

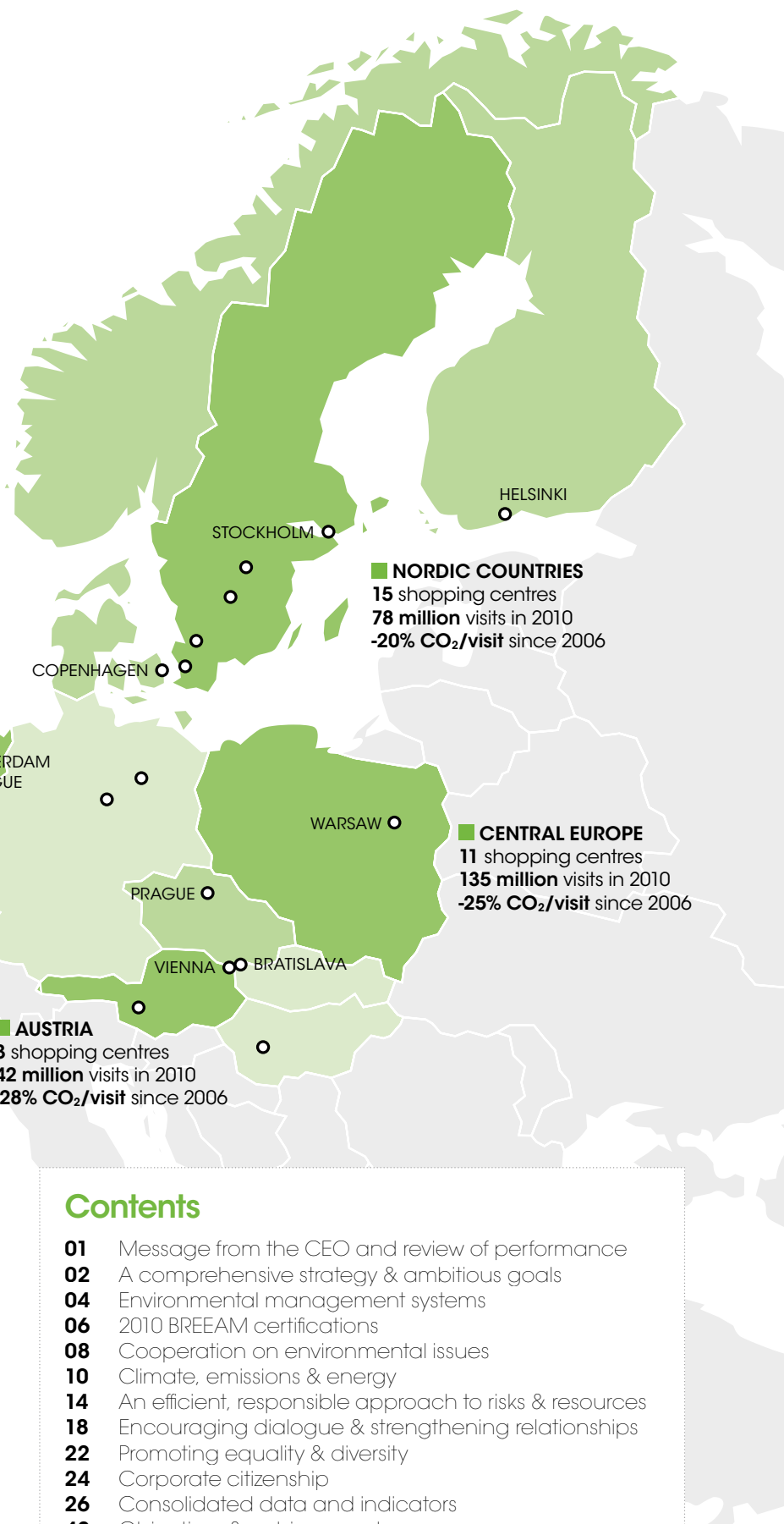
2010

Sustainable development report

Unibail-Rodamco is Europe's leading listed commercial property company with a portfolio valued at €24.5 billion on December 31, 2010.

The Group is committed to sustainable development: it complies with all relevant social and environmental legislation and aims to achieve growth that is economically efficient, socially fair and environmentally sustainable in all of its activities and developments.

Unibail-Rodamco is a signatory of the UN Global Compact and is listed in a number of major global sustainability indexes, including the FTSE4Good and DJSI (World and Europe).



NETHERLANDS
 8 shopping centres
 42 million visits in 2010*
 -79% CO₂/visit since 2006
 *Visit numbers for 5 shopping centres only

NORDIC COUNTRIES
 15 shopping centres
 78 million visits in 2010
 -20% CO₂/visit since 2006

FRANCE
 37 shopping centres
 404 million visits in 2010
 -19% CO₂/visit since 2006

CENTRAL EUROPE
 11 shopping centres
 135 million visits in 2010
 -25% CO₂/visit since 2006

AUSTRIA
 3 shopping centres
 42 million visits in 2010
 -28% CO₂/visit since 2006

SPAIN
 14 shopping centres
 120 million visits in 2010
 -34% CO₂/visit since 2006

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*CO₂/visit figures verified by Ernst & Young. See assurance report on pages 46-47.

Message from the CEO

Guillaume Poitral, CEO & Chairman of the Management Board



In 2010, the sustainability of Unibail-Rodamco's corporate strategy was again demonstrated through the solidity of its results. Consistent with its commitment to leadership and continuous

improvement, the Group published its environmental, social and financial results simultaneously for the first time in 2010¹ and expanded the scope of its third-party environmental and social auditing. The maturity and success of the Group's sustainability policy place Unibail-Rodamco among the most sustainable companies in the real estate sector.

As well as introducing integrated reporting to provide its stakeholders with a panoramic vision of its activities, the Group continued to play an active role in the drive towards greater transparency and consistency in environmental and social reporting across the whole of the real estate sector. The 2010 results published by Unibail-Rodamco are consistent with the EPRA² draft

guidelines for best practice reporting on sustainability performance within the sector. The Group is also participating in a major benchmarking initiative, the Global Real Estate Sustainability Benchmark (GRESB), that will further increase transparency and comparability from 2011 onwards.

Environmental and social sustainability are challenges that must be met over the long-term. The BREEAM certificates obtained by the Group's new development projects – including the first "Excellent" rating for a shopping centre in Europe – send a clear message about the solidity, efficiency and performance of the foundations that the Group is laying for sustained growth in the future.

Performance review

Joost Bomhoff, Executive Director in Charge of Sustainability



Unibail-Rodamco continued to deliver strong environmental and social results in 2010. CO₂ emissions and water consumption fell for

the fourth consecutive year, energy consumption remained stable despite an exceptionally cold winter, and almost 1,200 "green" leases were signed with retail and office tenants. The value of direct and indirect financial contributions to good causes increased by 10% year-on-year and long-standing commitments to promote education, entrepreneurship, and the arts and architecture were maintained.

Over the last four years, Unibail-Rodamco has implemented a solid framework of tools, indicators and targets that have turned environmental and social performance into a habit.

These good practices enable the Group to deliver consistent improvements and maintain its momentum, even in unfavourable economic and climatic conditions. Unibail-Rodamco is well positioned to achieve its ambitious, long-term sustainability performance objectives.

On the basis of these results, the Group maintained its position in the FTSE4Good and the Dow Jones Sustainability (World) indexes in 2010 and entered the Dow Jones Sustainability Index (Europe), the ASPI Index (Europe), and the NYSE Euronext Low Carbon 100 Europe® Index.

¹ - This 2010 Sustainable Development Report is an extract of information contained in the 2010 Annual and Sustainable Development Report.

The full report is available on the Group website: www.unibail-rodamco.com

² - European Public Real Estate Association (www.epra.com)

A comprehensive strategy and ambitious goals

PROGRESS TOWARDS 2010 TARGETS



- Achieved **78%**
- Partially achieved **14%**
- Not achieved **8%**

The Group's environmental and social targets are realistic but ambitious. Unibail-Rodamco chooses to set the bar high to challenge its teams to outperform and innovate, even though this comes at the expense of a perfect score sheet. The considerable performance improvements made since 2006 demonstrate the relevance of this approach.

AMBITIOUS LONG-TERM TARGETS

- 40% CO₂/visit 2006-2016
- 20% kWh/visit 2006-2012
- 20% litre/visit 2006-2012

2010 was a year for maintaining momentum and breaking new ground. The consolidation of best practices introduced in previous years saw the Group draw closer to its long-term environmental goals, while the introduction of creative new solutions provided a vision of the sustainable shopping centre of the future.

Sustainability is now closely integrated into Unibail-Rodamco's day-to-day operating, development and investment activities. Despite unfavourable climatic conditions, the Group was able to maintain its performance in 2010.

Unibail-Rodamco develops and validates its strategy and achievements in cooperation with expert third parties. In 2010, it maintained its membership of leading SRI (Socially Responsible Investment) indexes and achieved high rankings in external research studies. Ernst & Young¹ audited ten of the Group's performance targets, including the CO₂/visit KPI, well in advance of any legislative requirements to do so. In setting targets, Unibail-Rodamco also strives to exceed its obligations. For example, the Group's carbon intensity target of -40% between 2006 and 2016 goes significantly beyond the reductions required by the French government or the European Union. The green leases introduced by Unibail-Rodamco in 2009 are now a central pillar of the Group's sustainability strategy. Their implementation clearly identifies the Group as a leader in environmentally sustainable operations and demonstrates its commitment to involving key stakeholders in this process.

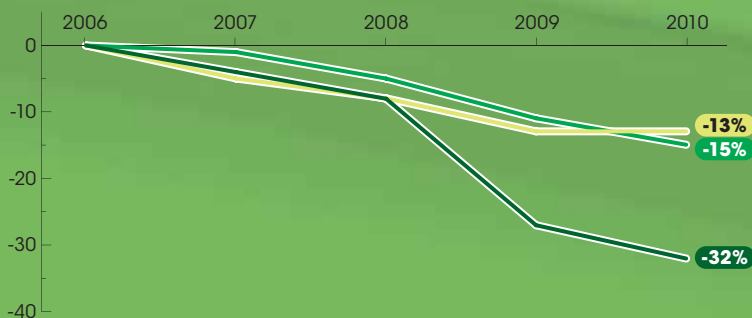
Finally, as a responsible corporate citizen, Unibail-Rodamco continues to play an active role in government and industry working parties. In particular, the Group has been a driving force behind EPRA's newfound commitment to environmental sustainability and its development of consistent key performance indicators on sustainability for the commercial real estate industry.



¹ - The statutory auditor's report on the review of selected environmental and human resources information and indicators is available on pages 46-47 and on the Group website: www.unibail-rodamco.com

ENVIRONMENTAL PERFORMANCE OF MANAGED SHOPPING CENTRES

- CO₂ emissions (CO₂/visit)*
- Energy (kWh/visit)*
- Water (litres/visit)



*Verified by Ernst & Young. See assurance report on pages 46-47.



