

URW – Responsible Purchasing Charter

Foreword

Unibail-Rodamco-Westfield (“URW” or “the Group”) is the owner, developer, and operator of a platform of unique, sustainable, high-quality real estate assets located in the most dynamic cities in Europe and the United States.

Our purpose inspires us to boldly accelerate the regeneration of cities and the way we live in them, creating and operating unique sustainable places that Reinvent Being Together. URW’s sustainability¹ strategy *Better Places* (*available on the Group’s institutional website*), details and sets targets for reducing the environmental impact of its assets, generating social value and empowering its teams to be change-makers since 2016.

As a signatory to the **United Nations Global Compact** since 2004, the Group is committed to adopting, upholding and enacting the Ten Principles of the United Nations Global Compact relating to human rights, labour laws, environmental protection and anti-corruption.

As a leader in the real estate industry, URW recognises the importance of **driving industry standards** and promotes the **evolution of sustainable, innovative and transformative operations**. A **collaborative approach** with its suppliers and service providers, based on **transparency and dialogue**, is essential to enhance the collective impact on the environment and society.

Throughout the document, the terms “**Suppliers**” and the “**Supplier**” refer to supply chain business partners, including suppliers of goods and services, and contractors.

URW has implemented a **Sustainable Purchasing Strategy**, aimed at leveraging opportunities and at reinforcing risk mitigation related to its procurement of products and services. This strategy begins with this Responsible Purchasing Charter (this “Charter”) being shared with all Suppliers and is further complemented by other actions depending on the purchasing categories (such as sustainability criteria in contractual clauses - *see URW annual Universal Registration Document for more details*).

Ahead of the EU Corporate Sustainability Due Diligence Directive, URW established a **mapping of Sustainability potential adverse impacts in its supply chain**. The mapping assesses environmental, social and ethical stakes across ten key purchasing categories. Based on the results of this mapping, adapted action plans will be implemented depending on the criticality of the identified risks for the different categories. Purchases for capitalised construction works have been identified as the most at risk category considering sustainability impacts.

This Charter is in line with the principles outlined in the United Nations **Global Compact**, the United Nations **Guiding Principles for Business and Human Rights**, the **OECD Guidelines for Multinational Enterprises** and the Minimum Safeguards of the **EU Taxonomy Regulation**. The content of this Charter is fully endorsed by URW’s Executive Committee.

¹ Throughout the document, “Sustainability” refers to the consideration of environmental, social and societal challenges.

General principles of this Charter

- The Charter represents a **minimum common standard of Sustainability practices** that URW expects from all its Suppliers to abide with. Its purpose is to confirm the Group's desire to work together with its Suppliers in its Better Places journey.
- The **application scope** of the Charter covers purchases for all controlled activities and subsidiaries, in every country where URW operates.
- The Supplier is asked to comply with the regulations related to the topics mentioned in part 3. When national legislation or other applicable regulations and the Charter address the same topics with different standards, those with the highest standards shall apply.
- This document shall be included in the contractual documents executed with the Supplier. The **English text** of this Charter shall be binding and **prevail** in case of any variance between the English text and the other local translations for convenience hereof.
- The Supplier acknowledges that it has read and understood the terms and conditions as provided in the Charter and shall use best efforts to comply with its requirements, in all material respects.
- In a Due Diligence Approach across its supply chain, the Group incites the Supplier to **promote the principles detailed in the Charter among their own suppliers, contract labour providers and approved sub-contractors** with whom they work to supply products and services to the Group.
- The Group also encourages the Supplier to raise awareness or provide training to its employees on the principles of this Charter.
- If the Supplier has its own rules of conduct related to and which similarly address the Sustainability matters discussed in this Charter, then the Supplier shall comply with its own rules of conduct.
- The Charter is subject to updates from time to time according to the evolution of sustainability risks as well as the regulatory environment in which URW operates. The up-to-date version is available on www.urw.com and the Supplier shall be responsible for ensuring that it does its best efforts to comply with the latest version published on the website.
- As part of its sustainability policy, URW is keen to **be a partner** that supports its Supplier in its efforts to adopt more virtuous practices. The Supplier is encouraged to think about and set forward innovative solutions enabling the reduction of impacts all along the life cycle of its products and/or services: URW is open to collaboration to adopt more sustainable solutions in a continuous improvement approach.

