 sustainability goals. We are committed to reducing our absolute greenhouse gas (GHG) emissions, energy use, water consumption, and waste generation by 10% by 2020

compared to 2013 levels. Our cross-functional focus across the company, including our Sustainability Department, Operations, Property Management, and Executive Leadership has generated promising early results — we have made significant progress toward all four goals.

Macerich Sustainability Programs have had a specific focus on electricity since 2008 as that is the key driver for our carbon footprint as a mall owner/operator. We have had great success affecting over 213 GWH and reduced over 150,000 metric tons of GHG through 2013. As we have broadened our programs and set long-term goals, we have committed to impacting these areas even further and have also included a greater focus on waste and water. The chart to the right reflects our 2014 first year impacts toward those long term goals:

GOAL: 10%  
REDUCTION  
of absolute greenhouse gas (GHG) emissions,  
energy use, water consumption,  
and non-recycled waste generation by 2020



Achievements towards absolute goals have been broken down into controlled usage (i.e., serving management offices, common and back of house areas) and not-controlled usage within tenant spaces. Throughout the portfolio, we provide and redistribute to our tenants varying combinations of the following services: electricity, thermal energy for cooling and heating, potable water, sewage and natural gas. Services utilized within tenant premises are self-managed and controlled. While Macerich has the responsibility of tracking overall environmental impacts as a whole, only areas under operational control can be directly impacted by management efforts and best practices. As shown by the results of the graph above, reducing greenhouse gas is a holistic endeavor that requires engagement by all stakeholders.

# OUR APPROACH TO SUSTAINABILITY

Sustainability is embedded throughout our business, from developing and operating our properties to engaging our communities and employees. We have a long-standing commitment to environmental stewardship and social responsibility, starting with our operating philosophy. In every unique region in which we own properties, we tailor our approach to making a positive impact to suit each distinct community's needs.

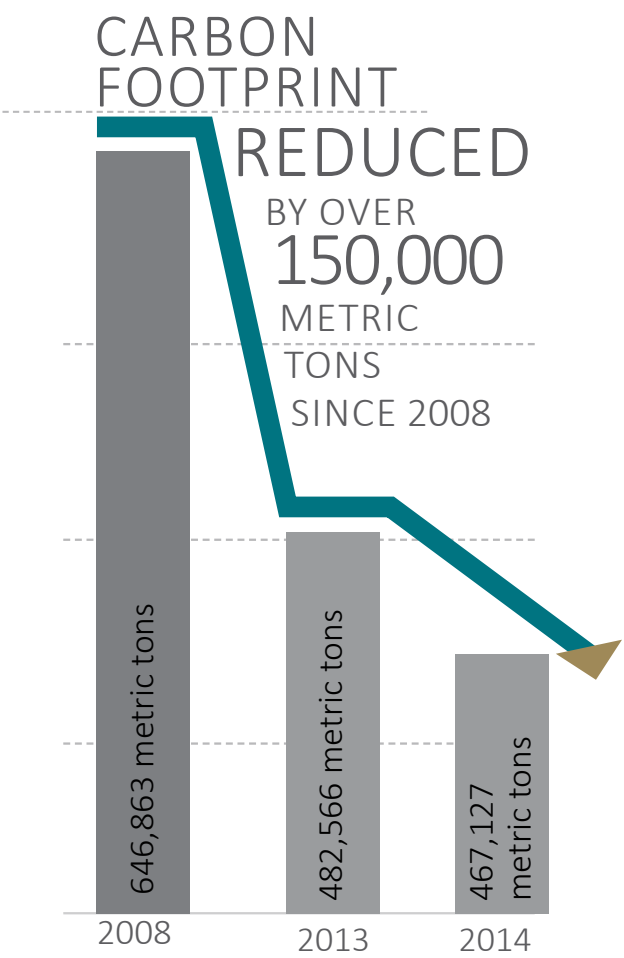


# REDUCING OUR GREENHOUSE GAS FOOTPRINT

With a combination of cutting-edge renewable energy projects and innovative energy efficiency programs, we continually strive to find new ways to reduce our GHG emissions.

As part of our 10-by-20 environmental goals, we are focused on reducing absolute GHG emissions by 10% by 2020, from a 2013 baseline. Through company-wide sustainability efforts, we reduced absolute GHG emissions, including controlled and uncontrolled space, by 1.5%, or 6,000 metric tons, in 2014 alone. This builds on a total reduction of more than 150,000 metric tons since 2008, equivalent to taking 28,300 passenger cars off the road for a year.