Project	BREEAM Rating	Status
Docks 76, Rouen, France	Good	1 st shopping centre certified in Europe (April 2009)
Tour Oxygène, Lyon, France	Very good	1 st office tower certified Very Good in France (May 2010)
Donau Zentrum, extension, Vienna, Austria	Very good	1 st shopping centre certified in Austria (May 2010)
Lyon Confluence, Lyon, France	Very good	1 st shopping centre certified Very Good in France (October 2010)
SO Ouest, Levallois-Perret, France	Excellent	1 st shopping centre certified Excellent in Europe (November 2010)

Environmental management systems

Unibail-Rodamco's environmental achievements are founded on efficient Environmental Management Systems (EMS). Both existing assets and new developments are carefully managed and monitored to balance the needs and comfort of customers and environmental performance.

The Sustainable Attitude, the Group's EMS for **assets in operation**, is in place across the whole of the managed portfolio in Europe. In November 2010, Bureau Veritas¹ assessed the content and structure of the Sustainable Attitude programme at the Group's French assets and confirmed that it is a functional and relevant system that supports Unibail-Rodamco's policy of continuous improvement.

The ongoing improvements in the environmental performance of the Group's managed shopping centres clearly illustrate the benefits of introducing this EMS. In 2010, CO₂/visit was reduced by a further 7% year-on-year and has now been cut by a total of 32% since 2006.

Efficient design can significantly reduce energy consumption and CO₂ emissions during the operational life of a building. In recent years, considerable efforts have been made to incorporate sustainability into the Group's Design Guidelines for **new development, renovation and extension projects**. The application of this best practice framework enables the Group to capitalise on in-house experience, save time and money, and promote the sharing of best practices. It has also helped Unibail-Rodamco's development teams to deliver some of Europe's most sustainable new buildings (see over).

In 2010, the Design Guidelines were updated on the basis of new assumptions and technologies and operational feedback from across the Group. New guidelines were issued on the use of natural lighting, energy efficient heating and cooling, natural ventilation and biodiversity.

1 - Bureau Veritas is a world leader in health, safety, security and environmental management and certification. Their report is available on the Group website: www.unibail-rodamco.com.



2010 BREEAM certifications

In-house development teams have acquired significant experience in environmental design and management following the Group's decision to apply for third-party certification of all new assets of more than 10,000 m². Thanks to a methodological approach and a clear focus on excellence, Unibail-Rodamco is a market leader in sustainable construction and is driving the industry to propose innovative technologies and a better, more relevant sustainability framework for all buildings.

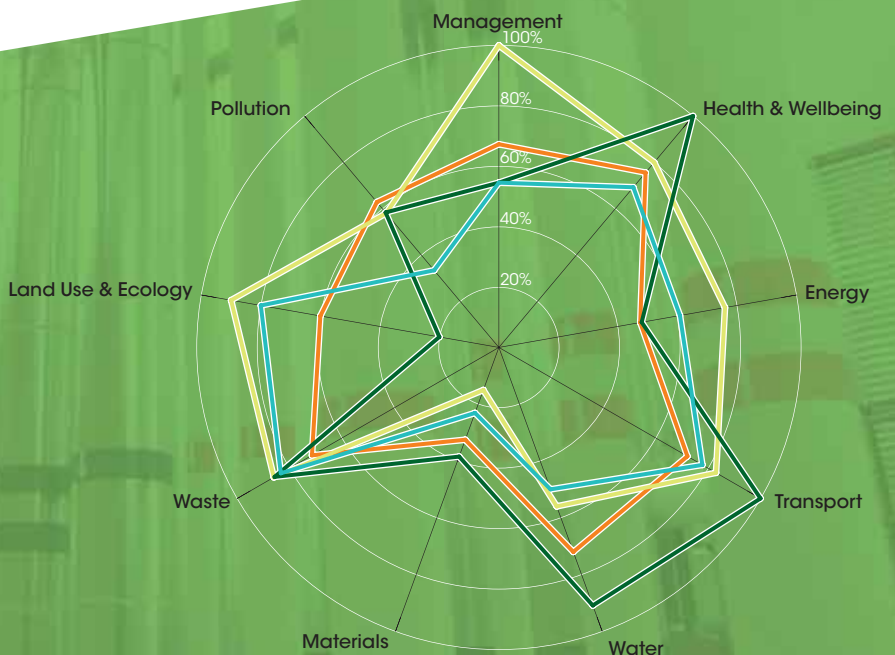
In 2010, four assets received BREEAM¹ design stage certification, with several of them setting new standards for sustainable construction. A further nine are registered by the certification bodies and another eight assets are undergoing preliminary assessments. The Group set another benchmark when the new hall at Paris-Nord Villepinte became the first convention and exhibition building in France to be developed according to HQE² standards.

- 1 - The Building Research Establishment Environmental Assessment Method (BREEAM) is the world's most widely used sustainable construction certification.
2 - HQE (Haute Qualité Environnementale/High Environmental Quality) is the French standard certification scheme for sustainable construction.

BREEAM RATINGS FOR DONAU ZENTRUM, SO QUEST AND OXYGÈNE COMPARED TO UNIBAIL-RODAMCO'S AVERAGE SCORE (% of achieved credits per category)

- OXYGÈNE Lyon, France
- DONAU ZENTRUM Vienna, Austria
- SO QUEST Levallois-Perret, France
- Average score on portfolio

The "average" Unibail-Rodamco shopping centre achieves a Very Good score under BREEAM. Connection to public transport networks, waste management, water management and the comfort (health and wellbeing) of visitors are key drivers and achievements. The Group has further room for improvement in research into sustainable materials, energy efficiency and the general integration of ecology and biodiversity into new projects.



OXYGÈNE Lyon, France

1st skyscraper building in France to receive Very Good certification

Oxygène was constructed on a disused brownfield site alongside La Part-Dieu shopping centre. It benefits from the same outstanding access to Lyon's public transport network: office workers can choose to travel by train, bus, tram, metro or bicycle. Buildings which are linked to public transport networks have a far lower indirect carbon footprint than those which can only be accessed by car.

Area: 29,400 m² GLA

Opened: April 30, 2010

Main environmental features:

- Efficient energy consumption (27% lower than French regulatory requirements*)
- Double-skin façade with integrated sun screens to reduce energy demand for cooling
- Efficient heat pumps using ground water for renewable cooling and heating



DONAU ZENTRUM Vienna, Austria

1st shopping centre in Austria to receive Very Good certification in the Retail category

Donau Zentrum is the largest shopping and entertainment centre in central Vienna. In 2007, it was the first shopping centre in Austria to be awarded the 'Oeko Business Plan' by the City of Vienna for its commitment to sustainability.

New extension: 26,000 m² GLA

Opened: October 27, 2010

Main environmental features:

- Building designed to minimise the loss of heated or cooled air through the building fabric
- Excellent access to public transport services and local amenities, including public paths for cyclists and pedestrians, as well as facilities for cyclists (showers, cycle racks, changing rooms, etc.)
- Constructed in an area with a low risk of flooding



SO OUEST Levallois-Perret, France

1st shopping centre in Europe to receive Excellent certification in the Retail category

SO Ouest showcases a number of best practices that serve to reduce energy consumption and CO₂ emissions, enhance biodiversity, and optimise the use of natural resources. For example, the shopping centre will be fully connected to the local urban cooling and heating network, which uses 100% renewable geothermal energy.

Area: 46,700 m² GLA

Opening: 2013

Main environmental features:

- Energy consumption 36% below French regulatory requirements*
- 10,000 m² of green spaces designed by a qualified ecologist to enhance biodiversity
- 100% of rainwater recovered and used to flush toilets, clean technical areas and water gardens
- Global cost study of design features (including structure and heating, ventilation and air-conditioning system) for periods of 30 and 60 years
- Compactors used to reduce waste volumes; number of visits by waste lorries cut by four
- Green roof for thermal and acoustic insulation, filtering of air pollution, rainwater retention and increased biodiversity



*2005 Thermal Regulation, applies to all building permits filed after September 1, 2006.

Cooperation on environmental issues

Cooperation with key environmental partners gathered pace in 2010. 'Green lease' clauses were gradually rolled out in all regions and were included in 79% of leases and renewals signed across Europe. A growing percentage of shopping centre services are purchased from responsible suppliers. Tenant committees and customer communications are helping to spread the message that everyone has a role to play in the environmental performance of an asset.



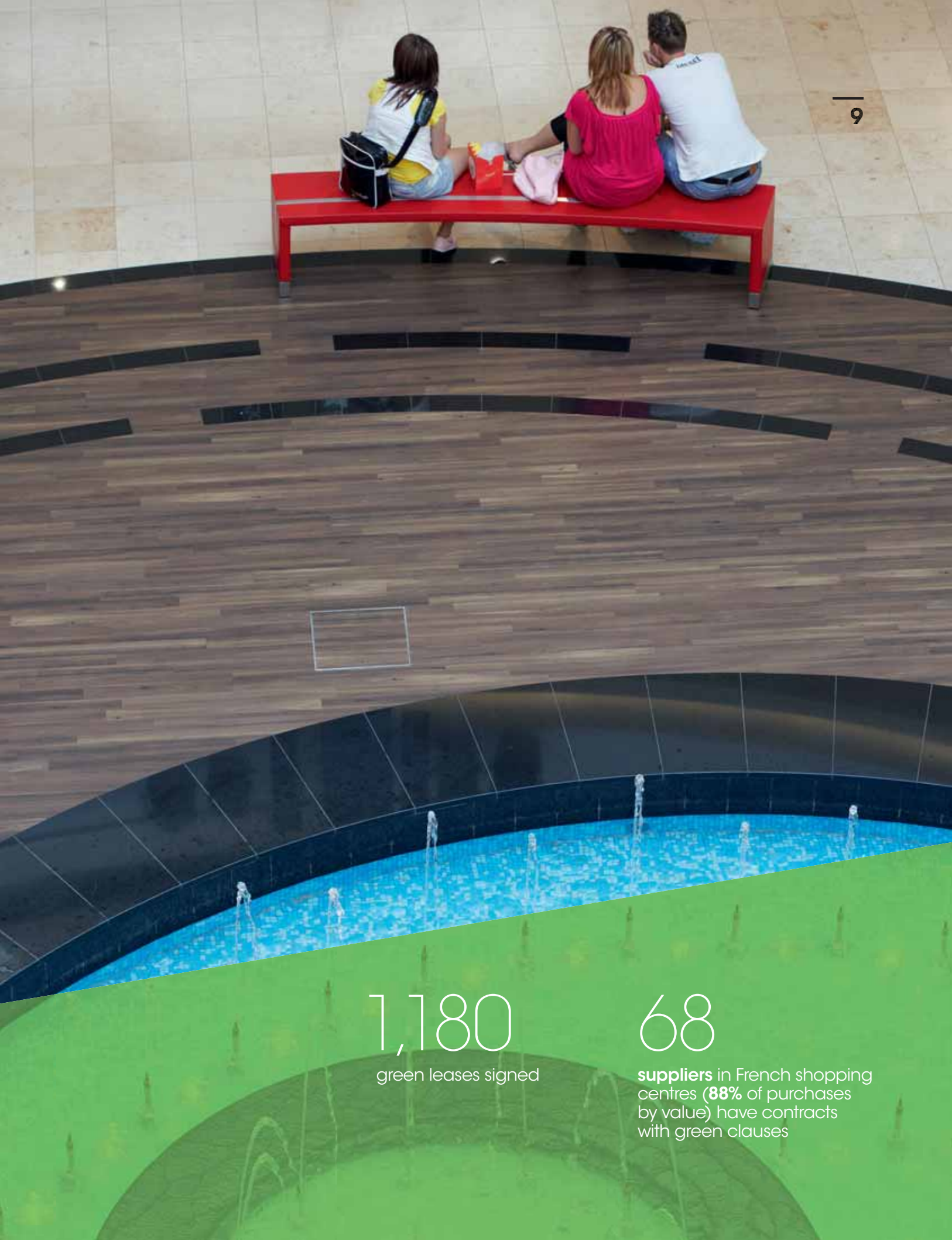
New signage is being introduced to inform **customers** about the environmental performance of their shopping centre. The first centre to benefit was Vélizy 2 (Paris Region), which receives over 15 million visits per year.

