



# UNIBAIL-RODAMCO-WESTFIELD

**COMBINED GENERAL MEETING OF APRIL 30, 2024**  
**ANSWERS TO SHAREHOLDERS' WRITTEN QUESTIONS**  
(Articles L. 225-108 and R. 225-84 of the French Commercial Code)

Unibail-Rodamco-Westfield SE (“URW”) received several written questions from two shareholders by email. The full text of the written questions received<sup>1</sup> and the answers provided by the Management Board are included in this document published on the URW’s website.

**Questions from the Forum pour l’Investissement Responsable**

**Reduction of GHG emissions**

1.
  - a) **What are your short, medium and long-term decarbonization targets for your three scopes (in absolute terms and in terms of carbon intensity)? For each of your targets, explain the main actions planned to achieve these objectives (please specify the percentage of contribution for each of these actions towards the objective).**  
**How much of your strategy is devoted to negative emissions (absorption and storage, etc.), avoided emissions and carbon credits (to be distinguished from your decarbonization objectives)?**

In October 2023, URW communicated its updated Better Places sustainability roadmap, including its commitment to contribute to global carbon neutrality with new science-based net zero emission targets for Scopes 1, 2 and 3. URW became the first commercial real estate company in the EU and the sixth CAC 40 company to obtain SBTi approval for net zero emission targets.

URW’s approach to contribute to global carbon neutrality follows the principles and requirements of both the SBTi criteria for net zero targets (in line with the “Corporate Net-Zero Standard”, published in April 2023), and the guidelines set by the Net Zero Initiative. It follows the 3 main objectives:

- REDUCE, by cutting its carbon emissions at the level expected by science;
- AVOID, by helping its value chain reducing their own carbon emissions; and
- REMOVE, by neutralizing any residual emissions left after the reduction of its carbon emissions.

These 3 elements are accounted for separately, and our approach in terms of avoided emissions and contribution to increasing carbon sinks complements the reduction targets detailed below.

URW commits to reach net zero GHG emissions across its value chain by 2050. URW has pledged to reduce its footprint by -90% in absolute terms by 2050 compared to 2015 and to neutralize residual emissions through high-quality and sustainable carbon removal actions. These efforts are compatible with a global 1.5°C pathway, the most ambitious objective of the Paris Agreement.

**Summary table of main GHG emission reduction targets (URD 2023 - p. 171):**

	Scope	Type	Ambition	Target year	SBTi approved
Net zero – Near term target	1 & 2	Absolute	-90%	2030	YES
Net zero – Long term target	1, 2 & 3	Absolute	-90%	2050	YES

<sup>1</sup> The questions were submitted in French. The English translation of the written questions is a free translation for information purposes.



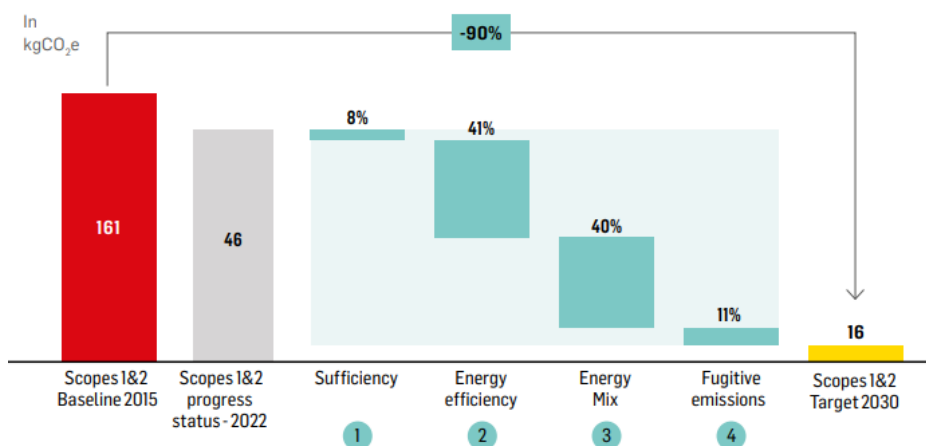
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## Summary table of GHG emission reduction sub-targets (URD 2023 - p. 172):

Name of the target	Scope	Type	Ambition	Target year	SBT1.5°C approved
Global target	1, 2 & 3	Absolute	-50%	2030	YES
Operation	Partial Scopes 1, 2 & 3 (Direct emissions from stationary combustion + Indirect emissions from purchased electricity + Indirect emissions from purchased steam/heating/cooling + Energy related activities + Downstream leased assets)	Intensity (kgCO <sub>2</sub> e/sqm)	-80%	2030	YES
Construction	Partial Scope 3 (Investment)	Intensity (kgCO <sub>2</sub> e/sqm built)	-35%	2030	NO
Transport	Partial Scope 3 (Customers transportation)	Intensity (kgCO <sub>2</sub> e/visit)	-40%	2030	YES

## LEVERS AND HYPOTESIS FOR REDUCING GHG EMISSIONS

- Scopes 1 and 2 emissions are the emissions within URW’s direct control. The figure below details the levers and their associated weight for the 2030 Scopes 1 and 2 objective to reduce by -90% the GHG emissions compared to a 2015 baseline:



- Regarding the Scope 3 emissions:
  - Emissions linked to the transport of visitors: decarbonization of thermic vehicles; reduction of the thermal car modal share, mainly through better connectivity to public transports and the development of soft mobility infrastructures on site; increase in the car occupancy rate; An increase in the share of EVs with a massive EV chargers’ plan for 2030, with the objective to reach more than 4,000 charging points in Europe.
  - Emissions linked to operations, in particular the energy consumed by tenants in the assets: Environmental appendix to the lease, asset regulations but also URW's engagement actions with its tenants (e.g., making night shifts in the assets to detect anomalies, or proactive discussions with tenants).
  - Emissions linked to construction: implementation of construction guidelines for new development projects, aimed at reducing emissions over the entire life cycle of the building.