As the owner and operator of more than 50 regional shopping centers, the majority of our emissions are generated from purchased energy at our properties. These comprise electricity purchased to keep our lights and equipment running (Scope 2 emissions) and GHG emissions that result from operations outside our direct control (Scope 3), including tenant energy use, waste, and employee commuting and business travel. Our full Scope 1, 2, and 3 emissions data are available in our annual CDP report at [www.cdp.net](http://www.cdp.net).







By the end of 2015, four additional solar projects will come online, increasing renewable energy capacity in our portfolio by 40%, making Macerich one of the 15 largest commercial solar operators in the U.S.



## A LEADER IN RENEWABLE ENERGY AND ENERGY EFFICIENCY

In 2014 we increased our renewable energy capacity four-fold through the launch of six new solar projects and one new fuel cell site. Throughout the year, we produced more than 10 MW of renewable power at shopping centers across the country. This high-impact program reduces our carbon footprint by more than 11,700 metric tons of GHGs annually and translates into enough energy to power over 1,600 homes for one year.

### CLEAN AND RENEWABLE ENERGY PRODUCTION IN 2014

Property	Operational Date	Number of Solar Panels	2014 KWH Production	GHG Reduction* (LBS)
Inland Center (CA)	December 2013	4,676	1,894,582	2,880,143
Panorama Mall (CA)	December 2013	1,246	489,267	743,784
Fresno Fashion Fair (CA)	April 2014	3,976	1,124,410	1,709,328
SanTan Village (AZ)	April 2014	3,117	908,222	1,380,679
Twenty Ninth Street (CO)	January 2014	3,065	738,611	1,122,836
FlatIron Crossing (CO)	February 2014	5,008	1,318,978	2,005,110
Los Cerritos Center (CA)	July 2014	3,593	368,835	560,703
The Oaks (CA)	December 2014	6,000	54,118	82,270
Santa Monica Place (CA)	August 2011	440	138,243	210,157
SOLAR SUBTOTALS		31,121	7,035,266	10,695,010
Danbury Fair Mall (CT) Fuel Cell	July 2014		3,917,018	5,954,650
TOTAL		31,121	10,952,284	16,649,660

\*based on EPA Greenhouse Gas Equivalences Calculator

### Solar is a Bright Spot

In 2012 Panasonic Eco Solutions North America and Macerich aligned to begin the first phase of a multi-property, low aesthetic impact, retail real estate solar power program. As of 2014 this partnership has produced fully operational photovoltaic panels and carport solar structures at nine properties across our portfolio.

### PLANNED SOLAR EXPANSION FOR 2015

Site	# of Panels	Estimated Annual kWh Production	Planned Completion Date
Danbury Fair Mall	3,876	1,201,900	November 2015
Broadway Plaza	3,565	1,358,655	December 2015
Lakewood Center	2,271	896,022	September 2015
Queens Center Mall	1,814	660,736	November 2015
TOTAL	11,526	4,117,313	



## Fuel Cells: Macerich Leads the Industry

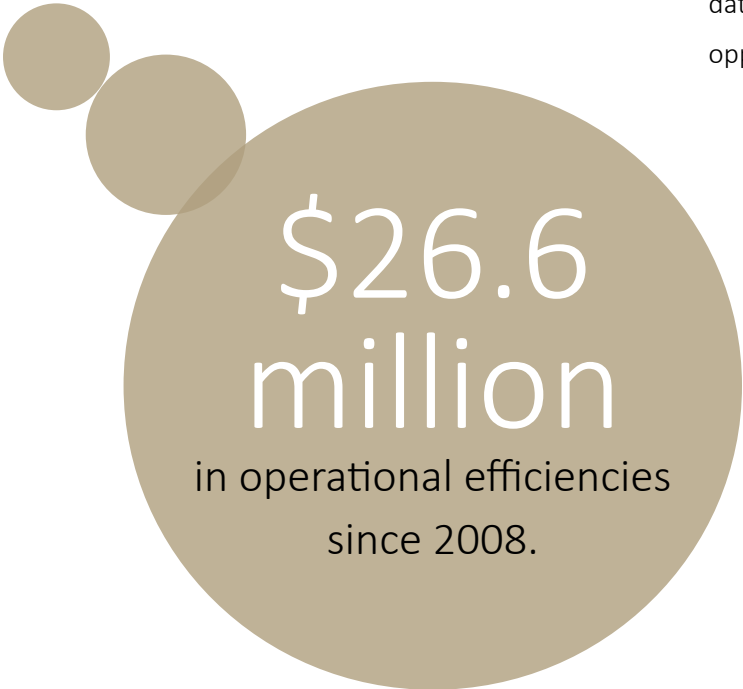
In 2014 we completed installation of the U.S. mall industry’s largest fuel cell project at Danbury Fair Mall in Connecticut. This highly efficient system produced over 3.6 million kWh of electricity in 2014 and will generate over 6.2 million kWh annually, reducing GHG emissions by more than 4,200 metric tons. Based on the success of the Danbury fuel cell project, we are considering expanding our use of fuel cells to six additional sites with 5 MW of capacity over the next two years.