Unibail-Rodamco launched its 'green lease' strategy in late 2009. This pioneering initiative, which goes well beyond regulatory requirements, formalises the environmental obligations of **tenants and landlords** in a standard appendix to the lease contract. The clauses have been applied to all new leases and renewals since January 1, 2010.

Sustainability committees at individual assets are used to define shared action plans, encourage dialogue, and inform tenants about the Group's initiatives, the performance of the asset, and the contribution that is expected from retailers. During 2010, these committees brought together over 230 tenants at 30 shopping centres in France, the Czech Republic and Poland. Key priorities highlighted by tenants during committee meetings include the development of sustainable transport and 'green' communications for visitors, the improvement of waste management processes, and the monitoring of energy consumption to help stores operate as efficiently as possible. More tenant/landlord workshops will be held on these issues in 2011.

The Group carried out a benchmark at the Euralille (Lille) and Meriadeck (Bordeaux) shopping centres to understand why some tenants consume significantly more water than other tenants with the same commercial activity. The consumption of food retailers, mobile phone shops, opticians, and fashion apparel stores was analysed and compared. As well as raising awareness of efficient behaviours, the exercise led to immediate improvements.

Suppliers are also being encouraged to adopt environmentally-sustainable habits. Across Europe, the Group's purchasing teams are working to ensure that new contracts and renewals include 'green' clauses, covering everything from the use of chemical cleaners to waste disposal. In 2010, the waste management component of these clauses was reinforced and a framework was developed to assess compliance rates. The framework will be rolled out in 2011. It covers the five key contracts in place in a typical asset: maintenance, cleaning, waste management, elevators, and security and safety. Suppliers in Spain are required to respect ISO 14001 criteria.



1,180

green leases signed

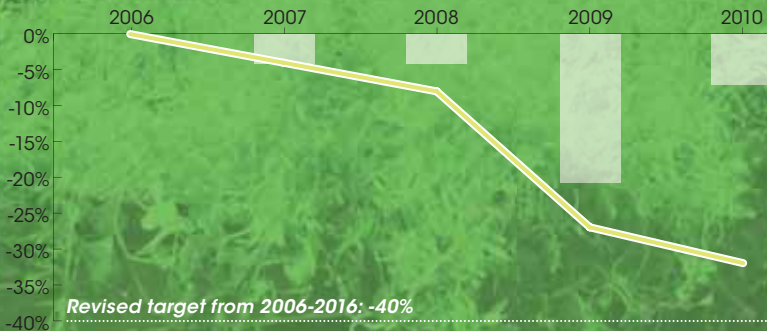
68

suppliers in French shopping centres (**88%** of purchases by value) have contracts with green clauses



REDUCING CO₂/VISIT AT MANAGED SHOPPING CENTRES

■ Year-on-year reduction
 ▲ Accumulated reduction



CO₂/visit provides a transparent, quantitative gauge of the carbon impact of a real estate asset. It measures three key elements that contribute to an asset's carbon footprint: energy mix (CO₂/kWh), energy efficiency (kWh/m²) and intensity of use (m²/user). In the future, it will also take account of emissions from customer transport (kgCO₂/visit).

Climate, emissions and energy

Mitigation/Adaptation

As well as optimising the environmental performance of its assets through challenging energy and CO₂ reduction measures, Unibail-Rodamco has developed a long-term roadmap to address and adapt to **climate change**. In particular, the Group aims to understand the scale of risks to asset value and operations and ensure compliance with existing and future legislation. The roadmap provides a methodology to address issues such as potential increases in temperatures, flooding and extreme weather events on the portfolio and will establish a risk profile for each area where the Group has assets. The roadmap will be reviewed and updated regularly and adaptation strategies will be developed when relevant.

Unibail-Rodamco is tackling the related challenges of climate change, CO₂ emissions and energy efficiency in a number of ways, but measures its progress with one key indicator: CO₂/visit. In 2010, Ernst & Young¹ certified that the Group had reduced CO₂/visit at its managed assets by 32% since 2006. This remarkable reduction is a clear demonstration of the Group's commitment to the environmental sustainability of its portfolio.

To reduce its CO₂ emissions and mitigate its impact on climate change, the Group works to reduce its **energy consumption** and, in addition, to cut the **carbon content** of the energy that it does consume. Reducing energy consumption is the most effective way to cut CO₂ emissions as it eliminates emissions at source during the power generation process. Energy consumption in the Group's managed assets has been declining steadily since the Sustainable Attitude was introduced. Since 2006, 23% of managed shopping centres have reduced their consumption by more than 20%.

These reductions have been achieved through a combination of simple assessments and advanced technology. For example, the 'energy tree' is a straightforward inventory of the operating hours and energy consumption rates of all technical installations in a given building. The results are analysed to identify inefficiencies and the computerised systems that manage the installations are reprogrammed accordingly. Light and temperature sensors are installed to enable the system to make real-time adjustments to reflect weather conditions. This approach was successfully piloted in Spain in 2009 and applied to great effect in shopping centres in Poland and the Czech Republic in 2010. In Złote Tarasy (Warsaw), for example, energy consumption fell by 14% in three months.

The Spanish team launched a major project to install LED lighting in the mall, car parks, toilets and emergency corridors at 10 shopping centres. It is estimated that every euro invested in this project will generate a saving of 1.07 kg CO₂ thanks to an equivalent reduction in energy consumption of 3.15 kWh/€. A programme is underway to upgrade the smoke exhaust systems of the Group's convention and exhibition assets to enable the use of natural ventilation in all weather conditions. Systems were upgraded at six of the halls at Porte de Versailles in 2010 and the roofs of all other venues will be adapted in the next five years. ■■■

¹ - The statutory auditor's report on the review of selected environmental and human resources information and indicators is available on pages 46-47 and on the Group website: www.unibail-rodamco.com



The Group is taking its first steps into CO₂ sequestration at Amstelveen (Amsterdam). Olivine, a naturally occurring mineral that traps CO₂ and converts it into harmless sand, magnesium, bicarbonate and iron, is being tested as roofing ballast.



In October, the Group signed an agreement with Renault to promote the use of electric vehicles by helping to create a network of simple, practical, rapid charging points.

- A small but increasing proportion of the Group's energy is being generated on-site. For example, a highly-efficient **tri-generation** unit which produces electricity, heat and cooling from gas was installed at Los Arcos (Seville) in May and another will soon be installed at Parquesur (Madrid).

A study into **geothermal** energy at the Aéroville development site north of Paris returned very encouraging conclusions: the geothermal solution has lower operating costs and produces significantly less CO₂ than a traditional solution using gas and electricity. The difference in CO₂ emissions is over 410 tonnes per year, equivalent to driving 41 times around the earth in a regular car. Furthermore, the financial benefit of investing in geothermal increases if gas prices rise.

In the past, Unibail-Rodamco's CO₂/visit results have been weighed down by the carbon-intensive national energy infrastructure of some regions. In 2010, a contract to purchase **100% renewable energy from local providers** was concluded for Shopping City Süd (Vienna). As a result, all of the energy used at Shopping City Süd, which is one of the largest shopping centres in Europe, comes from hydro-electric power stations. This contract reduced the Group's CO₂ emissions by 3,435 tonnes in 2010.

Every square metre that is built has an environmental impact during construction, during operations and at the end of its life. This is taken into account through the '**intensity of use**' (visitors/m²) component of the CO₂/visit indicator. To improve its performance, Unibail-Rodamco ensures that development projects are appropriately sized and also works to attract increasing numbers of customers to its assets.

Buildings which are accessible only by car have a far higher indirect carbon footprint than those which are linked to public transport networks. Most of Unibail-Rodamco's assets have central locations in major European cities and are easily accessed **by sustainable modes of transport**. The office portfolio, in particular, is extremely well-connected to major transport hubs. In 2010, VIPARIS introduced a user-friendly online calculator that enables convention and conference organisers to calculate the carbon footprint of their event in order to develop an action plan to reduce their environmental impact.

Although almost 55% of customers walk, cycle or use public transport to visit the Group's shopping centres, large numbers of customers prefer to use their car. To help reduce the impact of those visits, Unibail-Rodamco is innovating in the interests of the customer and the environment. Free recharge points for electric vehicles will be installed at all of the Group's Spanish shopping centres and at large French shopping centres by the end of 2011. Twenty-one shopping centres across Europe have already been equipped.