1) URW's Commitments towards the Supplier

The Group has long been committed to act in a responsible way towards its third parties, including its Suppliers. This commitment is embodied in the **Group Code of Ethics**, outlining the values and principles expected of all employees in their daily conduct.

In France, URW also committed to promote best practices for more responsible purchases via the signature, since 2014, of the French "**Sustainable Procurement and Supplier Relations Charter**", an initiative aimed at promoting a **balanced and cooperative relationship** between large companies and their Suppliers.

In the continuity of these engagements, URW commits to uphold the following principles in the relationship with the Supplier:

- **Equal treatment** of Suppliers during the tender phase in terms of access to the same information, documents, shared Q&A, delays, etc. URW is committed to selecting suppliers fairly, using objective comparison criteria;
- **Prices paid for products and services** complying with market practices and accurately reflecting the deliverables provided;
- **Respectful behaviour during negotiation process** to work towards mutually beneficial relationships;
- **Positive and courteous action regarding human dignity and respect shown vis-à-vis its Suppliers** (disrespectful or coarse language or verbal abuse is not acceptable);
- **Out-of-court settlement** with third party intervention (in accordance with local regulations, before taking any legal action) is an option considered by the Group as a possible tool for conflict resolution;
- **Access to a whistleblowing procedure** (see part 4 "Alert Mechanism" of the Charter).

Furthermore, URW will promote:

- **Opportunities to purchase from local Suppliers** (support local employment and production) ;
- **Professional integration** (such as inclusion, diversity, sheltered work sector) ;
- **Health, Safety and Security controls** especially for Suppliers on-site interventions.

2) URW Requirements for the Supplier

The Group expects its suppliers to behave ethically, apply high standards of corporate conduct and to fully comply with all relevant law.

2.1 - Human Rights & Labour Standards

The Supplier shall respect and promote the fundamental rights set out in the **Universal Declaration of Human Rights** and the ten **fundamental Conventions** laid down by the **International Labour Organisation (ILO)**.

Prohibition of child labour

Child labour is strictly prohibited. The Supplier must ensure that there is no recruitment or employment of children in their own activity and supply chain, including respect of the ILO Core Convention No. 138 on minimum age (or applicable local law if the age limit is higher) and No. 182 on Worst Forms of Child Labour.

Prohibition of forced labour and human trafficking

URW's commitment to this issue is outlined in its **Modern Slavery Group Policy** (*available on www.urw.com*). All forms of forced labour, slavery, servitude or human trafficking are strictly prohibited. The Supplier must ensure there is no forced or compulsory labour of any form in its own activity and supply chain as defined in ILO Conventions No. 29 and No. 105.

Prohibition of illegal and undeclared employment

Work must be performed on the basis of a recognised employment relationship, established through national standards and in compliance with the industry practices. The Supplier shall not resort to illegal labour and shall implement adequate due diligence in its supply chain. Subcontracting without asking permission to URW is prohibited.

Prohibition of harassment

The Supplier must treat all workers with dignity and respect. It shall refrain from any verbal or physical threats, physical violence, sexual abuse or any form of harassment in accordance with ILO Conventions No. 29 and No. 111.

Prohibition of discrimination and commitment to inclusion

The Supplier must treat all workers equally and fairly. It shall promote diversity and provide equal employment opportunity and treatment of employees through non-discrimination on the grounds of race, ethnicity, nationality, religion, sexual orientation, gender, age, disability, sensitive medical conditions, trade union membership or activities, social background, family responsibilities, political opinion, including but not limited to these characteristics, in accordance with ILO Conventions No. 100 and No. 111.

Fair wages and working hours

In accordance with ILO Conventions No. 95 and No. 131, the Supplier shall pay accurate wages in a timely manner and on a regular basis, compensate workers for overtime hours at the legal rate and avoid any wage deductions as disciplinary measure. Wages and benefits paid must meet, as a minimum, the national minimum wage, or in the absence thereof the average minimum in the relevant industrial sector. The Supplier shall strive to provide a living wage to its workers, i.e. a wage sufficient to meet the workers' basic needs and provide some discretionary income, regardless of their origin (e.g. foreign workers).