## MAXIMIZING ENERGY EFFICIENCY

Energy efficiency across our more than 50 million square feet of real estate is critical to successfully meeting our 10-by-20 goals. Energy efficiency programs provide the dual benefits of improving our environmental impact and reducing costs.

Our energy efficiency strategy is driven by six core components:

- Strategic energy plans
- Energy-efficient retrofits
- Central cooling facilities
- Utility management system
- Property energy efficiency plans
- Load curtailment programs



## Strategic Energy Plans

At every property, we have developed and implemented a local energy plan that acts as our roadmap for improving the operational efficiency at that location. We maximize results through operational improvements and supply-side opportunities.

## Energy Efficient Retrofits

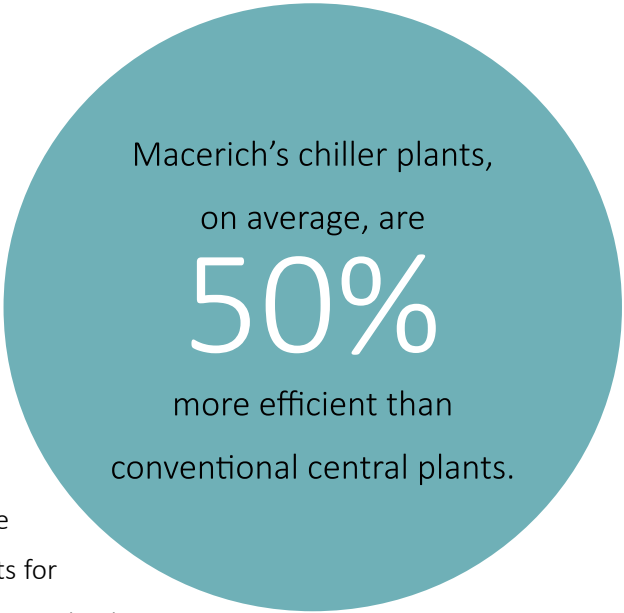
We have invested in numerous energy-saving retrofit projects, including replacing more than 110,000 inefficient lighting fixtures. In 2014 we transitioned our exterior parking lots to light-emitting diode (LED) lighting, replacing more than 8,000 fixtures at 24 properties. LED lighting is not only more energy efficient, but also produces a better quality of light, and has a longer lifespan than fluorescent lighting. We have also retrofitted high-efficiency heating, ventilation, and air conditioning (HVAC) systems at some properties, which have reduced energy usage by up to 45% in some locations. The launch of our centralized energy data center in 2014 has also helped us to identify opportunities to cut energy use across our properties.

Macerich has replaced more than 110,000 lighting fixtures with energy efficient alternatives since 2008.



## Central Cooling Facilities

Central cooling facilities contribute to lower operating costs, greater comfort, and reduced emissions. Our use of energy-efficient central chiller plants across 12 sites in six states provides unique load-based optimization design and controls. Since 2008 Macerich has invested more than \$16 million in central plant equipment, optimization, and state-of-the-art load based control strategies, which now accounts for reduced energy use of over 30 million kWhs annually, which equates to 25,000 tons of GHG reduction.



## Utility Management System

Our Utility Management System helps automate energy management processes and drive decision-making on ways we can reduce energy use across our portfolio. In 2014 Macerich began transitioning to a new system that aligns all utility management and reporting services. The centralized system enhances our monitoring capabilities and supports new environmental reporting needs and greater analytic capabilities for our property management teams.

## Property Energy Efficiency Program

The Property Energy Efficiency Program (PEEP) enables us to track results from implementing energy conservation best practices. Using these measures as a guide, Macerich provides every property with step-by-step instructions to mitigate sources of wasted energy such as off-hour electricity consumption, preventive maintenance, and equipment settings. In 2014 the program contributed to over \$1.8 million in utility cost reductions. Since 2013, PEEP initiatives have reduced our GHGs by 12.9 million metric tons of CO<sub>2</sub>E (carbon dioxide equivalent).

## Load Curtailment Programs

Twenty-four Macerich properties participate in demand-response load curtailment programs when local utility providers are at risk of blackouts. These programs allow our properties to reduce energy consumption by minimizing light levels, air conditioning, heating, and equipment use during peak periods of energy use to help avoid local brownouts and blackouts.

14 malls in eight states provide more than 8.2 MW of grid relief.