ENERGY MIX BY REGION, INCLUDING CARBON WEIGHT PER KWH (ALL ASSETS)

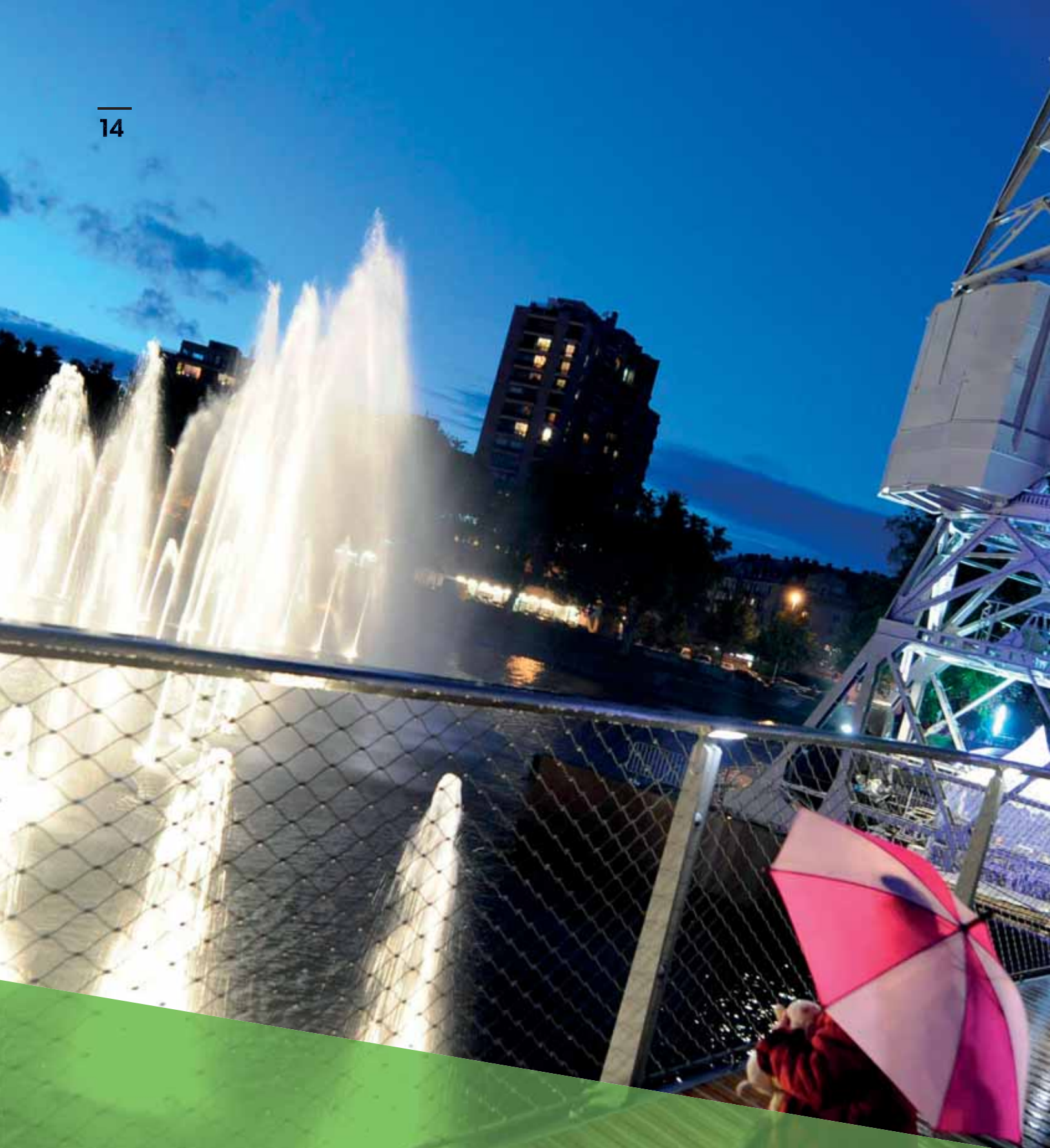
■ Fossil fuel
 ■ Nuclear
 ■ Renewable

Shopping centres	37%	33%	30%	205 gCO ₂ /kWh
Austria	32%	1%	68%	124 gCO ₂ /kWh
Central Europe	92%	2%	6%	641 gCO ₂ /kWh
Netherlands	26%		74%	135 gCO ₂ /kWh
Spain		61%	19%	307 gCO ₂ /kWh
Nordics	13%	21%	65%	61 gCO ₂ /kWh
France	13%		76%	75 gCO ₂ /kWh
Offices	33%		8%	110 gCO ₂ /kWh
Convention & Exhibition	14%		77%	98 gCO ₂ /kWh

MODES OF TRANSPORT USED BY VISITORS TO THE GROUP'S SHOPPING CENTRES IN 2010

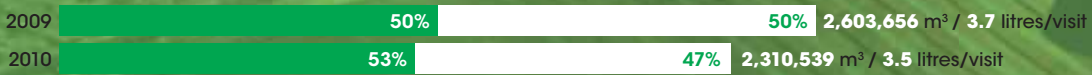


■ Public transport 42%
■ Car/taxi 45%
■ Foot/bicycle 11%
■ Other 2%



WATER CONSUMPTION AT MANAGED SHOPPING CENTRES

■ Unibail-Rodamco share
 ■ Tenant share



An efficient, responsible approach to risks and resources

Unibail-Rodamco's approach to managing natural resources, promoting biodiversity and ensuring health and safety combines targeted action on issues that it controls and close cooperation with external stakeholders on other, wider issues.

The Group relies on close cooperation with tenants and customers to reduce **water** consumption. Efficient devices are installed systematically in new developments and during renovations. In 2010, upgrades of this type ranged from the installation of waterless urinals at Shopping City Süd (Vienna) and Südpark (Klagenfurt), to an overhaul of the water cooling towers at Złote Tarasy (Warsaw) which reduced water consumption by 20%. The Nordic Countries installed tenant sub-meters at ten shopping centres to monitor consumption and ensure that leaks are detected rapidly.

A comprehensive study into the use of **materials** in development and refurbishment projects was concluded in 2010. To help development and technical teams select the most environmentally-sustainable and economically-efficient option, 'do' and 'don't' recommendations have been drawn up for the different types of materials that are most commonly used. On a smaller scale, VIPARIS developed an award-winning, 'eco-friendly' exhibition stand which is re-usable, built using untreated PEFC-certified wood, and decorated with solvent-free inks.

In 2010, the international year of **biodiversity**, Unibail-Rodamco defined a clear policy regarding the protection and enhancement of ecological features at its assets. As in previous years, BREEAM biodiversity criteria were applied to all new development projects. SO Ouest (Paris) scored over 75% in its BREEAM biodiversity assessment, helping it become the first retail development in Europe to obtain an Excellent rating.

A study delivered in early 2010 which categorised assets into four broad categories according to their ecological status and their potential for improvement has enhanced Unibail-Rodamco's understanding of biodiversity at its existing assets. At SO Ouest, a qualified ecologist advised on plans for 10,000 m² of parks and green roofing to ensure they feature relevant local plant species and offer new habitats for wildlife. Hall 7 at the Paris-Nord Villepinte convention and exhibition centre has the largest green roof in France. In addition to the ecological benefits they offer, green roofs also provide excellent insulation. A series of articles in the internal newsletter helped to inform employees about the Group's approach to managing and enhancing biodiversity. ■■■



The Palais des Congrès (Paris) has introduced a barcode-based system to measure the amount of waste produced by individual convention and exhibition clients. In the future, this information will be used to give clients a financial incentive for segregating their waste.

- ■ ■ Following extensive monitoring and analysis in 2009, the Group set itself two ambitious long-term goals for **waste management**: by 2016, at least 50% of waste collected from managed shopping centres should be recycled, and the proportion of waste diverted from landfill should have risen by 50% relative to 2009.

Given that tenants and suppliers are the source of almost all of the waste in a typical shopping centre, a successful waste management policy must be based on active cooperation with these two stakeholders. In France, a 'waste ambassador' has been appointed at Vélizy 2 to promote waste management best practices to tenants and ensure practical issues are resolved rapidly. At Docks Vauban, 1.1 tonnes of glass is being recycled per month following the introduction of a new collection system in partnership with the centre's restaurant owners. A partnership with a national environmental association and improvements to collection and segregation infrastructures have helped to improve recycling rates in Spain. Across the Group, waste management contracts have been reinforced to improve data reporting and increase recycling rates.

The Group continues to pay close attention to **health and safety** and **environmental risk management** issues across its portfolio. A comprehensive programme to map asbestos in all assets built before this material was banned by local regulations will be completed in 2011. This information will be used to schedule and prioritise asbestos removal works. All regions have received clear instructions on managing asbestos-related risks.

A standardised Methodological Risk Analysis (MRA) for all cooling towers under the Group's direct management is being rolled out at managed assets across Europe. By identifying risk factors and establishing Group-wide standards for monitoring, maintenance and documentation, this process will increase operational efficiency and reduce the risk of legionella proliferation. The standardised MRA was carried out at all French and Spanish managed assets in 2010.

WASTE BY FINAL DISPOSAL METHOD IN 2010



- Landfill 24%
- Incineration (or use as fuel) 30%
- Recycling/Reuse/Composting 36%
- Managed by municipality 9%

WASTE RECYCLING AT MANAGED SHOPPING CENTRES

■ Non recycled ■ Recycled



COMPOSITION OF WASTE RECYCLED IN 2010

- Cardboard 77%
- Paper 1%
- Plastics 4%
- Glass 3%
- Wood 2%
- Other 13%



NUMBER OF CUSTOMERS PARTICIPATING IN SATISFACTION SURVEYS

2009	26,538
2010	28,127

+6%

Spin

nilon

Encouraging dialogue and strengthening relationships



Unibail-Rodamco's Welcome Attitude is a welcome and loyalty policy that considers all visitors to the centre as guests. It creates 'quality time' by offering enjoyment, well-being and entertainment alongside great shopping.

At every stage in the business cycle, Unibail-Rodamco aims to create value for its stakeholders and minimise its impact on the environment. Skilled, dedicated employees and strong relationships with external stakeholders underpin the Group's financial, social and environmental performance and enable it to improve, adapt and thrive over time.

Shopping centres provide entertainment, services and social opportunities to people of all ages and serve as a focus for whole **communities**. To ensure that its investments, developments and operations benefit the local area, the Group works to build and maintain strong relationships with residents and public authorities. Public consultations are held for all development and extension projects. These allow development teams to explain the proposed project in detail, listen to the public's concerns and respond appropriately, whether by providing clearer information, conducting additional studies or adjusting aspects of the proposal.

Both new investments and existing activities generate **economic growth** through employees' salaries, payments to suppliers and infrastructure investments, and create direct and indirect employment. For example, it has been estimated that the Aéroville shopping centre (Paris Region), which is due to open in 2014, will create around 1,500 new jobs when the project is launched and 2,600 jobs in the longer term.

In 2010, new European surveys were used to learn more about the needs and expectations of two of Unibail-Rodamco's most important stakeholders: customers and tenants. The **tenant** survey, piloted in France in 2009, was rolled out in 63 centres across all regions and completed by around 20% of tenants. The information gathered will serve as a baseline for measuring performance in the coming years. **Customer** satisfaction was also assessed. More than 28,000 customers participated in an upgraded survey that used additional questions and an improved methodology to obtain a better understanding of visitors' needs and expectations. ■■■

- Some of the Group's largest **investors**, such as APG and PGGM, are integrating increasingly stringent environmental criteria into their investment decision-making processes. The Group organised dedicated sustainability sessions for around 30 major investors in Paris, Amsterdam and London in 2010. During these discussions, it emerged that investors' growing interest in environmental performance is driven as much by risk management issues as by the potential for higher returns. In short, careful management and monitoring of operational activities for the purposes of sustainability reporting also serves to reduce a company's exposure to legislative, compliance and reputational risks.

Investor feedback on the Group's sustainable development approach and communications was generally favourable. Feedback from external analysts and researchers was also positive. For example, in January 2010, the University of Maastricht published a report, with support from APG and PGGM, which ranked Unibail-Rodamco first in continental Europe for environmental policy management, implementation and measurement. In September, the Group was listed in the Dow Jones Sustainability (World) Index for the third time and entered the DJSI (Europe) for the first time.

Employee communications about sustainable development policies and activities were maintained and expanded in 2010. In June, a 'sustainability day' was organised at the Group's headquarters to mark the publication of the 2009 corporate sustainability report. Display panels were used to highlight key sustainability achievements, an international fair-trade company and the French energy and environment agency organised events for employees, and a meeting of the CNCC (French Council of Shopping Centres) sustainability committee was also held on site. The internal newsletter, which is distributed electronically to all employees, continued to highlight a different environmental issue every month.