Regarding working hours of its employees, the Supplier shall avoid excessive work schedule and act in accordance with Hours of Work ILO Conventions No. 1 and No. 30. It shall also respect the weekly rest mentioned in the ILO

Conventions No. 14 and No. 106, depending on the activity of the company.

Freedom of association and collective bargaining

The Supplier shall respect and recognise the right of workers to negotiate collectively, and to create or join labour organisations of their choice without any discrimination, as defined in ILO Core Conventions No. 87 and No. 98.

Occupational health and safety

The Supplier shall provide a safe and hygienic working environment to all workers who are directly employed or contracted to work on sites, in line with ILO Core Conventions Nos. 155 and 187. If deemed necessary and proportionate to the nature of the Supplier's services, the Supplier shall strive for the implementation of an OH&S Management System based on applicable international standards, such as ISO 45 001. The supplier shall also secure and maintain high standards of welfare for all workers.

Respect to local communities

The Supplier shall prevent any damage to local communities and, if possible, contribute to employment and local economic development.

2.2 - Ethics & Business Integrity

For internal use, URW has its own Code of ethics (*available on www.urw.com*) describing the values and principles that every employee must observe in the course of their work. URW expects its Suppliers to adhere to the same ethical standards and principles as outlined in its Code of ethics, which include the following:

Prohibition of corruption and bribery

Regarding corruption, URW has a "Know Your Partner" procedure which consists of a tailored due diligence to assess the Suppliers risk of exposure to corruption and influence peddling before entering into contractual relationships. URW expects its Suppliers to fight against any form of corruption, bribery and influence peddling with adequate means.

Prohibition of money laundering and terrorism financing

The Supplier must ban money laundering and terrorism financing and declare that it, as well as any person or entity with control or influence over its business affairs, is not prohibited or restricted from conducting business under applicable national and international sanctions regulations.

Prevention of conflicts of interest

Integrity and loyalty must prevail in the professional relationship between URW and the Supplier. In this respect, it is essential that the Supplier reports any circumstances implying any conflict of interest. A conflict of interest is a set of circumstances giving rise to a conflict between the professional duties and the private interests of a person. In particular when such private interests, due to their nature and intensity, could reasonably be regarded as influencing or appearing to influence the



independent, impartial and objective performance of his/her professional duties.

Fair competition

The Supplier is prohibited from engaging in anticompetitive behaviour or practice. This may include entering into agreements to fix prices, allocate markets, communicate about bids with competitors, limit quantity or supply of products, abusing a dominant position in the market or engaging in other behaviour that would limit competition.

Tax evasion

The Supplier shall demonstrate a willingness to pay the right amount of tax, in the right place at the right time and prevent the criminal facilitation of tax evasion.

2.3 - Environmental Standards and Performance

URW expects a commitment from its Suppliers to reduce the environmental impact of their activities and to implement a continuous improvement approach for environmental protection, appropriate to the size and nature of their activities. If deemed necessary and proportionate to the nature of the Supplier's services, the Supplier shall strive for the implementation of an Environmental Management System based on international standards, such as ISO 14 001.

URW encourages its Supplier to measure its environmental impacts including those of its products and services and to address them throughout their entire life cycle, for instance by performing Life Cycle Assessments and eco-designing them.

Greenhouse gas (GHG) emissions

URW commits to cutting GHG emissions across its value chain, covering its Scopes 1, 2 and 3² emissions (*see URW's website for more details, including targets and performance*). These targets meet the SBTi's³ criteria for ambitious value chain goals, meaning they are in line with current best practices. Achieving these objectives involves the active participation of all the Group's stakeholders, including its Suppliers.

The Supplier shall use best efforts to reduce the impact of its activities on climate change by reducing energy consumption and GHG emissions.