## Energy Reporting and Transparency

Increasingly, local governments require greater transparency in energy reporting. In response, we have expanded our energy reporting functions to meet or exceed local requirements. Macerich also participates in voluntary disclosure programs through the CDP (formerly Carbon Disclosure Project) and Global Real Estate Sustainability Benchmark (GRESB).

Disclosing performance, operations and management strategies on global peer-to-peer platforms highlights business and efficiency opportunities while increasing transparency to shareholders, tenants, guests, and employees. Additional information about CDP and GRESB, as well our responses, can be found at [www.CDP.net](http://www.CDP.net) and [www.GRESB.com](http://www.GRESB.com).



Macerich was a

**2014 GRESB Green Star Recipient**

and ranked 4th among Large-Cap Retail in North America.



# WATER CONSERVATION & WASTE MANAGEMENT

## Water Conservation

Water is a precious, finite and vital resource. Our water conservation efforts focus on innovation, and we are on track toward our 2020 goal of reducing absolute water use by 10 million gallons from 2013 levels. Since 2008, we have reduced total water use 18%. Although we have made significant progress, our job is far from over.

## Operational Conservation

With severe drought in California and across the Southwestern United States, Macerich is committed to continuing minimization of water use across all properties in our portfolio. We minimize or eliminate all non-essential irrigation and we continue to implement the use of low-flow faucets and fixtures in restroom facilities. We have also reduced or

eliminated power-washing at our properties and we are partnering with tenants to continually upgrade water fixtures.

## Integrated Water Management

In high water risk areas, as we develop new properties and redevelop existing properties, we are designing to include technologies that reduce our dependence on external water sources. Use of elements such as bioretention, water capture and treatment, and green roofs help minimize our reliance on local water supplies and maximize our use of precipitation to meet site needs.



## Smart Irrigation

We have installed smart irrigation systems for landscaping at more than one-third of our properties. These systems utilize an average of 35% less water compared to conventional irrigation methods. Lush green spaces, beautiful gardens, and colorful plantings are a meaningful part of the appeal to guests at our shopping centers. Efficient, smart irrigation systems make the best use of this important resource. Our cloud-based water conservation, site monitoring, and leak-detection systems help us monitor use and drive efficiency across the portfolio.

In 2014 these systems saved our properties more than 15 million gallons of water, more than 16 olympic size swimming pools.

## Sustainable Landscaping

Beautiful landscapes don't require excessive use of water when they are designed with sustainability in mind. At our Lakewood, California, property we have implemented a pilot program to integrate drought-tolerant techniques and develop sustainable landscaping guidelines. In partnership with the City of Lakewood, we have introduced over 40 types of drought-tolerant and native plants to help reduce water use and promote smart landscaping. This pilot will serve not only as a source of design ideas for all our Southwest properties, illustrating that saving water also can enhance the beauty of our properties and the surrounding communities, but as a demonstration garden for residents as well.







## Waste Management

Smart waste management begins with managing what we consume in addition to what is thrown away at the end of its useful life. Our procurement practices drive smart purchasing decisions, and our national waste management program sets aggressive recycling goals across our properties.

As part of our 10-by-20 goals, in 2020 we plan to reduce total waste generated by 10% (from 2013 levels). In 2014 we recycled more than 12,200 tons of waste, or approximately 26% of our total waste. By the end of 2015, we plan to increase our recycling rate to 38% of waste by weight.

We engage our tenants on best practices for waste management and reduction and provide them with the facilities and technologies to enable high recycling rates. We have continued to expand our waste reduction programs by incorporating property infrastructure for composting and plastics recycling. We have also begun to explore the use of digesters for food waste.

Sustainable procurement practices across the company have dramatically increased the use of recycled and sustainable products. Macerich employees are empowered and encouraged to pursue purchasing, recycling, and reuse ideas that make the most sense for their communities. Our centers are increasingly becoming sustainability resources for their communities. Some properties contain guest-facing kiosks offering information on at-home energy savings and local recycling events. Electronics and cell phone recycling programs at our sites have kept tens of thousands of pounds of e-waste out of landfills.