**b) Please indicate the amount of investment required for each of the main actions deployed across the three scopes? Please specify the time horizon covered by these investments.**

*In most cases, the information required here is different from the CAPEX/OPEX amount aligned with the European taxonomy, which concerns only investments in your sustainable activities and not those for your decarbonization plan as a whole.*

In 2023, as part of the update of its Better Places roadmap, URW estimated the costs of the environmental transition for its European activities including UK, until 2030:



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Name of the target	CAPEX requirements <sup>®</sup>	Details
Net zero – Near term target	28 M€	Covering both the implementation of the long-term energy action plan to reach the energy intensity target and the energy mix improvement measures (onsite renewable energy).
Operation	No additional CAPEX on top of the net zero – Near Term target	The assumptions taken on the reduction of the carbon emissions related to the energy consumption of the private areas do not represent an increase in CAPEX for URW.
Construction	Limited increase in construction cost	The embodied carbon targets and other environmentally related objectives for development projects should represent a limited increase of the construction costs as long as the requirements are implemented from the very beginning of the design.
Transport	No CAPEX	The installation of EV is currently planned on a leasing basis with no CAPEX.

These investments are in addition to the 30% of the Group's maintenance CAPEX already allocated to the environmental transition.

The above-mentioned €28 Mn per year breaks down into:

- €20 Mn to accelerate the transition of our portfolio
- €8 Mn dedicated to on-site solar photovoltaic investments, enabling us to increase on-site renewable energy production capacity while generating a return on investment. (Press Release from October 10<sup>th</sup> 2023)

For its portfolio of North American assets, the Group has set up an energy action plan, entirely financed by ongoing maintenance expenditure and focused on achieving energy savings.

**c) On which reference scenario(s) is your decarbonization strategy based (on the three scopes)? Is it aligned with a 1.5°C scenario? Has it been validated by an independent third party (SBTi, ACT-ADEME...)?**

**Please indicate the name of the scenario(s) and the reference organization(s) (e.g. IEA, IPCC, etc.).**

URW commits to reach net zero GHG emissions across its value chain by 2050. URW has pledged to reduce its footprint by -90% in absolute terms by 2050 compared to 2015 and to neutralise residual emissions through high-quality and sustainable carbon removal actions. These efforts are compatible with a global 1.5°C pathway, the most ambitious objective of the Paris Agreement.

Net zero climate targets are in line with the Intergovernmental Panel on Climate Change (“IPCC”) scientific consensus and approved by the SBTi based on its Corporate Net Zero Standard.

All of the Group business areas have been considered as part of the scenario analysis work while designing the Group’s climate strategy (Scopes 1, 2 and 3), with a specific focus on the activities generating the largest part of the Group GHG emissions and covered by reduction targets: operations (including tenants’ activities), development and transport. URW’s transition plan relies on both mid-term and long-term time horizon scenarios. The IEA NZE 2050 scenarios have been used to model URW’s emissions linked to energy consumption up to 2050.

As the IEA (International Energy Agency) NZE (Net Zero Emission) 2050 scenario does not cover all Group emissions, it has been supplemented by the IEA B2DS scenario. Introducing B2DS (“Below 2 degrees”) scenarios is a conservative approach because it implies that the efforts to be generated by URW are greater than those generated by exogenous macro factors.

IEA B2DS and IEA CPS (current policies scenario) scenarios have been used for operations and transport carbon reduction targets of the Group. For its construction carbon target, the Group built a custom scenario due to the lack of appropriate existing scenario available. This scenario, with the help of external consultants, has been built out of the IEA B2DS scenario combined with specific cement and steel manufacturing sector information on sector-specific carbon reduction pathways. The scenarios have been identified in order to help the Group assess and confirm its GHG emission reduction targets. It must be noted that the achievement of Group 2030 and 2050 GHG emissions reduction targets on Scope 3 rely on these scenarios. It therefore means that Group targets would likely not be achieved in the case where global GHG emissions of sectors impacting URW’s value chain are not in line with the scenarios mentioned above.



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## Biodiversity

2. a) **Have you assessed, monitored and reduced your dependencies and risks, on the one hand, and your footprint, on the other, as well as your opportunities (investment in projects with a net positive impact on nature, services in favor of biodiversity, etc.) with regard to biodiversity and nature? Is this assessment up to date and does it cover your entire value chain (direct operations, upstream and downstream)? If it covers only part of your value chain, do you plan to extend the scope of this assessment? If not, why?**

As part of its Better Places roadmap, the Group developed its Group biodiversity strategy in 2020 in collaboration with external experts.

As part of this process, more than 20 key internal stakeholders from different departments of the Group were individually interviewed in order to collect information on biodiversity and their expectations for the new Group strategy. A complete study of the impacts and dependencies of the Group against biodiversity was also led in order to focus the Group strategy on appropriate actions. The results of this study identified the following impacts and dependencies (URD 2023, p. 197):