In May, the Management Convention brought together 200 senior managers in Barcelona for two days of networking, team-building and learning. Unibail-Rodamco's sustainability policies, achievements and objectives were presented. The sometimes conflicting demands of marketing and environmental sustainability were also covered in a presentation on the use of natural and artificial lighting in retail assets, given by an external expert.



Relaxation areas on every floor of the Group's main offices give employees a place to hold informal meetings or chat while enjoying a coffee or free fruit.



VÍTEJTE

SOCIALLY RESPONSIBLE INVESTMENT (SRI) INDEXES

Unibail-Rodamco is listed on several prestigious SRI indexes. The Group has been included in the FTSE4Good and the Dow Jones Sustainability Index (World) since 2008. In 2010, it entered the Dow Jones Sustainability Index (Europe), the ASPI Index (Europe), and the NYSE Euronext Low Carbon 100 Europe® Index. In February 2011, Unibail-Rodamco was selected for inclusion in the Ethibel EXCELLENCE Investment Register and also entered the Corporate Knights Global 100 list of the world's most sustainable companies.

WELKOW

Promoting equality & diversity

A number of new initiatives were launched in 2010 to promote equality and diversity across all of the Group's activities.

The quality of service provided to **customers with disabilities** was a major focus in 2010. An audit concluded in 2009 identified features that could interfere with the enjoyment of customers with disabilities. These issues are systematically corrected during renovation works. Many of the modifications that are being made for customers with physical and sensory disabilities are also appreciated by the elderly and parents with small children. This echoes previous experience with the 'Welcome Attitude' programme, where it was found that many services introduced for families, such as extra-wide car parking spaces, are useful for customers with reduced mobility.

To identify issues that could affect the comfort of visitors to the Group's convention and exhibition assets, VIPARIS invited representatives of French associations for people with paralysis and with visual handicaps to tour its venues and note both positive aspects and weaknesses. A list of best practices and practices to avoid has been drawn up and corrective action has been taken when necessary. Five sites were analysed in 2010 and the remaining five will be covered in 2011.

In France, the Group is building a close partnership with the UNAPEI, a charitable association that works on behalf of people with **mental disabilities**. During 2011, shopping centre staff who work with the public, whether they are retail employees or security and cleaning contractors, will receive training in welcoming customers with mental disabilities and accommodating their needs. These centres will then display the 'S3A'¹ label as a permanent sign of their commitment to the 700,000 people in France who are affected by mental disability and their families. Each centre will also hold a public event every year to raise awareness of mental disability.

Following the signature of the French Disability in the Workplace Charter in 2009, the Group produced a brochure on **disability in the workplace** in 2010 and distributed it to all employees in France. The aim was to raise awareness of the spectrum of disabilities that can affect people during their working life and encourage staff to declare any disabilities they might have so that their working conditions can be adapted accordingly. Unibail-Rodamco is also a signatory of the French Diversity Charter.

An e-learning programme about the **Code of Ethics** was launched to raise awareness of the ethical standards which all personnel must respect when working for Unibail-Rodamco. Ethical behaviour was also covered during the week-long European Graduate Programme induction seminar and in training courses across Europe and at the Unibail-Rodamco Academy.



In 2007, Saint Sever shopping centre in Rouen became the first shopping centre in France to receive the S3A label¹.

The Group's commitment to ensuring that men and women doing jobs with similar levels of responsibility receive **equal pay** took a major step forward with the introduction of a job grading system. The grading framework applies to staff in core business functions. As well as facilitating internal mobility, it will make it easier to align remuneration with skills and responsibilities, regardless of department or country. Employees are assigned a grade based on their core skills, seniority and scope, and given clear information on the skills they need to master to progress to the next grade. In total, 30,332 hours of training were provided to employees during 2010, including 7,517 hours of training through the Unibail-Rodamco Academy. 37% of management positions were held by women in 2010.

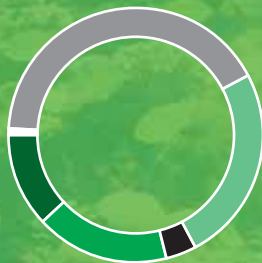
1 - 'S3A' is a French standard for public spaces that have demonstrated their commitment to being welcoming, supportive and accessible to people with mental disabilities.

EMPLOYMENT BY COUNTRY



- Austria 91
- Czech Republic 44
- Denmark 16
- France 1,050
- Netherlands 93
- Poland 56
- Spain 148
- Sweden 118

EMPLOYMENT BY ACTIVITY



- Offices 17
- Shopping Centres 667
- Convention & Exhibition 405
- Development 63
- Shared Services 273
- Headquarters 191

EMPLOYEES BY AGE



- < 30 years old 21.7%
- 30 - 50 years old 62.1%
- > 50 years old 16.2%

EMPLOYEES BY GENDER



- Women 49.1%
- Men 50.9%

Corporate citizenship

The Group maintained its commitment to supporting good causes in 2010. A total of €3.75 million in cash and in kind was donated to educational, cultural, entrepreneurial and social initiatives. More than 320 local charity fundraising and awareness events were held in the Group's shopping centres. Space is provided for free to small local charities as well as to large international organisations like UNICEF and the Red Cross. The Group signed a partnership agreement with UNICEF in Spain.



Children's workshops based on Alexander Calder's sculptures and mobiles that were developed in partnership with the Centre Pompidou museum in Paris continued their successful tour of French shopping centres in 2010.

Unibail-Rodamco devotes considerable energy to attracting top-flight tenants and helping them to expand and develop their commercial activities. This **commitment to supporting business** extends to entrepreneurs and start-ups: by nurturing new concepts, the Group is able to provide greater variety for customers and contribute to the development of the premium brands of the future. Through the Grand Prize for Young Retail Entrepreneurs, in the retail sector, and Expocréa, in the convention and exhibition sector, Unibail-Rodamco provides financial and logistical support that helps creative, imaginative business people to get their venture off to a good start in the best conditions.

Expocréa, which is organised by VIPARIS, encourages innovation by helping promising new convention and exhibition events to prepare their second show. In 2010, the main prize winners were Paris Games Week, the Healthy Home, Housing and Habitat exhibition, and Provemploi, an exhibition covering employment and business creation in the French regions.

Artworks and sculptures for the Group's assets were commissioned from a number of modern artists. For example, in June, Nacka Forum (Sweden) unveiled a striking public sculpture by artists Petter Hellsing and Margon Lindberg on the roundabout outside the centre. The artwork has been donated to the Municipality of Nacka.

In Spain, the Group created a new international art contest with a twist. The first edition of 'Barcelona', held at La Maquinista shopping centre, brought together young contemporary artists to exhibit their works and to participate in 'art battles', competitions between new and established artists who create art on stage in front of a live audience. Further editions of this highly successful event will be hosted at Bonaire, Parquesur and La Maquinista in 2011.

In France, the Group continued to support the School of the Second Chance (E2C)¹. Since 2008, 15 shopping centres have formed a partnership with their local E2C. These agreements provide a useful point of contact for students seeking a job or work experience. For example, in 2010, 34 students from the E2C 93, to the north of Paris, gained experience with tenants and suppliers at the Rosny 2, Les Quatre Temps and Forum des Halles shopping centres.

¹ - The Ecole de la Deuxième Chance (E2C, School of the Second Chance) provides 18- to 25-year olds with few or no qualifications with the training and support they require to access further education or employment.



GRAND PRIZE FOR YOUNG RETAIL ENTREPRENEURS

The Grand Prize provides tomorrow's retail stars with the financial and logistical support they need to start their business today. It is by far the largest single endowment supporting the creation of new businesses in France, distributing prizes with a value of €1.35 million to the three winners. Unibail-Rodamco provides them with retail space in one of its shopping centres, waiving both key money and the first six months' rent to relieve the new entrepreneurs of some of the stress that is

involved in launching a commercial venture. In addition, all six finalists receive marketing, legal, business and management guidance to help them to fine-tune their business plan. The fourth edition of the Grand Prize for Young Retail Entrepreneurs was won by Tailor Corner, an innovative concept which proposes made-to-measure suits at off-the-rack prices. The runners-up were Chaak, a Mexican fast-food concept, and Goutu, which sells fresh, low-cost sandwiches.

CONSOLIDATED DATA AND INDICATORS

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CONSOLIDATED DATA AND INDICATORS

Environmental sustainability and social fairness have a central role to play in constructing and consolidating long-term economic success. Unibail-Rodamco takes its social and environmental responsibilities seriously and has, since 2007, published an annual corporate sustainability report which aims to provide a clear, objective picture of the Group's goals and results. This year, the corporate sustainability report has been integrated into the annual report⁽¹⁾ to reflect the fact that sustainable practices are now fully integrated into the Group's everyday operations.

I. STRATEGY AND ORGANISATION

Strategy

Unibail-Rodamco's sustainability strategy is designed to return reliable, quantifiable improvements in performance over the long term. Matters which are the sole responsibility of the Group are managed through a system of in-house targets and key performance indicators. When responsibility for obtaining results is shared with other partners, the Group seeks to cooperate with those partners in order to identify and work towards common goals. In situations where results depend on factors that cannot be controlled, such as weather conditions, the Group works both to leverage opportunities and to identify and mitigate risks.

Organisation and target-setting

The organisation that has been introduced to manage sustainability issues is designed to:

- drive performance improvements from the top down and the bottom up,
- ensure that this strategy is informed by the needs and expectations of stakeholders.

Targets are set by the Corporate Sustainability Committee (CSC), which develops the Group's sustainability strategy and monitors results. The CSC meets four times a year and provides regular feedback on its activities and the Group's results to the Management Board and the Supervisory Board. All but one of its members are direct reports of the CEO.

Economic and social targets are identified and implemented in close cooperation with the finance, leasing, operating, marketing and human resources departments.

A dedicated environmental sustainability structure deals specifically with the setting and monitoring of environmental targets and their integration into day-to-day operations. Overall performance is monitored and managed by a dedicated corporate team. Regional managers are responsible for implementing corporate policies and ensuring that local and regional objectives are achieved. The shopping centre

management team and asset managers at each site are responsible for building relationships with tenants, suppliers and local communities and ensuring that day-to-day operations are as efficient and sustainable as possible. The International Environmental Performance Committee (IEPC), which meets by video or conference call every two months, brings together corporate and regional managers to share information, identify best practices and monitor progress.

In 2010, representatives from all regions participated in a sustainability seminar and training course in Paris. Training sessions were held to inform leasing teams about 'green leases'. Courses on environmental design guidelines and BREEAM assessment were held for corporate development and works teams in Paris and additional sessions were held for local teams in all regions.

Participation in external organisations

As Europe's leading listed commercial real estate company, Unibail-Rodamco has an opportunity and a responsibility to encourage the industry as a whole to adopt more sustainable operating practices. In 2009, the Group became a founding member of the International Sustainability Alliance (ISA). ISA, in partnership with the BRE Trust, is bringing together a global network of leading real estate organisations dedicated to achieving a more sustainable built environment by measuring the performance and environmental impact of existing commercial buildings. In France, Unibail-Rodamco played an active role in the government's "Grenelle 2" consultation process to develop a set of national environmental regulations.