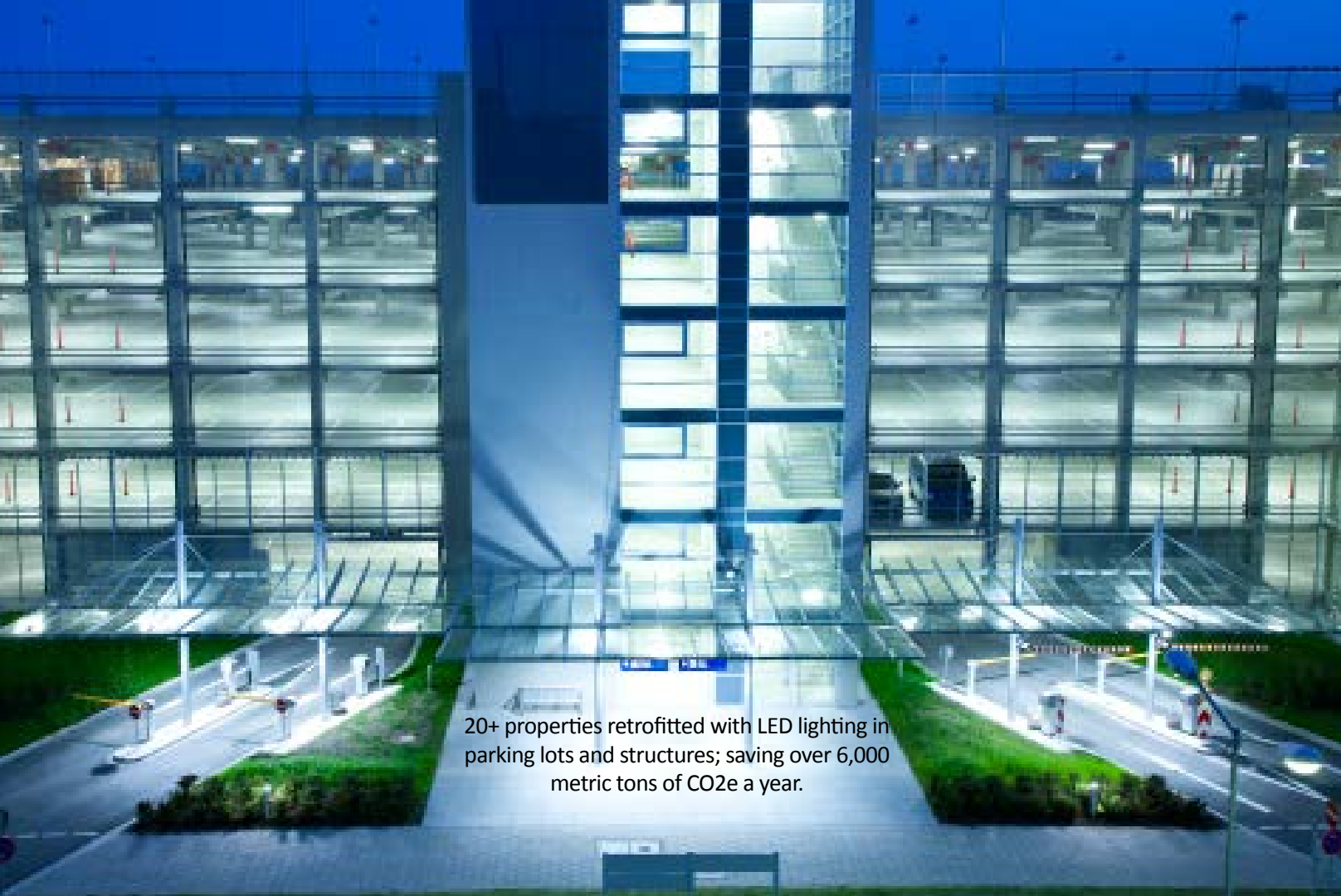
## Plastic Recycling

In 2014 Macerich launched an initiative to recycle plastic bags at seven properties. Historically, plastic bag recycling has been challenging for retailers to implement on a large scale. Our efforts focused on tenant education, relationship building with waste haulers, and other customized solutions. As a result, Macerich properties now recycle approximately 40,000 pounds of plastic film per year.

In two years, Macerich has diverted more than 23,000 metric tons from landfills, the equivalent weight of more than 58 fully loaded Airbus A380 aircraft.

## Tysons Corner Waste-to-Energy Program

Our shopping center in Tysons Corner, Virginia, participates in a waste-to-energy program that helps drive our energy and greenhouse gas reductions. Of the estimated 4,000 metric tons of waste produced at the site, 1,000 metric tons are recycled and sent to a waste-to-energy plant. The resulting annual GHG savings are estimated to exceed 3,000 metric tons.



20+ properties retrofitted with LED lighting in parking lots and structures; saving over 6,000 metric tons of CO2e a year.

## INFINITE PARKING GUIDANCE SYSTEM



Updated parking structures are smarter than ever, using a cleverly designed red light-green light indicator to reduce emissions and driver frustration with signals that direct shoppers to open parking spots.

## GETTING THE GREEN LIGHT: TRANSPORTATION & PARKING

Our sites are hubs of commerce and employment for local communities, and the flow of transportation around each of our properties moves millions of people where they need to go. Macerich takes a holistic approach to managing the ways in which people move in and out of our locations. By understanding the ways guests, goods, and employees travel to and from our properties, we do our part to minimize negative transportation impacts—like traffic and pollution—while improving the overall experience of visiting or working at our centers.