URW encourages its Supplier, to the extent that it hasn't already done so, to measure its Carbon footprint and to set GHG emissions reduction objectives in line with the goals of the Paris Agreement (i.e. to limit global warming to well-below 2°C above preindustrial levels and pursue efforts to limit warming to 1.5°C), validated by a third party such as SBTi.

² The GHG Protocol Corporate Standard classifies a company's GHG emissions into three scopes: Scope 1 = direct emissions from owned or controlled sources; Scope 2 = indirect emissions from the generation of purchased energy; Scope 3 = all other indirect emissions in the value chain (upstream and downstream).

Use of natural resources

The Supplier shall endeavour to limit the use of raw materials and natural resources, including water, when sourcing or manufacturing products for URW. The Supplier is encouraged to apply circular economy principles in the products or services provided to URW: certified (e.g. ISO 14024 (type I), ISO 14025 (type III) compliant ecolabel certification or nationally recognised responsible/ethical sourcing third party certification), locally sourced and locally disposable/treatable, reused (preferred) or recycled, reusable or recyclable after use, etc. For timber and timber-based products, timber shall be legally harvested and traded, and FSC, PEFC, SFI or any other nationally accepted equivalent certification is preferred.

Waste management

In the context of its contract with URW, the Supplier shall endeavour to limit waste generated in all stages of operations, production of materials or goods, and provision of services, and ensure proper waste disposal and treatment, fostering materials and/or energy recovery.

Air/Water/Soil Pollution

In the context of its contract with URW, the Supplier shall endeavour to reduce air, water and soil pollution in all stages of operations, production of materials or goods, and provision of services. In this regard, strengthened chemical management with the implementation of a list of restricted substances is a good practice.

Biodiversity preservation

URW pledges to limit its direct and indirect impacts on the main drivers for biodiversity loss and to improve the ecological value of its sites through specific action plans. Thus, the Group encourages its relevant Suppliers to identify dependencies and impacts on biodiversity, and then build strategies to reduce impacts with clear monitored targets and prioritised actions through the "Avoid, Reduce, Offset" sequence. The Supplier shall strive for the protection of nature, the preservation of biodiversity and of ecosystems. In particular, traceability is crucial, to ensure for instance that no deforestation occurred in the upstream supply chain.

Application to development projects

As part of its commitments to reduce its GHG emissions across its value chain, URW has set an ambitious carbon intensity reduction target on construction. URW sources and implements innovative solutions for its projects, such as low-carbon concrete and cement, wood and recycled products, and selects Suppliers and products based, among others, on their location and place of manufacture.

³ The Science-based Targets Initiative (SBTi) is an organisation that supports companies in reducing their GHG emissions by defining and promoting best practice in emissions reductions in line with climate science.



The Group Considerate Construction Charter (*available on www.urw.com*) is applicable to all Group development projects. It describes URW's requirements and recommendations to optimise its worksites' environmental quality while minimising pollution for the people working on site, the neighbouring area and the natural environment. URW encourages all Suppliers working on site to respect these principles.

3) Alert mechanisms

URW aims to take measures and have adequate administrative and organisational procedures to prevent disreputable conduct by its employees, managers, representatives, and agents or by third party companies that perform activities for the Group.

In accordance with the Group's whistleblowing policy, any identified breach of applicable laws or of the principles of the Charter may be reported via the URW Integrity Line accessible at <https://urw.integrityline.org/index.php>. This platform ensures strict confidentiality and allows anonymous reporting.

The whistleblowing policy ensures that the Group will not discriminate or retaliate against any Supplier or any person who reports alleged violations of applicable laws in good faith and with appropriate precision, whether or not such information is ultimately proven to be correct, or who cooperates in any investigation or inquiry regarding such violations. The whistleblower will not be retaliated against and will benefit from the applicable local regulation regarding protection of whistleblower.

The Group also encourages the Supplier to communicate the alert mechanism to their own employees and subcontractors for them to be able to raise grievances or concerns.

4) Evaluation of compliance and continuous improvement

The evaluation of compliance with the Charter principles is defined in the terms of the contract.

For the sake of reciprocity, URW also endeavours to comply with all requirements set forth in this Charter, where applicable to its own operations.