Within the European Public Real Estate Association (EPRA), Unibail-Rodamco has made a significant contribution to the definition of consistent, shared key performance indicators for the industry. The indicators reported in the 2010 Annual and Sustainable Development Report comply with the draft Best Practice Recommendations that were issued by EPRA in late 2010 and are now being finalised. The Group is active in the EU Public Affairs Committee (EPAC) of the International Council of Shopping Centers (ICSC) and the sustainability committees of the French Council of Shopping Centres (CNCC) and the French Property Real Estate Association (FSIF).

(1) This 2010 Sustainable Development Report is an extract of information contained in the 2010 Annual and Sustainable Development Report. The full report is available on the Group website: www.unibail-rodamco.com

II. CORPORATE GOVERNANCE AND RISK MANAGEMENT

Unibail-Rodamco's corporate governance and risk management policies provide the stability and reliability that are necessary for sustainable growth and performance.

The Unibail-Rodamco Compliance Book sets out the Group's operating and management rules and includes the Group Code of Ethics. The Code is published on the corporate internet and intranet sites and is distributed to all employees, who are asked to confirm their acceptance of its terms. A total of 885 hours of training in compliance and ethical business behaviour was provided in 2010. 282 employees participated in these sessions. An e-learning course on the contents of the Code of Ethics has been developed and is being rolled out to ensure that all employees in all regions understand how the Code should be applied during day-to-day business operations.

Employees with concerns about compliance or ethics are invited to contact the Group Compliance Officer, who reports directly to the Chairmen of the Management and Supervisory Boards. The Code of Ethics guarantees the confidentiality of employees reporting possible compliance breaches. The Group respects national and European regulations on the reporting of compliance breaches to financial authorities.

Additional information on Unibail-Rodamco's governance structure and risk management systems is provided in the Report of the Chairman of the Supervisory Board (pages 236-247 of the Annual and Sustainable Development Report 2010).

III. ENVIRONMENT

During 2010, Unibail-Rodamco consolidated the considerable performance improvements it has made in recent years. Energy consumption in managed shopping centres in 2010 was stable year-on-year due to a particularly long, cold winter which increased heating requirements. Since 2006, energy consumption has fallen by 12%. CO₂ emissions per visit were reduced by 7%⁽¹⁾ in 2010 (-32% since 2006). Programmes to measure, control and reduce the environmental impact of existing assets and new developments continued to progress and return positive results.

1. Reporting methodology for environmental data

The Group uses a variety of tools, processes and indicators to monitor the performance of the assets that it owns and manages. They serve to structure the Group's environmental management approach, track results, and inform third-parties about performance.

Unibail-Rodamco continuously improves its environmental reporting tools and processes in order to fine-tune the quality and accuracy of its consolidated data. This enables the Group to manage its data collection processes more efficiently, track and analyse performance at all levels (site, regional, Group) on a regular basis, assess results against objectives, and implement suitable corrective measures.

Description of environmental key performance indicators

Fifteen environmental Key Performance Indicators (KPIs) covering climate change and resource use are tracked for all of the Group's managed assets. Definitions of each KPI are provided alongside the relevant data tables on the following pages.

Reporting values

Data is reported using absolute values (energy and water consumption, CO₂ emissions, quantities of waste) or normalised values (to show efficiency).

Reporting scope

The Group reports on the environmental performance of assets that are under its operational management, where data on energy efficiency and resource use can be measured and verified. In 2010, Unibail-Rodamco reported energy data for 100% of its managed assets (all sectors combined), water data for 99% of its shopping centres and offices, and waste data for 95% of its shopping centres.

Environmental KPIs are reported using one of two scopes:

- 'All assets', used to report the value of an indicator for the year in question. This scope includes all assets that were managed by the Group for the whole of the year in question. Assets which enter the managed portfolio during a given year through acquisition, construction or the delivery of a management mandate are included in the scope the following year on a full-year basis.
- 'Like-for-like', used to show the change in an indicator over time at a constant portfolio scope (notably in terms of the assets which are monitored). This scope includes assets that were managed by Unibail-Rodamco over the whole of the two-year comparison period. Assets that underwent major refurbishment and/or extension during that two-year period are excluded.

Tenants' water consumption was excluded from the data reported in 2009 to provide a clearer picture of the water purchased by Unibail-Rodamco for use in common areas. In 2010, tenants' water consumption has been reintegrated into the reporting scope to reduce the margin of error and provide a data set which can be more easily verified and audited.

(1) Verified by Ernst & Young.

Assets included in 2010 reporting scope for environmental KPIs

	Assets	Gross Lettable Area (**)	Visits/year
Austria	Donau Zentrum, Shopping City Süd, Sudpark	334,287 m ²	42,400,000
Central Europe	Centrum Cerný Most, Centrum Chodov, Galeria Mokotów, Złote Tarasy	263,281 m ²	56,202,000
France	BAB 2, Bonneveine, Carré Sénart, Carrousel du Louvre, Cité Europe, Côté Seine, Docks 76(*), Docks Vauban(*), Etrembières, Eurallille, Gaîté Montparnasse, La Part-Dieu, Labège 2, Le Forum des Halles, Les Quatre Temps, L'Usine Côte d'Opale, L'Usine Roubaix, Centre Meriadeck, Passages Meriadeck, Nice Etoile, Parly 2, Place d'Arc, Rennes Alma, Rivétoile, Rosny 2, Saint-Sever, Saint Martial, Toison d'Or, Ulis 2, Vélizy 2, Vélizy Usines Center, Villeneuve 2	1,602,411 m ²	333,699,000
Netherlands	De Bossche Boulevard, Vier Meren, Leidsenhage, Piazza Center, Citymall Almere, Stadshart Amstelveen, Stadshart Zoetermeer	472,573 m ²	47,900,000
Nordic Countries	Arninge Centrum, Bålsta Centrum, Eurostop Arlandastad, Eurostop Halmstad, Eurostop Jönköping, Eurostop Örebro, Fiskeforvet, Nacka Forum, Haninge Centrum, Nova Lund, Solna Centrum, Täby Centrum, Tyresö Centrum, Väsby Centrum	443,900 m ²	66,130,000
Spain	Albacenter, Los Arcos, Bahía Sur, Barnasud, Bonaire, Equinoccio, Garbera, Glòries, Habaneras, La Maquinista, Marquesur, Sevilla Factory, La Vaguada, Vallsur	837,756 m ²	119,808,000
Offices	40 ter Suffren, 7 Adenauer, 11-15 St Georges, 5 Malesherbes, 2-8 Ancelle, Courcellor 1, 70-80 Wilson, Capital 8, Espace 21, Issy Guynemer, Tour Ariane, Sextant(*)	320,070 m ²	n/a
Convention & Exhibition	Cnit, Espace Champerret, Espace Grande Arche, Carrousel du Louvre, Palais des Congrès de Paris, Palais des Congrès de Versailles, Paris Nord Villepinte, Paris Nord Le Bourget, Porte de Versailles		

(*) Added to the scope in 2010.

(**) GLA of the whole complex

Reporting system

Each region is responsible for collecting, checking and consolidating the data for its assets. At corporate level, data is reported:

- quarterly for the consumption of each energy source used. Regular, detailed monitoring of this indicator ensures that performance issues are identified and corrected swiftly at asset level. This indicator is reported monthly as a minimum requirement and is also sometimes measured on a real-time basis.
- annually for water, waste and transport and for supplementary data that is necessary for some calculations (e.g. conversion factors for CO₂ emissions).

This system has been applied across the whole of the reporting scope.

Reporting period

In preparation for the extra-financial reporting obligations which are due to be introduced under the Grenelle II laws

in France (Article 225), the Group has decided to integrate the corporate sustainability report into the annual report. As a result, the Group has adapted its reporting methodology to report its environmental data for a 12-month rolling period (Q4 previous year plus Q1, Q2 and Q3 for the reporting year) rather than for the financial year, as was the case in previous years.

Continuous improvement of definitions and data quality

Unibail-Rodamco continues to improve the quality and comparability of its environmental data, develop internal benchmarks, and introduce sub-metering to collect information for data which is currently estimated.

Third-party independent verification

In 2010, Ernst & Young performed a detailed review of 10 relevant performance objectives, including the carbon intensity KPI, which was also verified in 2009 (see page 46-47). This verification included a detailed review of some of the Group's largest assets.

2. Environmental Management Systems

The Group's environmental strategy is based on two separate but complementary Environmental Management Systems (EMS): the Sustainable Attitude, for existing assets, and the Design Guidelines, for development projects.

These management systems make use of a number of levers to achieve medium- and long-term objectives in the most efficient way. They enable the Group to make more accurate, confident predictions about future performance and focus its time, energy and investments on the areas which provide the highest returns. In addition, they drive continuous improvement by obliging operating teams to review their assumptions and assess results on a regular basis.

Operational experience acquired through the Sustainable Attitude is fed into the Design Guidelines and vice versa. This helps the Group to capitalise on experience, structure processes, save time and money, and ensure that decisions are informed by and in compliance with the latest in-house best practices.

Unibail-Rodamco also relies on external certification to validate the performance of new and existing assets. BREEAM certification is sought for all new developments of more than 10,000 m² and €10 million. In Europe, BREEAM (Building Research Establishment, Environmental Assessment Method) is widely seen as the best assessment methodology for sustainable office and retail developments. The assessment is broken down into nine sections, covering topics such as energy, transport, water, waste, management and biodiversity, which are weighted to take account of the importance of that topic in the local region. Credits are given for each section. The sum of all weighted credits gives a total score of 100 and differentiates 5 levels of performance: pass, good, very good, excellent and outstanding. Unibail-Rodamco's target is a score of 'very good' or better for all major developments.

Environmental management and certification of managed assets

	Existing assets	New developments & extensions
Internal EMS	Sustainable Attitude	Design Guidelines
External certification	ISO 14001 or third party audit on Sustainable Attitude	>10,000 m ² : BREEAM "Very Good" at least, plus local certification if relevant <10,000 m ² : n/a

Four development projects received BREEAM design stage certificate (1 office and 3 retail) and a further 9 assets are currently undergoing certification (3 offices and 6 retail). Four office projects are being developed in line with the French HQE certification methodology. Two office projects – Majunga and Courcellor II – received HQE design stage certification in 2010. All 14 of the Group's managed shopping centres in Spain have ISO 14001 certification.

	2009	2010
Managed assets monitored for environmental performance	98%	100%
Average BREEAM score for certified development projects*	47.26% (Rating: Good)	63.46% (Rating: Very Good)

*The average score of the BREEAM grading system is calculated for all of the assets certified during the year. The scores in each section are totalled to provide a single rating for the "average" asset certified in that year.