Our approach to integrated site planning uses a forward-thinking response to the issues associated with all modes of travel. For example, in 2013 we established a partnership with NRG's EvGO to install electric car-charging stations at six of our properties in California. These stations provide a range of charging options for different electric vehicles, and at some locations, the stations are being integrated with photovoltaic systems for maximum sustainability impact. Moving forward, we are expanding the electric vehicle charging program to other locations where appropriate.

To promote alternative fuel vehicles, Macerich participated in National Drive Electric Week in September 2014. As part of the event, our properties provided free charging sessions to electric vehicles at all Macerich-EvGO stations. We also distributed information about alternative vehicles online and through social media, and hosted an electric vehicle event at Capitola Mall in Santa Cruz County, California.

In addition to our retail properties, we also track and report on our employees' transportation impacts at our corporate sites. Our corporate offices offer commuting subsidies and cash incentives that reward employees' use of mass transit, carpooling, and other alternatives. We disclose employee transportation and business travel to the CDP as part of our effort to measure and manage our environmental impacts. At the Tysons Corner Center property, we have developed a pilot program for a pre-tax payroll deduction for commuters. We plan to roll this program out to all other locations in major urban centers in 2015.

2014 vs. 2013 – 250,000 less commute miles were traveled  
2014 vs. 2013 – Over 100 less metric tons of GHG emitted



# SUSTAINABLE DEVELOPMENTS AND REDEVELOPMENTS

Macerich has a long and proud track record as one of the industry’s most successful retail developers in attractive markets. Our ability to drive value and performance for retailers and investors is directly linked to our long-term thinking and sustainable real estate development practices.

We approach each property – whether it’s a new development or a redevelopment – as an opportunity to demonstrate environmental stewardship and resource efficiency. For example, our internal energy efficiency targets are set at 20 percent higher than California’s rigorous Title 24 requirements. This drives value both for the environment and for our business.

From design and entitlements through construction and operation, our forward-thinking approach is shaping major projects now underway at several portfolio properties, including Broadway Plaza in Walnut Creek, California, Los Cerritos Center in Cerritos, California, and Scottsdale Fashion Square in Scottsdale, Arizona. Our sustainable redevelopment efforts have also earned LEED certification for our completed, award-winning redevelopments at Tysons Corner Center in Virginia, Northgate Mall in Marin County, California, and Santa Monica Place in California.





# TYSONS CORNER CENTER

We recently completed the expansion of our high-performing Tysons Corner Center in northern Virginia by creating a walkable, high-rise community adjacent to both the mall and the new Metrorail station with direct connection to D.C. This redevelopment provides access to convenient, sustainable retail to local residents. The additions delivered 1.4 million square feet of mixed-use space, including a 22-floor office tower, a Hyatt Regency hotel, and a luxury apartment tower.

The LEED Gold-certified office tower utilizes a green roof, floor-to-ceiling windows, and solar shades on the southern exposure to maximize energy management. The luxury apartment tower is the tallest building in Tysons Corner and provides panoramic views of the D.C. Metro area, offering the latest modern features. The residential tower is LEED Silver certified and offers priority parking spaces to residents driving low-emission and fuel-efficient vehicles.

The entire property is connected by a singular, elevated outdoor plaza that serves as the heart of Tysons Corner Center. The plaza features more than 6,300 square feet of green space, incorporating large trees, shrubs, native grasses and shaded seating, while linking pedestrians to walkways and bike paths.





Macerich is currently undertaking a sustainable, forward-thinking update and expansion of the 774,000 square-foot Broadway Plaza in Walnut Creek, California. This renowned 62-year-old East Bay shopping center will gain an increase of 235,000 square feet of net new retail space, expanded and updated parking facilities, and enhanced pedestrian access.

Designed to achieve LEED Gold certification, Broadway Plaza integrates notable sustainable features, including 111,631 square feet of photovoltaic panels that have the potential to reduce energy use up to 30% and generate more than 1.3 million kWh annually. Off-site renewable energy sources will also provide at least 35% of the project’s electricity.

Slated to open in phases starting in late 2015, the project will add links to an extensive public transportation network, including bus lines, BART, and walking paths. It will also include shower facilities for bike-commuting employees. Water use will be reduced by up to 50% from current levels with the use of native, drought-tolerant plantings.

To reduce landfill impacts from the redevelopment, we are recycling more than 95% of the construction waste from Broadway Plaza.