<b>IMPACTS</b> on the 5 main drivers for biodiversity loss <sup>(1)</sup>	<b>DEPENDENCES</b> to ecosystem services
<b>Change in land use</b> <ul style="list-style-type: none"> <li>● Land artificialisation, degradation &amp; fragmentation</li> <li>● Degradation of habitats from material production</li> </ul>	<b>Attractivity</b> Biophilia
<b>Direct exploitation</b> <ul style="list-style-type: none"> <li>● Water consumption</li> <li>● Wood and other bio-based material consumption</li> </ul>	<b>Climate regulation</b> Trees cool down the space around them Vegetal areas reduce "urban heat islands" At global scale, this also mitigates extreme weather events (droughts, hurricanes, heavy rains, etc.)
<b>Climate change</b> <ul style="list-style-type: none"> <li>● All greenhouse gases emissions</li> </ul>	<b>Risk mitigations</b> Non-artificialised spaces absorb rain water, limiting the risk of flooding
<b>Pollution</b> <ul style="list-style-type: none"> <li>● Plant protection (phytosanitary) products</li> <li>● Light pollution</li> <li>● Single use plastics used by tenants and visitors</li> </ul>	<b>Resources supply</b> Materials for construction Resources for tenants (raw material and food)
<b>Invasive alien species</b> <ul style="list-style-type: none"> <li>● Vegetation choice and maintenance</li> </ul>	

**Importance of the impacts:**  
■ Very high    ■ High    ■ Medium high    ■ Medium low    ■ Low

The scope of the Group's impact and dependency analysis includes the activity of tenants in their stores (water, energy and packaging consumption) and excludes their value chain as well as the products sold.

As a result, and thanks to the complementary work carried out in October 2023 to update the Group's biodiversity-related commitments, the Group's biodiversity strategy now includes **2 main objectives**:

- 100% of new development projects must achieve a biodiversity net gain;
- 100% of existing assets must implement renaturation projects by 2030.

And **2 internal policies**:

- 100% of development projects must implement a biodiversity action plan; and
- 100% of existing assets with significant biodiversity concerns must implement a biodiversity action plan.



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In addition, in the context of both its net zero targets and Group biodiversity strategy, the Group has invested in 2 initiatives to protect and restore biodiversity at scale:

- The Climate Fund for Nature managed by MIROVA which finances nature-based projects around the world.
- The WWF France Nature Impact Fund that is dedicated to the restoration of French forests.

In addition, WWF France and Unibail-Rodamco-Westfield are collaborating to promote more responsible consumption, and to preserve and restore natural ecosystems in France. WWF France is helping URW to develop new tools to assess the sustainability of the brands present in its centers, and to raise awareness on sustainability matters among visitors. WWF France is also helping URW to strengthen its science-based approach to biodiversity, using the SBTn (Science-Based Targets for nature) methodology.

**b) Do you publish the results of this work? If not, do you plan to publish it? Please justify your answer. Do you plan to rely on voluntary frameworks such as TNFD, SBTN, GRI101... to report on nature-related risks and opportunities?**

The results of this work have been published in our Universal Registration Document 2023 (see elements quoted on previous page).

Moreover, in 2021, URW’s commitments to biodiversity have been recognized as “SMART” by the **Act4nature** international multi-stakeholders steering committee. This committee gathers the 14 partner organizations of Act4nature international (business networks, environmental NGOs and scientific bodies), the member companies of the **French Association of Companies for the Environment (“EpE”)** and the committed members of the funding networks (URD 2023 – p.197).

As announced on October 10, 2023, the partnership with **WWF France** will enable the Group to strengthen its approach based on the **Science Based Targets for nature (SBTn)** framework.

The results of the Group's biodiversity commitments for 2023 are presented below:

URW objectives	2023 Performance
100% new development projects to achieve a biodiversity net gain	100%
100% of standing assets to implement renaturation projects by 2030	N/A

URW internal policies	2023 Performance
100% development projects to implement a biodiversity action plan	70%
100% standing assets with high biodiversity stakes to implement a biodiversity action plan	100%

**c) Do you publish or plan to publish quantitative indicators to report on the risks and opportunities that biodiversity brings to your company (value of assets, liabilities, revenues and expenses considered vulnerable to nature-related risks, CAPEX, financing or investments devoted to nature-related opportunities...)? If so, which ones, and do you set targets? Justify the choice of these indicators. If not, why?**

URW has taken on three commitments to account for biodiversity-related risks and opportunities:

**i) 100% new development projects to achieve a biodiversity net gain:**

The preliminary studies of the Group biodiversity strategy showed that one of the main drivers of biodiversity loss, according to the 2019 IPBES report, is the change in land use.

It also showed that real estate companies play a major role in this driver due to the artificialization, degradation and fragmentation of land operated in greenfield projects. In the context of its biodiversity strategy, URW decided to commit to limiting these impacts by aiming to achieve a biodiversity net gain between the state of the site before and after the construction in all large projects.

Since 2022, all new development projects starting their design include biodiversity net gain as part of their objectives. The requirement has been added in the 2023 update of the sustainability guidelines for development projects.



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ii) **100% development projects to implement a biodiversity action plan:**

This action plan should be made by a qualified ecologist, after the assessment of the characteristics of the local biodiversity. The purpose of this document is to first avoid and reduce all impacts of the project on the local nature, and second to implement on each project a list of Group recommendations like the use of environmentally certified aggregates for the concrete or bird-friendly designs for the façades.

iii) **100% of standing assets to implement renaturation projects by 2030:**

In line with public authorities' and visitors' expectations, this new 2023 commitment aims to increase the level of biodiversity in all of its shopping centers through renaturation projects. Renaturation projects are defined as any project related to the improvement of biodiversity and biophilia in and outside the shopping centers.

In the context of EU taxonomy, the Group includes in its sustainability guidelines the requirements related to the Do not Significant Harm (“DNSH”) criteria for biodiversity.

### Circularity

3.

a) **What role does the circular economy play in the company's strategy?**

URW covers circular economy issues across its entire value chain via:

**1- Development activities (upstream phase of the value chain)**

Specifically for the Group's development activities, URW integrates circular economy issues directly into the Sustainability Guidelines Brief, a framework document that guides all project design phases and defines sustainable development objectives.