3. Climate change

The effects on Unibail-Rodamco's portfolio of climatic changes that could occur in the coming years will vary by region and by asset. The scale and severity of any changes will determine the extent of the impact, as will factors such as the age, location, construction method and operational efficiency of the asset and the quality and capacity of local infrastructure. Risks to the Group's activities that could result from climate change include higher insurance premiums, higher operating costs for energy, water and maintenance, a greater likelihood of flooding, and increased potential for disruption to commercial activity from extreme weather events.

As well as preparing its assets to face the potential effects of climate change, Unibail-Rodamco is working to limit the impact of its activities on the climate. The Group's CO₂-reduction strategy is based on energy efficient behaviours and equipment and an increasing reliance on low-carbon and renewable energies.

CO₂ emissions

On a like-for-like basis, total CO₂ emissions from shopping centres fell by -6% (6,101 tonnes) year on year.

Changes in visitor numbers and energy consumption were negligible and did not have a noticeable impact. The reduction is primarily due to changes in the energy mix and the purchase of 'green' electricity in Shopping City Süd (Austria).

KPI: CO₂ emissions (kgCO₂)

CO₂ emissions related to energy consumption considered in absolute Energy Consumption KPI. The CO₂ figures are calculated with local emission factors for each source of energy consumption. These factors depend on source of energy (electricity, gas, etc), country and energy supplier.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices	Scope	Convention & Exhibition
2008	67/70	108,869,161	3,824,208	54,954,707	12,156,040	11,051,365	6,070,085	20,812,756	18/18	6,258,726	5/5	7,136,159
2009	72/75	99,733,057	11,254,212	46,804,306	11,576,072	2,610,260	5,055,125	22,433,082	19/19	6,617,371	9/9	15,867,647
2010	74/74	94,209,900	7,446,938	48,375,883	12,027,597	2,953,000	5,037,696	18,368,786	17/17	5,835,670	9/9	17,230,534
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices		Convention & Exhibition
2010/2006		-31%	-34%	-17%	-16%	-76%	-17%	-36%		-2%		2%
2010/2009	67/74	-6%	-34%	3%	2%	1%	0%	-18%	16/17	-7%	9/9	9%

KPI: carbon intensity (gCO₂/visit for shopping centres, kgCO₂/occupant for offices)

Numerator: definition of CO₂ Emissions KPI. Denominator: for shopping centres, the number of annual visits is obtained by combining data from traffic counting systems and estimates obtained by market research and random counts. For offices, the figure is based on an estimate of the number of occupants.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices
2008	66/70	182	168	1,009	38	256	96	201	17/18	250
2009	72/75	152	244	852	36	55	79	185	18/19	254
2010	73/74	141	176	861	36	62	76	153	15/17	232
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices
2010/2006		-32%	-28%	-25%	-19%	-79%	-20%	-34%		-2%
2010/2009	69/74	-7%	-28%	1%	1%	-2%	-3%	-17%	15/17	-7%

KPI: Carbon intensity per square metre (kgCO₂/m²/year)

Numerator: CO₂ emissions related to energy consumption considered in absolute Energy Consumption KPI. Denominator: square metres of mall and GLA for which common energy is provided. For offices, this refers to the total floor area.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices
2008	66/70	42	26	196	10	82	13	57	17/18	19.3
2009	72/75	35	41	167	9	19	11	50	18/19	19.7
2010	73/74	33	27	173	10	25	11	41	16/17	18.2
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices
2010/2006		-31%	-34%	-17%	-17%	-76%	-17%	-36%		-2%
2010/2009	69/74	-6%	-34%	3%	2%	1%	0%	-18%	15/17	-7%

Energy consumption

Energy efficiency measures are applied in every asset that the Group manages. Energy efficiency is a determining factor in the choice of technical equipment, notably for lighting, heating, cooling and ventilation, and during the design of new developments and extension/renovation projects. Increased energy efficiency limits Unibail-Rodamco's exposure to rising, increasingly volatile energy prices and cushions it against possible supply shocks in the future. This is particularly important in France, where energy prices are currently below European market rates.

The Group's ability to achieve energy savings in existing assets is often compromised by technical and architectural decisions that were taken during design and construction. It is also subject to the need to provide comfortable conditions for customers and tenants.

For shopping centres, absolute energy consumption and energy efficiency were stable in 2010 on both an 'all assets' and a like-for-like basis as tough climatic conditions in Q1 2010 increased energy requirements in most regions. As a consequence, the Group's energy efficiency improvement since 2006 remains stable at 13%.

KPI: Energy consumption (kWh)

For shopping centres, final energy purchased for use in common areas including car parks and by common equipment (heating & cooling, distribution power, ventilation, vertical transportation, lighting) and energy provided to tenants for heating and/or cooling. Electricity purchased by tenants is not included. For offices and convention & exhibition centres, this KPI refers to final energy purchased.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices	Scope	Convention & Exhibition
2008	67/70	426,441,761	22,772,115	75,766,034	160,764,820	24,145,824	83,830,937	59,162,031	18/18	56,061,173	5/5	81,098,573
2009	72/75	458,453,259	61,278,672	76,965,442	155,667,401	23,216,465	80,616,248	60,709,031	19/19	60,407,137	9/9	165,265,407
2010	74/74	459,677,119	59,863,429	75,491,541	159,455,833	21,824,906	83,260,526	59,780,884	17/17	52,941,093	9/9	175,901,651
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices		Convention & Exhibition
2010/2006		-12%	6%	-12%	-12%	-4%	-7%	-23%		-10%		-9%
2010/2009	67/74	0%	-2%	-2%	0%	-2%	3%	-2%	16/17	-5%	9/9	6%

KPI: Energy efficiency per visit (kWh/visit for shopping centres, kWh/occupant for offices)

Numerator: definition of Energy Consumption KPI. Denominator: for shopping centres, the number of annual visits is obtained by combining data from traffic counting systems and estimates obtained by market research and random counts. For offices, the figure is based on an estimate of the number of occupants.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices
2008	66/70	0.71	1.00	1.39	0.51	0.56	1.33	0.57	17/18	2,243
2009	72/75	0.70	1.33	1.40	0.48	0.49	1.26	0.50	18/19	2,325
2010	73/74	0.69	1.41	1.34	0.48	0.45	1.26	0.50	15/17	2,113
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices
2010/2006		-13%	16%	-20%	-14%	-16%	-3%	-21%		-10%
2010/2009	69/74	-1%	6%	-4%	-1%	-5%	0%	-1%	15/17	-5%

KPI: Energy consumption per square metre (kWh/m²)

Numerator: definition of Energy Consumption KPI. Denominator: square metres of mall and GLA for which common energy is provided. For offices, this refers to the total floor area.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices
2008	66/70	164	158	270	132	179	181	162	17/18	172
2009	72/75	161	224	275	124	173	174	137	18/19	179
2010	73/74	162	219	269	127	185	180	135	16/17	164
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices
2010/2006		-12%	6%	-12%	-13%	-4%	-7%	-23%		-10%
2010/2009	69/74	0%	-2%	-2%	0%	-2%	3%	-2%	15/17	-5%

Energy mix

Unibail-Rodamco aims to reduce the carbon weight of its energy mix by using increasing amounts of energy from low-carbon and renewable sources. When possible, the Group purchases low-carbon energy from suppliers. The energy mix is a key focus in regions such as Central Europe, where the Group's performance is being weighed down by a carbon-intensive national energy infrastructure. Any improvement in the energy mix in these regions will have an immediate and marked effect on Unibail-Rodamco's total CO₂ emissions.

KPI: Carbon weight of energy mix (gCO₂/kWh)

CO₂ Emissions KPI divided by Energy Consumption KPI.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices	Scope	Convention & Exhibition
2008	67/70	255	168	725	76	458	72	352	18/18	112	5/5	88
2009	72/75	218	184	608	74	112	63	370	19/19	110	9/9	96
2010	74/74	205	124	641	75	135	61	307	17/17	110	9/9	98
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices		Convention & Exhibition
2010/2006		-21%	-38%	-6%	-4%	-75%	-11%	-17%		8%		12%
2010/2009	67/74	-6%	-32%	5%	2%	4%	-4%	-17%	16/17	-2%	9/9	2%

KPI: Direct and indirect final energy consumption by primary energy source (kWh)

Direct energy refers to primary source energy which is purchased and consumed on site (e.g. gas). Indirect energy refers to energy which was generated by and purchased from a third-party in the form of electricity, heat or steam.

2010	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Offices	Convention & Exhibition
Nuclear	132,767,792	267,290	1,786,361	103,412,837	-	17,741,179	9,560,126	30,174,144	105,134,066
Natural gas	49,889,481	11,518,477	1,601,934	10,559,644	4,273,198	1,466,433	20,469,794	7,797,483	8,003,134
of which direct	60,044,225	21,664,792	-	23,754,214	6,262,590	-	8,362,629	1,822,180	39,029,601
Fuel	10,421,441	-	140,355	2,351,631	-	5,011,147	2,918,308	7,370,014	6,703,387
Coal	80,538,814	-	63,164,793	4,900,016	-	4,576,968	7,897,037	1,572,683	4,481,964
Other fossil products	5,685,365	625,673	4,615,281	377,879	-	16,602	49,930	110,259	384,168
Non-renewable energy sub-total	279,302,892	12,411,440	71,308,724	121,602,007	4,273,198	28,812,328	40,895,195	47,024,583	124,706,720
Hydro power	66,347,529	22,071,366	11,437	8,943,132	11,289,118	19,799,454	4,233,022	2,609,457	9,091,984
Wind power	1,914,235	491,923	3,812	-	-	1,418,500	-	-	-
Other renewable sources	52,068,239	3,223,908	4,167,568	5,156,480	-	33,230,244	6,290,038	1,484,873	3,073,347
Renewable energy sub-total	120,330,002	25,787,197	4,182,817	14,099,612	11,289,118	54,448,198	10,523,060	4,094,330	12,165,330
Total final energy consumption	459,677,119	59,863,429	75,491,541	159,455,833	21,824,906	83,260,526	59,780,884	52,941,093	175,901,651
of which direct energy	60,044,225	21,664,792	-	23,754,214	6,262,590	-	8,362,629	1,822,180	39,029,601
of which indirect energy	399,632,895	38,198,637	75,491,541	135,701,619	15,562,316	83,260,526	51,418,255	51,118,913	136,872,050

Scope: 74 shopping centres out of 74; 17 offices out of 17; 9 Convention & Exhibition centres out of 9. Figures may not add up due to rounding.

In Spain, 20,300 m² of solar panels which are installed at 9 assets produce renewable energy for re-sale to the national grid. In 2010, a tri-generation system went into operation at Los Arcos shopping centre.

A number of solar panel projects that were in the design phase in France have been cancelled or postponed due to ongoing changes in French regulations governing feed-in rates. Other solutions which make more sense from an economic standpoint are being studied.

	2008	2009	2010
Renewable energy produced on site (kWh)	318,961	1,202,384	1,355,534
CO ₂ emissions saved (kgCO ₂)	103,942	391,830	441,739

Production from photovoltaic technology implemented at 9 assets

Transport

CO₂ emissions from visitor transport significantly outweigh the CO₂ emissions generated by energy consumed by the asset itself. In general, car transport generates much higher levels of CO₂ emissions than public transport. The relative impact of visitor transport on overall CO₂ emissions will continue to rise as buildings become more energy efficient.