# BROADWAY PLAZA





# SANTA MONICA PLACE



Completed in 2010, the award-winning LEED Gold-certified redevelopment of Santa Monica Place is an example of how we have incorporated state-of-the-art green building and operations practices in our hometown. Our philosophy is that the most sustainable developments are the ones that reuse existing buildings. Our reuse and redesign of the formerly enclosed Santa Monica Place is a successful example of an approach to repurposing an existing structure into an attractive, refreshed retail, dining, and entertainment destination.

Our redevelopment efforts diverted more 68.5 million pounds of waste from landfills, totaling more than 85% of construction waste. Over 3 million kWh of energy was reduced and offset, in part due the inclusion of onsite photovoltaic generation. This innovative redevelopment both enhanced the shopping and destination experience for guests, but it also showcased a wide range of sustainable building and operation techniques. The core approach to operational management of Santa Monica Place focuses on maximizing efficiencies wherever feasible.

In addition to onsite renewable energy generation, Santa Monica Place reduces energy use by utilizing a daylight dimming control system, high efficiency mechanical equipment, and specialized window glazing. The site also purchases green power as much as possible.





# ENGAGING OUR STAKEHOLDERS

Involving our key stakeholders is an important mechanism for advancing our sustainability and social responsibility practices. Sharing insights and learning from our investors, partners, industry peers, and communities help us prioritize and respond to key social and environmental issues.

The following is a summary of our stakeholder engagement activities:

**INVESTORS:** Engaging with our investors and soliciting their guidance is a key priority for Macerich. Our Investor Relations team meets regularly with current and future investors to obtain feedback on business priorities and sustainability initiatives. We also engage with our investors in quarterly earnings calls and at our annual shareholder meeting.

**JOINT VENTURE PARTNERS:** We value our joint ventures and work proactively to be responsible business partners. In all of our collaborations, we communicate closely and seek their input and approval on programs that affect joint assets. We also work with our Asset Management group to share performance and sustainability information.

**RETAIL PARTNERS:** Property teams work closely with our retail partners to solicit input and gauge satisfaction levels with our facilities. As shared operators of our properties, it is imperative that we work together to advance sustainability. We provide retailers with sustainability guidelines and resources to help them reduce energy consumption, reuse materials, and recycle waste. We also work with retailers to develop and implement pilot projects including our plastic film recycling program.

**EMPLOYEES:** We believe that Macerich can only be as successful as our employees. We work to keep our employees engaged and we are responsive to their needs by soliciting feedback and fostering

two-way dialog. We also engage our employees through education and career development opportunities as well as social, environmental, and volunteer programs.

**COMMUNITIES:** We are active members of the communities in which we operate and work towards making a positive impact locally. In addition to creating local jobs and generating economic activity, we support thousands of hours of employee volunteer time with local nonprofit organizations. For a detailed description of the company’s community service efforts, visit the Social Responsibility section of our website.

**GUESTS TO OUR CENTERS:** We value our guests and want them to have positive experiences in a healthy and safe environment. To support this, we solicit their feedback on how we can improve our properties and make their experience exceptional. We also offer educational materials that highlight programs and property improvements that contribute to a positive guest experience. For example, in 2014 we introduced Text Concierge, which provides personalized text message customer service directly to guests, answering questions and providing information in real time.

# EMPLOYEES

We strive to make Macerich a rewarding and inclusive place to work. We provide opportunities to help our 1,100 employees advance their careers, support their health and wellness, and provide learning opportunities through education initiatives. We are committed to the health of our employees and invest in resources to help them meet their health goals. Through our Healthy Life Program, we provide employees with fitness tools, such as pedometers, that support a healthy mind and body. One aspect of the program is the Walking Works fitness challenge.

This year, Macerich employees logged a total of 110,139 walking miles doing Walking Works.

We also support a variety of education initiatives that help our employees integrate sustainable choices into their personal lives. Once a month, we offer lunch and learn opportunities to our employees on topics such as water, energy, waste, recycling, chemical safety, and transportation. To eliminate plastic consumption, we provide a reusable water bottle to every employee to encourage reuse and healthy water consumption habits.

# MACERICH EMPLOYEE VOLUNTEER PROGRAM

Enabling our employees to give back to their communities in meaningful ways is a key value for Macerich. The Macerich Volunteer Program (MVP) supports employees to volunteer during work hours. Each full-time employee is offered 24 paid hours a year to volunteer at select non-profit organizations chosen by our local staff. In addition to supporting direct volunteer work, the MVP program also facilitates grants to local non-profit organizations based on employee nominations.



Since 2003, our employees have volunteered over 116,000 hours and Macerich has provided over \$1.2 million in grants to nearly 2,200 organizations.

To learn more about the organizations that we support, visit our Social Responsibility page on Macerich.com

COMMUNITY INVOLVEMENT

Macerich takes an integrated approach to community service and charitable giving, utilizing a variety of resources to make a difference in our communities. We work to meet community challenges through a combination of employee volunteerism, financial support, in-kind donations, and partnerships with nonprofit organizations whose missions are consistent with our own values.