The circular economy section is based on three levers: preserving as much as possible what already exists, engaging in circular design and encouraging circular procurement.

Circular design considers the issues of adaptability (future change of use of part or all of the building) and flexibility ("minor adaptation of space to accommodate different activities") of the future building; design choices that facilitate maintenance, upkeep and repair; and anticipation of the building's end-of-life by favoring a design that allows elements to be dismantled and thus reused in the future.

Circular procurement promotes the use of reused or recycled materials, as well as the proper treatment of construction site waste (URW target of 90% recovery of construction waste.) The Sustainability Guidelines also include taxonomy requirements regarding the maximum percentage of raw material use in materials, thus encouraging the integration of recycled materials.

This approach is also an important lever for achieving our objectives of reducing GHG emissions in our construction activities.

**2- Continuous improvement of our waste management policies in our assets (Operation phase of the value chain)**

URW is committed to operating an efficient and resilient portfolio that minimizes the negative impact on resources and its environment, through these three objectives:

- Zero waste to landfill by 2025
- Involve tenants in reducing waste by 15% by 2030 (compared with 2019, for shopping center common and private area waste, on a like-for-like basis)
- Achieve a recycling rate of 70% by 2030.

Furthermore, based on dialogue, information, and shared best practices, URW encourages tenants to become active players in the environmental performance of the properties they occupy, and contributes to the management of utility and waste management costs via environmental clauses included in commercial leases.





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### **3- Supporting the transformation of the offer in relation to retail tenants and visitors, in particular by making circularity a strategic lever (downstream phase of the value chain).**

#### a. Assessing brands and promoting circular economy

URW launched the Sustainable Retail Index in 2023 to assess the environmental and social performance of brands at a company, product and store level. For stores, the methodology assesses circular economy initiatives, product life extension and waste reduction, such as second-hand offers, repair services in the fashion industry, bulk sales, refill services, packaging recovery for reuse or recycling in the beauty sector, and vintage jewelry buybacks for jewelry stores.

#### b. Circular economy services

In its centers, URW offers a variety of circular economy services to its customers: clothing collection spots for associations, resale or recycling, exchange stores where customers can drop off and pick up books, clothes and toys free of charge, associative spaces for donations, buy-back and resale of second-hand items, and areas dedicated to raising awareness on circular economy, as well as repair services for a variety of products.

#### c. Circular economy events

In April and May 2023, the Westfield Good Festival took place in all Westfield shopping centers in Europe (along with awareness-raising initiatives linked to sustainable development). The aim of the festival is to enable URW retailers to showcase their sustainability initiatives and visitors to access information on sustainability, the circular economy and solutions for consuming more sustainably. The second edition is currently underway, and now includes the Group's assets in the United States.

In 2023, URW extended the Westfield Grand Prix, a competition that recognizes and rewards tomorrow's sustainable business champions, to 5 countries: Austria, France, Germany, Spain and the UK. Among the 310 applicants, 9 winners were rewarded; they present innovative business models in terms of circular economy (e.g. Airpaq, a German manufacturer of accessories made from automotive industry waste; Biicou, a French marketplace for refurbished children's products), sustainability (e.g. PJ.Lobster, a Spanish manufacturer of sustainable and repairable eyewear) and community engagement (e.g. Known Source, a second-hand fashion brand based on community contribution).

### **b) What are the risks identified by the company related to resources, the induced costs, and the amount of CAPEX and OPEX in favor of the circular economy?**

To date, investments and expenses related to the circular economy are fully integrated into the project development CAPEX, the maintenance CAPEX of our existing assets and the current operating expenses of these assets. This subject does not represent a material risk in the context of the Group's double materiality as published in our 2023 Universal Registration Document.

Risks to the implementation of our objectives lie mainly in the Group's ability to mobilize its tenants to reduce waste volumes, and in the quality of the sorting carried out in our retail assets.

### **c) What key actions has the company taken to circularize its business model? What proportion of its turnover does this represent?**

#### **1- Development activities (upstream phase of the value chain)**

Through the Sustainability Guidelines, the Group is committed to integrating circular economy concepts into its business model for development projects, as described above.

The work currently underway within the Group to integrate the requirements of the Circular Economy Delegated Act of the European taxonomy will make it possible to ensure the reliability of the CAPEX, OPEX and turnover aligned with this theme for development projects.



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Underpinned by the strict standards set by the Group and the tightening of regulations, in the medium and long term, revenues generated by the company's expansion and development projects will be directly linked to the circular nature of the design and projects chosen. However, it is not possible to strictly link a proportion of Group turnover directly to circularity.

### **2- Continuous improvement of our waste management policies (operation phase of the value chain)**

Appropriate waste sorting facilities are in place at all assets, and most are equipped with specific sorting facilities and treatment solutions for organic waste, which accounts for a significant proportion of the total amount of waste generated by the Group.

Tenants are regularly informed and made aware of local waste management policies and processes on site, and of the importance of waste sorting through on-site discussions between tenants or through the communication of waste sorting guidelines at site level. Service provider contracts and "green leases" set minimum requirements for waste sorting and recycling.

In Europe, waste management service providers are required to monitor and submit a monthly progress report with details of tonnages collected by type of waste and recovery percentages achieved. They must also regularly submit to site management a progress plan with proposals for waste management improvements or available opportunities, such as improvements of recovery platforms. The mission of waste management service providers also focuses on engagement and communication with tenants.

### **Integrating staff representatives & environment**

4.

- a) **In France, the 'Climate and Resilience' Act of 22 August 2021 and the national interprofessional agreement (ANI) on the ecological transition and social dialogue of 11 April 2023 have extended the environmental prerogatives of the "CSE" (French works council, also known as "Economic and Social Committee") and strengthened the role of local representatives. Over the past twelve months, what initiatives are likely to illustrate significant changes in the way these bodies operate within your group as a result of these legal provisions?**

URW does not have local representatives (French specificity), but the following actions have been initiated for "CSE" members over the past 12 months:

- Brainstorm workshop with the "CSE" on the body's commitment to the theme of 'sustainable development'. This workshop provided an opportunity for exchanges on the involvement and monitoring of the "CSE", as well as discussions on how the "CSE" operates on the operation and "social and cultural activities" offered to employees (the management of which is the sole responsibility of the "CSE") so as to integrate this 'CSR' dimension.
- The "CSE" is regularly informed of the company's environmental strategy and actions (e.g. information to the "CSE", after communication to all employees, on the monitoring of the 'Sustainable Development' strategy in the presence of Sylvain MONTCOUQUIOL, Chief Resources & Sustainability Officer and Clément JEANNIN, Group Director of Sustainability). During the various meetings with staff representatives, they can share their comments, proposals, and opinions.
- Environmental issues are also addressed in negotiations with staff representatives. For example, in 2022, for the first time, the company signed a profit-sharing agreement that included environmental indicators in its calculation formula (reduction of carbon emissions and rate of employee participation in training courses classified as part of the environmental programme). The current renegotiation of this agreement over the last few months contrasts with a negotiation (including a formula and distribution) more focused on the CSR aspect.

- b) **With these new prerogatives, the training and expertise of the social partners are fundamental. Have you recently developed, or do you plan to develop in the near future, programmes specifically dedicated to the social partners to strengthen their expertise in environmental matters that go beyond the legal obligations?**





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Employee representatives were encouraged to take part in a one-day training course ('Building Tomorrow Together' roadshow), in the same way as all other employees, aimed at informing them about the Group's CSR strategy, monitoring the actions implemented and discussing together the Group's new vision and our sustainable transformation.

All staff representatives were also reminded of the training courses available to them, and in particular the "CSE" 's economic training course (which, for those who are interested, can now be used to provide training on environmental issues).

- c) **International framework agreements reinforce the quality of social relations within a group. Does your group have a framework agreement that goes beyond the European Union? If so, how have you incorporated the question of ecological transition and, more broadly, environmental issues? If not, are there any plans for such a project? In any case, in your five main geographical markets outside France, can you list any major initiatives that show a recent increase in the involvement of social partners in the company's environmental policy?**

We do not have any framework agreement that go beyond the scope of the European Union. However, in addition to staff representation in France, URW has a European Employees Committee (EEC), which also includes members of the "CSE". This is an internal committee which is not subject to the same information and consultation requirements under French law, but which may be subject to information and consultation depending on company news.

### Share buybacks

5.

- a) **For each of the last five financial years, please indicate the number of shares bought back (also specify the number of shares held under liquidity contracts) and the number of shares created, as well as the number of treasury shares held at the beginning and end of each year. For each of these years, can you break down: the number of shares cancelled; the number of shares allocated as performance shares (as well as the number of beneficiaries and their proportion in relation to all Group employees); the number of shares distributed as part of employee share ownership schemes (as well as the number of eligible employees, the number of actual beneficiaries and their proportion in relation to all Group employees); other uses (giving details)?**

The Company has not carried out any share buybacks over the last five years and does not hold any treasury shares.

- b) **In the context of performance share plans, and where relevant, how do you "neutralise" the effects of treasury shares held or cancelled when calculating the achievement of objectives?**

N/A

- c) **What amounts of investment (R&D and capex) have you made over the last 5 financial years (year by year)? What amounts of capital have you bought back and cancelled over the same period? As part of the overall approach to value sharing, do you set the amount allocated to share buybacks in relation to the amount of investment - in particular that dedicated to the ecological transition - made by the company (an essential element in the creation of value and the long-term future of the company)? If so, do you have any rules in this area? If not, can you explain why you do not take investments into account when setting share buyback amounts?**

The Company has not carried out any share buybacks over the last five years and does not hold any treasury shares.



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### Decent wage

- 6.
- a) **Have you adopted a definition of living wage such as the one above or equivalent? If so, which one? Have you developed a policy/commitment on the issue of the living wage (public commitments, designation as a Living Wage Employer, etc.)?**  
Please note that for the remaining questions, we are specifically looking for elements related to the living wage that we distinguish from the local legal minimum wage. If you have not yet made a commitment, please go on to question 7.
  - b) **On the basis of your definition of the living wage, have you started to calculate it and what methodologies do you rely on? If so, in which region(s) and for which scope (employees but also self-employed workers, small farmers, etc. - and/or employees of your suppliers)? What information do you publish on this subject?**  
Have you identified any gaps between the minimum wage and the living wage?
  - c) **Can you describe the actions taken to implement a decent wage (e.g. developing internal management on the subject of the decent wage, backed up by training, engaging with social partners and/or your suppliers, improving purchasing practices, promoting freedom of association and collective bargaining, etc.)?**
  - d) **How do you measure the implementation of decent wages for your employees and suppliers? Please give details of the contribution of any external audits to monitoring.**
  - e) **Have you identified any potential barriers to paying a living wage to your employees and your suppliers' employees (e.g. in a country where labelling rights and regulations are less strict)? If so, what are you doing to mitigate them?**  
**Bonus question: Do you communicate the results of any studies you carry out and have you set up a whistle-blowing tool for your employees and suppliers?**

As a result of its activity, URW has qualified employees whose salaries are significantly higher than the local minimums. In addition, the Group is established in countries with strong social protection (health, retirement, life insurance). In this context, there is no definition of a living wage. URW cares about the purchasing power of its employees, in particular by granting salary increase budgets of around one and a half times higher than those observed on the market.