Across the portfolio, we host more than 3,200 events per year, benefiting a wide range of local community groups focused on education, health and well-being, hunger, as well as our environment. Some examples include:

Environment

A Brighter Future

On Earth Day 2014, Macerich celebrated its groundbreaking solar energy initiative in partnership with Panasonic at 11 U.S. properties. The event drew strong crowds and demonstrated to shoppers how the renewable power generated at 10 centers could power 10,000 homes for 10 years.

Heal the Bay

Each year, volunteers from the Santa Monica, California, corporate office and other local properties join Heal the Bay, a nonprofit dedicated to making coastal waters safe and clean. Teams converged on the coastline and spent the day beautifying the beaches by picking up trash.

Health and Wellness

Gilbert Feeding Families at SanTan Village

In 2014 our employees at SanTan Village in Gilbert, Arizona, partnered with the nonprofit Gilbert Feeding Families to support their local community food drive. Gilbert Feeding Families was able to collect enough donations to provide over 72,000 meals to local Arizona families.

Health and Wellness Fair

Green Acres Mall in Valley Stream, New York, in partnership with local state Assemblywoman Carrie Solages, held a Health & Wellness Fair. Thirty-six health related vendors served over 300 people with free blood pressure screenings, breast cancer screenings, health information, cholesterol tests, HIV tests, and more.

Phoenix Children’s Hospital’s Festival of Trees

For the fourth year, we provided the Phoenix Children’s Hospital with space at Scottsdale Fashion Square to host their holiday fundraiser, Festival of Trees. The event raised over \$40,000 for patients and families in need through the sale of wreaths, ornaments and customer donations.



Education

School Cents

Macerich has been a proud supporter of the School Cents program for many years, helping to collect over \$2 MIL in receipts for cash for local schools.

Getting Involved and Giving Back

Beyond our local focus, Macerich also has a strong corporate commitment to supporting a broad range of meaningful causes. We are proud to partner with a diverse complement of nonprofit organizations including:

AMERICAN RED CROSS

CITY OF HOPE

BOYS & GIRLS CLUB

SPECIAL OLYMPICS

HEAL THE BAY

HABITAT FOR HUMANITY

SALVATION ARMY

AMERICAN CANCER SOCIETY

RONALD MCDONALD HOUSE CHARITIES



## A Statement of Continuing Commitment

Macerich is fully committed to continuing its growing culture of sustainability and looks forward to increasing the benefits for the environment and for Macerich, its investors, partners, retailers and communities in the years ahead.

For Macerich, sustainability marries two important themes – that environmental protection does not preclude economic development and that economic development must be ecologically viable now and in the future. The principles of sustainability can stimulate technological innovation, advance competitiveness and improve our quality of life.

Our success to date shows that environmental and financial goals are not mutually exclusive. Macerich is committed to continuing to generate real savings and reduce environmental impacts.

## Comments and Feedback

We welcome the opportunity to hear from our key stakeholders. Please direct any questions or inquiries to Jeff Bedell, Vice President of Sustainability: 310-394-6000, [jeffrey.bedell@macerich.com](mailto:jeffrey.bedell@macerich.com) or John Perry, Vice President of Investor Relations: 424-229-3315, [john.perry@macerich.com](mailto:john.perry@macerich.com)

### THIRD PARTY REVIEW

This report represents the Company’s current sustainability reporting and this process will continue to evolve as Macerich employs additional and changing metrics. The Company continues to identify and prioritize sustainability issues, and to develop necessary systems and targets to gauge performance and consistently gather data across our operations. The key metrics presented in this report are derived from year over year utility utilization and greenhouse gases (Scope 1, Scope 2, and Scope 3). Greenhouse gas (GHG) and carbon footprint metrics as shown in the At a Glance Section used national average emissions factor per the EPA equivalencies calculator, while the remaining GHG metrics contained within used 2010 subregional E-grid values per reporting protocols consistent with CDP requirements. Macerich has engaged Schneider Electric Sustainability Services, an experienced GRESB and CDP reviewer, to provide a validation of 2014 data, utilizing ISO 140643 standards. Independent Assurance Letter for this report is attached.



MACERICH (NYSE: MAC) AN S&P 500 COMPANY

ONE OF THE NATION'S LEADING OWNERS, OPERATORS & DEVELOPERS OF MAJOR RETAIL PROPERTIES IN  
ATTRACTIVE U.S. MARKETS, INCLUDING: GREATER NEW YORK, WASHINGTON D.C., CHICAGO, ARIZONA &  
CALIFORNIA