### Employee savings

- 7.
- a) **France: How many funds are offered to your employees in your employee savings plans, excluding employee share ownership? How many and which of the funds offered to your employees are labelled responsible (please mention their name and the name of the associated labels)? What is the amount of labelled assets per fund?**  
**Can you also give the total amount invested and the amount invested excluding non-labelled shareholders?**  
**On average, are the matching contributions offered to your employees for your labelled funds higher than those offered for your other non-labelled non-shareholder funds?**
  - b) **If certain funds are not labelled but include ESG criteria, explain how these criteria demonstrate a robust and selective ESG approach (*please indicate the selectivity rate and/or the theme of these funds*)?**  
**Do you plan to work with your social partners to increase the number of labelled funds over the next three years?**
  - c) **How do you involve your social partners in the choice of responsible funds (*e.g. training courses, an expert to provide educational support for employees, time given to the social partners to question the choice of responsible funds*)?**  
**How do you involve your social partners in monitoring the responsible commitment of funds (training of supervisory board members beyond the statutory 3 days, setting up a company savings commission, etc.)?**

In 2024, URW, in consultation with the work councils, has restructured the range of funds offered for subscription in partnership with Amundi.

The range now includes eight funds open for subscription in 2024 (in addition to the URW employee share ownership fund):



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Risk level	Fund	Note	Label	Classif. SFDR
1	Amundi Label Trésorerie ESR		CIES	8
2	Amundi Protect 90 ESR			8
3	Amundi Patrimoine ESR			8
3	Amundi Label Equilibre solidaire ESR	Investment in solidarity-focused companies	CIES	8
3	Amundi Obligations Vertes ESR	Energy transition funding	GreenFin, FNG, Towards Sustainability	9
4	Amundi Actions France ESR			8
4	Amundi Actions Internationales ESR	Core of portfolio on ESG and low carbon companies		8
4	CPR ES Action Climat	Companies committed to climate action and ESG	ISR	8

## Taxation

8.

- a) **Do you publish a charter describing your commitment in terms of fiscal responsibility (tax practices considered as not acceptable, tax havens)? How often is this document reviewed and approved by the Management Board (please join a link or precise where this document can be found in addition to a detailed explanation). How is the Management Board ensuring effectiveness of the tax charter?**

Fiscal responsibility is one of the components of the URW Group’s Sustainability policy and is included in its Sustainability Report (for the fiscal year 2023, page 219 of the Universal Registration Document, “Tax footprint”). Fiscal responsibility also forms an integral part of the Group’s Tax Policy, “URW’s approach to tax”, which is published and updated annually on its website.

The definition and the implementation of the Group’s Tax Policy is followed and monitored by a team of internal and external tax experts and discussed with internal committees whose members include the Chief Executive Officer and the Chief Financial Officer as members of the Management Board, the Group’s auditors, the Group’s Audit Committees and Supervisory Boards. The execution of the tax strategy and the level of risk is well understood by the senior management of the Group and other staff responsible for managing the Group’s tax affairs. Material changes in the Group’s tax strategy or Group’s risk profile are discussed within the internal committee which meets on a regular basis. The annual update of the Group’s Tax Policy is reviewed with the Chief Financial officer, member of the Management Board.

In addition, the tax strategy and set of principles is approved by the Management Board, which approval is renewed annually. This document also describes tax risks that are considered as acceptable as well as URW’s attitude to tax planning.

- b) **Do you publish a tax country-by-country report for all the countries where you have operations, in other words do you report more than required by the EU Directive which limits the reporting obligation to operations in the Member States and non-cooperative jurisdictions? If not, can you please explain your position? Is the breakdown of taxes per country debated within the Management Board?**

The Group deploys a sustainable Tax Policy which is fully in line with its values and its Sustainability policy. The business strategy of URW consists of creating value with its real estate portfolio over the long term and the Tax Policy of the Group is completely integrated into this long-term plan.

In this context, the tax position of URW reflects the geographical location of its activities. Considering its €50 Bn portfolio and the fact that holding real estate assets requires it to pay taxes locally, URW pays significant amounts of taxes to local communities it operates in. In addition, significant tax payments are made to local tax authorities upon investment and divestment transactions as well as transfer taxes and construction taxes payment for its development projects.



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Since 2016, the Group publishes detailed geographical figures relating to tax payments in its Sustainability Report. For financial Year 2023, the Group published country by country figures.

URW files its fiscal country-by-country report with the French tax authorities and will therefore be ready to publish it as soon as the EU directive will enter into force. At this stage, URW does not consider publishing a country-by-country report disclosing more information than required by the directive in particular for competitiveness reasons. Similarly, the Group does not intend to anticipate the publication of its country-by-country report before it becomes mandatory for all in-scope organizations.

The country per country tax expense is discussed within the internal committees mentioned above in a). As a reminder and given the real estate nature of URW's activities, taxes paid by URW reflect the geographical location of its assets and possible benefit of local REIT regimes (Real Estate Investment Trust) on the basis of which the Group is subject to distribution obligation and tax on real estate income is paid at shareholders' level directly instead of at the level of URW.

**c) Could you please explain your effective tax rate for financial year 2023? To what extent is it consistent with your commitments in the area of fiscal responsibility?**

URW reports a loss before tax of -€1,368 Mn for financial year 2023, its effective tax rate is therefore not relevant for this year. Moreover, when the result before tax is a profit, the readability of the effective tax rate is impaired by the REIT regimes the Group benefits from in France, Spain, Netherlands, United Kingdom, and United States which transfer the income tax payment obligation to shareholders.

URW pays significant amounts of property taxes as well as taxes on investments and divestments depending on the number of transactions completed during a given year. In addition, URW and its tenants in the Group's shopping centres employ many people locally and contribute significant amounts in taxes and social charges. In 2023, on a proportionate basis, the subsidiaries of the URW Group paid €289 Mn of local taxes and social contributions (please refer to page 220 of the Universal Registration Document).

### Activities of interest

**9.**

**a) What are the main activities of interest (e.g. top 3) that you prioritize in relation to your material ESG issues? Can you specify all the jurisdictions in which you carry out these activities of interest?**

Political influence activities are primarily aimed at developing the Group's local footprint, promoting the local economy and/or strengthening the urban and social network and are aligned with the Group's sustainability roadmap "Better Places".

URW implements a public affairs strategy at Group level with a focus on inflation, taxes, commercial and decarbonation to maintain a level playing field with other sectors on regulations. These actions, which aim to protect the Group's interests in each of the countries in which it operates, are mainly carried out through the federations with which we are affiliated and are declared in accordance with the rules in place. The Group's political influence is strictly limited to what is allowed by regulations and the Code of Ethics, bearing in mind that the Policy on political contributions authorized by current laws applies only to the US, since such political conditions are prohibited in other countries in which URW operates.

In France, these details are outlined on the website of the **\*\*High Authority for Transparency in Public Life (HATVP)\*\***. For instance, they include the closure of shopping centers or the introduction of a health pass, which creates inequality in treatment compared to other forms of brick and mortar retail without health justification in 2021/2022, the capping of Commercial Rent Index in 2022/2023 and exchanges that take place within the framework of the National Trade Council in 2023/2024. In the United States,



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the Group's political engagement primarily covers themes related to reducing organized crime in retail, systemic homelessness, drug addiction, and tax increase measures at the federal, state, and local levels.

Within the United States, we have a network of lobbyists under the authority of the Department of Government Affairs. They also make some political donations in coordination with the United States General Council and with authorization from the country head. All these actors undergo a reputation risk assessment, and in case of alerts, the Compliance Department conducts additional verifications and escalates any significant alerts to the Group's Compliance Committee for recommendation. The Group has established a written policy regarding political donations in compliance with the U.S. legal framework. These donations are strictly prohibited in all other countries where the Group operates.

Finally, the Group's influence and sponsoring actions aim to enhance its positive impact by collaborating with public authorities. For example, this includes providing spaces for vaccination centers or listening cells for violence against women in 2021/2022. The Group also partnered with the European Parliament and Make.org to engage visitors ahead of the 2024 European elections. Additionally, the Group collaborated with UN Women on International Women's Day in 2024. As part of these efforts, the Group sought to measure its impact and published the first impact report for the commercial real estate sector in January 2024. Furthermore, the Group launched a coalition with the Palladio Foundation during the Université de la Ville de Demain to assess the industry's impact. The report is expected in 2024. The Group's control bodies are notified when donations exceed certain thresholds, ensuring alignment between donations and CSR objectives.

- b) How do you ensure alignment between your ESG objectives and the positions of professional associations? How do you manage potential differences? (Examples: attempt to realign associations' positions with your own ESG objectives or considering the possibility of leaving a professional association that is definitively misaligned with your ESG strategy). What do you publish on this topic regarding alignment and/or differences?**

The Group's lobbying practices and alignment with the Group's ESG objectives are governed by two charters: the Group's Code of Ethics, which is public and formalizes the values and principles that each employee must observe to ensure integrity, transparency, and responsible practices, and URW's anti-corruption program, for internal use by employees, which more specifically governs internal procedures and controls. All Group employees are trained annually on ethical issues and corruption.

Regular exchanges take place between the Group Compliance Officer, the Local Compliance Correspondents, and the Group employees involved in interest representation actions to ensure compliance with the rules and to ensure the consistency of its lobbying practices with its CSR policy.

Regarding the reporting of actions and resources, the actions are decentralized. In France, interest representatives, both internal and external (professional associations, consultants, federations, etc.), submit their annual activity declaration in accordance with the guidelines of the High Authority for Transparency in Public Affairs: these data (organized communications, purpose, dedicated resources) are public and available on the HATVP website.

To ensure the best alignment of the federations' positions with our ESG objectives, the Group participates in the decision-making bodies of the federations, as well as in commissions or working groups.



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**c) What is the role of the Board of Directors in the implementation of your policy on interest representation (for example: activities, budget, meetings)?**

The Board of Directors ensures that all interest representation activities are conducted in compliance with the Group's Code of Ethics and the URW Anti-Corruption Program. It also ensures that these activities align with the Group's ESG objectives.

When potential divergences arise between the Group's sustainable development goals and the positions of professional associations, the Board of Directors has the authority to initiate discussions with the aim of realigning the association's positions with the Group's sustainable development objectives. If alignment proves impossible, the Board may consider withdrawing from the relevant professional association.

We have encountered such a situation with a European federation, the ECSP. Following divergences in 2023, we made the decision to leave this federation. However, after successfully realigning our interests with those of the ECSP, we chose to rejoin the federation in April 2024.

**d) Do you train individuals internally or externally (e.g., consulting firms) in responsible lobbying? If so, what criteria do you apply in selecting the firms that assist you?**

The Group optimizes human and financial resources allocated to responsible lobbying, with the bulk of this activity carried out by federations defending sector of interests rather than solely URW's own interests. Depending on the country and national regulations, the Group rigorously reports its lobbying activities and allocated resources. For instance, in France, the amount of expenses related to interest representation actions conducted during the relevant period is declared annually to the HATVP (High Authority for Transparency in Public Affairs). Internal training and tools are developed to assist employees in understanding and adhering to the applicable rules. External consulting firms are mandated through competitive processes aligned with the Group's procurement policies.

### **Board members' CSR skills/training**

**10.**

**a) How many Board members have CSR skills? Who are they and how did they acquire these skills (education, training, professional experience)? Are these skills specific to your sector's issues (biodiversity, energy transition, social and value chain, financial impact of climate, etc.)? Do you publish a matrix of the specific skills of each Board member?**

Within the Supervisory Board ("SB"), 9/10 directors have CSR or sustainability expertise, as indicated by name in the table below and in the Universal Registration Document 2023. In addition, detailed biographies indicate the education, training and professional experience (pages 51 to 62 of the 2023 URD) for each member of the SB.

In the same way, skills are specific to the challenges of our sector (see page 63: The SB has identified 9 skills, experiences and expertise essential to best carry out its supervisory role as well as its duties, in light of the nature and scope of the international operations of the Group, the Group's strategy for the medium and long-term and the related risks").





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## SUPERVISORY BOARD MEMBER EXPERIENCE MATRIX

Skills/experience	Jacques Richier <sup>(1)</sup>	Julie Avrane <sup>(1)</sup>	Cécile Cabanis <sup>(1)</sup>	Michel Dessolain <sup>(1)</sup>	Susana Gallardo <sup>(2)</sup>	Dagmar Kollmann <sup>(2)</sup>	Sara Lucas <sup>(1)</sup>	Roderick Munsters <sup>(2)</sup>	Xavier Niel <sup>(2)</sup>	Aline Sylla-Walbaum <sup>(2)</sup>	%
Executive or Board member	•	•	•	•	•	•	•	•	•	•	100
Retail/real estate/asset management	•		•	•	•	•	•	•	•	•	90
Finance/audit	•	•	•	•		•	•	•	•		80
ESG/sustainability	•	•	•	•	•	•	•	•		•	90
Digital/e-commerce	•	•	•	•					•	•	60
Corporate governance and remuneration	•	•	•			•	•	•	•		70
Risks/compliance	•	•	•			•	•	•		•	70
Restructuring/disposals/divestments	•	•	•	•		•	•		•		70
International experience	•	•	•	•	•	•	•	•	•	•	100

**b) How do you ensure that Board members' knowledge of CSR issues is kept up to date (internal or external training processes, expert input, updates on regulatory developments or key issues, etc.)? How often?**

Sustainability is monitored directly by the Supervisory Board (SB), at all its plenary sessions, given its importance and the desire to involve all SB members in these discussions. Information on sustainability is shared before each SC meeting, and sustainability is discussed in depth throughout the year in the presence of the Management Board and the Group Sustainability Director, particularly at the annual strategy seminar, at SC and Management Board integration programs, and as often as necessary during training courses. In 2023, the Management Board and Executive Committee met 6 and 12 times respectively to discuss topics related to the Better Places roadmap.

An annual half-day training session is organized for all SB members, often combined with a visit to one or more of the Group's assets. In 2023, as part of the ongoing training of Supervisory Board members, part of the training session was dedicated to the Climate Fresk under the supervision of an international climate expert specialized in the climate emergency.

**c) How do you assess Board members' CSR skills? On what criteria? How often? Is this assessment individual or collective?**

The Supervisory Board assesses the CSR skills of its members on the basis of their detailed CVs, both annually and individually. As part of the evaluation of its operations, the Supervisory Board has initiated a process of reflection aimed at enriching its composition in the medium term with profiles bringing specific skills in CSR and sustainability in line with the Group's objectives, as well as in cybersecurity or digital technology, subjects that are just as vital in light of international issues and risks, and the strategic innovations launched by the Group.

**d) Do you include a CSR dimension in the process of appointing new Board members?**

Yes, the CSR dimension is an essential part of the process for appointing new members to the Supervisory Board.

The SB has identified 9 skills, experiences and expertise essential to best carry out its supervisory role as well as its duties, in light of the nature and scope of the international operations of the Group, the Group's strategy for the medium and long-term and the related risks, including:



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- **Expertise in ESG/sustainability is essential because environmental and societal matters are at the heart of the Group's strategy, as a lever for progress and as an element of competitiveness.**  
(...)
- **Expertise in corporate governance/remuneration to maintain a high level of corporate governance requirements, in particular, executive compensation.**

### Sources :

- Universal Registration Document
- URW's CSR documents
- Presentation "Financing our Better Places roadmap"
- Press release from October 10th
- Better Places Scorecard (Oct-23)
- Partnership WWF and URW



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### Questions from Phitrust Active Investors France

**To date, your company is among the first companies to have committed to using the nature impact reporting framework carried by the TNFD - Taskforce on Nature-related Financial Disclosure<sup>2</sup>. Faced with the rapid erosion of biodiversity, we welcome this initiative of transparency from your company, which reports on the impacts, dependencies, risks and opportunities related to Nature.**

**Following this approach, have you considered adopting science-based targets (SBTN type - Science Based Targets for Nature<sup>3</sup>) in the near future to materialize your ambition to preserve biodiversity? If not, could you give us the reasons?**

In 2021, the Group already participate in the corporate pilot program of the “Science Based Targets for nature” (SBTn) methodology in terms of impact and dependency assessment, prioritization and target setting. Since early 2024, in line with the timetable of the release of the official SBTn framework, the Group has been working with WWF to set official science-based targets. Stages 1 and 2 will be completed during 2024, and we will be in a position to set definitive targets during the year 2025.

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<sup>2</sup> <https://tnfd.global/wp-content/uploads/2023/09/FINAL-18-09-23-TNFD-final-recommendations-release.pdf>

<sup>3</sup> <https://sciencebasedtargetsnetwork.org/how-it-works/the-first-science-based-targets-for-nature/>