In 2010, 53% of visits to the Group's shopping centres were made by sustainable forms of transport. As a new survey methodology was used to collect customer travel information in 2010, the figures obtained in 2009 and 2010 are not comparable.

KPI: Split of visits by mode of transport

Percentage split of visits by mode of transport. The split of transport modes is based on data collected for 2010.

All assets	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain
Public transport	42%	45%	54%	54%	54%	20%	47%
Car/taxi	45%	40%	26%	32%	26%	43%	27%
Foot/bicycle	11%	12%	18%	11%	18%	35%	21%
Other (motorbikes, etc.)	2%	2%	2%	2%	2%	1%	4%

Scope: 68 shopping centres out of 74.
Figures may not add up due to rounding.

In 2010, Unibail-Rodamco collected CO₂ emissions data relating to employees' business trips made by air and by train in all regions. An action plan and performance targets will be defined in 2011 with a view to reducing the environmental impact of employees' business travel.

CO₂ emissions from employees' business travel by train and plane (tonnes CO₂)

Group	Austria	Central Europe	France	Netherlands	Nordics	Spain
1,374	31	318	520	102	184	219

4. Resource use

Unibail-Rodamco's resource use policy covers materials, water, waste and biodiversity.

Materials

An in-house materials policy ensures that materials are fit for purpose, that opportunities to reuse existing materials and structures are systematically reviewed, and that materials with a low environmental impact and recycled products and materials are preferred. Wood must come from certified, managed forests (i.e. with FSC or PEFC labels). Materials must not exceed the European Union's Volatile Organic Compounds (VOC) thresholds.

Water

In line with environmental best practice, the Group is taking active steps to cut water consumption, reduce wastage and maintain water quality. In particular, efforts are made to install water-efficient equipment, optimise operating practices, and ensure that leaks are detected and repaired rapidly. Run-off water collected from car parks is treated before being disposed of through municipal networks. Closed-circuit systems are being introduced to re-use water during tests of sprinkler equipment. Climate change impact assessments are helping the Group to identify regions and assets that are particularly susceptible to water shortages and find appropriate solutions.

Water efficiency at shopping centres improved by 4% in 2010 on a like-for-like basis, which corresponds to a saving of 96,448 m³.

KPI: Water consumption (m³)

Water purchased for private and common use (heating & cooling systems, cleaning, sprinkler systems, restrooms, etc.).

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices
2008	65/70	2,338,180	113,212	94,780	1,229,591	45,767	339,832	514,997	16/17	181,859
2009	72/75	2,603,656	251,786	231,551	1,212,110	35,287	321,911	551,011	17/18	179,119
2010	73/74	2,310,539	250,836	232,412	1,188,843	25,234	326,888	286,326	16/16	168,249
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices
2010/2006		-13%	8%	-26%	-13%	-22%	-8%	-27%		-8%
2010/2009	66/74	-4%	0%	-6%	-4%	6%	0%	-15%	15/16	-2%

KPI: Water consumption per visit (litre/visit for shopping centres, m³/occupant for offices)

Denominator: Water Consumption KPI. Numerator: for shopping centres, the number of annual visits is obtained by combining data from traffic counting systems and estimates obtained by market research and random counts. For offices, the figure is based on an estimate of the number of occupants.

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain	Scope	Offices
2008	64/70	3.89	4.97	2.62	3.91	1.23	7.99	2.51	16/17	7.35
2009	70/75	3.74	5.47	3.28	3.84	0.79	7.25	2.30	17/18	6.96
2010	72/74	3.54	5.92	3.02	3.63	0.53	7.01	1.99	16/16	6.74
Like-for-like		Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain		Offices
2010/2006		-15%	18%	-33%	-15%	-31%	-5%	-25%		-8%
2010/2009	66/74	-4%	8%	-8%	-4%	1%	-3%	-13%	15/16	-2%

Waste

Unibail-Rodamco's waste management approach is designed to maximise recycling and minimise disposal to landfill. Tenants are regularly informed about on-site waste management systems. Both supplier purchasing contracts and tenant green leases establish the minimum requirements for waste sorting and recycling that must be respected. Suitable waste segregation facilities are in place in all assets.

Unibail-Rodamco's waste management responsibilities and reporting scopes vary by region. In some assets, local authorities are responsible for managing waste. The Group does not control the final destination of waste produced at these assets.

In 2010, 36% of waste was recycled and 24% was sent to landfill.

KPI: Total waste (tonnes)

Total waste collected on site

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain
2008	61/70	48,827	1,819	4,294	22,926	1,120	5,655	13,013
2009	66/75	49,165	4,594	4,744	21,877	1,327	5,773	10,849
2010	70/74	55,637	4,575	4,901	25,336	1,622	5,836	13,367

Figures may not add up due to rounding.

KPI: Percentage of waste recycled

Tonnes of waste recycled divided by tonnes of waste collected

All assets	Scope	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain
2008	61/70	30%	65%	30%	24%	56%	65%	18%
2009	66/75	33%	53%	31%	25%	44%	61%	23%
2010	70/74	35%	53%	38%	30%	41%	50%	32%

KPI: Split of total non-hazardous waste by final disposal (2010 only)

All assets	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain
Total non-hazardous waste (in tonnes)	55,615	4,575	4,891	25,331	1,654	5,827	13,336
Recycling/Reuse/Composting	36%	53%	38%	30%	40%	52%	35%
Incineration (or use as fuel)	30%	47%	0%	40%	60%	47%	6%
Landfill	24%	0%	61%	30%	0%	1%	21%
Managed by municipality	9%	0%	0%	0%	0%	0%	38%
Other	0%	0%	1%	0%	0%	0%	0%

Scope: 70 shopping centres out of 74.
Figures may not add up due to rounding.

KPI: Split of recycled waste by type of waste (in tonnes, 2010 only)

All assets	Shopping centres	Austria	Central Europe	France	Netherlands	Nordics	Spain
Cardboard	14,955	1,589	1,801	5,896	528	2,285	2,856
Paper	248	-	-	2	121	119	6
Plastics	737	186	20	49	3	21	457
Glass	539	341	19	46	10	23	100
Wood	413	90	-	50	-	-	272
Metals	55	37	-	1	-	14	2
All other recycled waste	2,432	187	0	1,509*	-	446	289

Scope: 69 shopping centres out of 74.

Figures may not add up due to rounding.

* Waste sorted for recycling offsite - no split available.

Biodiversity

Unibail-Rodamco has developed a clear strategy and methodology for integrating biodiversity and ecology into all of its activities. The Group worked closely with a biodiversity expert to define and implement its approach to these important issues.

For all development projects involved in a BREEAM certification process (i.e. projects over 10,000 m²), an ecologist forms part of the design team. The ecologist advises the architects and designers on the most appropriate species to choose for the development, taking into account their relevance to local habitats and their potential to create a positive ecological impact by enhancing and/or conserving local fauna and flora. For all other development projects, the site is analysed to estimate its potential and ensure that all opportunities to foster biodiversity are exploited.

An equally pragmatic approach is taken to biodiversity and ecology at existing assets. The Group undertakes a biodiversity study prior to renovations or investments. Gap analysis methodology is used to measure the site's ecological potential against its initial status and a standard tool kit is used to respond to challenges ranging from habitat creation to public education.

Health & safety and environmental risks

The Group complies with all applicable health and safety legislation as a matter of course. It often exceeds minimum requirements to ensure a higher standard of service and safety for its tenants and customers. The main subjects covered by the Group's in-house risk management process are air quality, water quality, asbestos, legionella, electromagnetic radiation, and technical equipment such as lifts and escalators. The risk management process also provides a framework for responding to exceptional risks and crises. The Group does its best to ensure that the same rigorous processes are in place at all of its assets.

IV. STAKEHOLDERS

Unibail-Rodamco holds a central position at the heart of communities across Europe. The Group takes its social and economic responsibilities seriously and is committed to creating value for all of its stakeholders.

1. Customers

The quality of the customer experience is central to the economic sustainability of Unibail-Rodamco's business. It is the result of intensive work in subjects as diverse as leasing, maintenance, health and safety, marketing and customer research. The Group continuously improves the Welcome Attitude, its customer service strategy for retail assets.

Customer satisfaction surveys were conducted in 61 assets in 2010. The number of participants increased to 28,127 (+6% year-on-year) and the average score across the Group was 7.5/10. As a new survey methodology was used by the Group's marketing teams in 2010, the scores obtained in 2009 and 2010 are not comparable. Internal quality audits were used to assess 240 service and comfort criteria. The average quality score increased to 72/100 (+16% year-on-year).

	2009	2010
Increase in average score in internal quality audit	14%	16%

2. Tenants

Strong, mutually beneficial relationships with tenants are fundamental to the Group's long-term success and sustainability. Unibail-Rodamco devotes considerable energy to attracting top-flight retailers and supporting their national and international expansion via its extensive network of well-located, prime shopping centres. The Group is also committed to leasing space and providing support to entrepreneurs and smaller national and local retailers.

Tenants are the Group's most important partner when it comes to reducing the global environmental footprint of its assets. A proactive green lease policy, launched in late 2009 and founded on dialogue, information and the sharing of best practices, is encouraging tenants to play an active role in on-site environmental management. As well as contributing to lower common and private service charges, these efforts are helping all parties to prepare for a tougher regulatory environment in the future.

Since January 1, 2010, the Group has been working to convince its retail and office tenants to sign leases containing environmental clauses. These 'green' leases cover the issues

that are most relevant to improving environmental awareness and performance among tenants, such as the sharing of energy consumption data, specifications for fit-out projects, and measures for saving energy and water and reducing waste. 1,180 of these 'green' leases were signed in 2010. In addition, tenant-landlord sustainability committees have now been set up in 40% of the Group's managed shopping centres.

	2009	2010
Number of 'green' leases signed	42	1,180
Number of 'green' leases as a percentage of all new office/retail leases	2%	79%

3. Suppliers and contractors

Unibail-Rodamco works with a large network of third-party suppliers and contractors. They provide the Group with everything from legal advice and architectural designs to cleaning staff for shopping centres and technical installation teams for the convention and exhibition activity. At present, suppliers are mainly selected according to technical and financial criteria, but the Group is working to incorporate structural sustainability criteria into its selection process.

The Group's social and economic relationships with its suppliers are governed by internal rules and compliance regulations as well as by strict local and national laws and regulations. Internal compliance rules state that the suppliers of all goods and services must be selected equitably on the basis of objective, comparable criteria and, when relevant, according to procedures applying to invitations to tender.

To encourage existing suppliers and contractors to adopt sustainable operating practices and use environmentally sustainable materials, Unibail-Rodamco is communicating with key suppliers about its environmental and social objectives and asking them to share their sustainability policies and practices. Service providers in existing assets, primarily cleaning, facilities management and security agencies, are also being asked to sign a contract addendum. The addendum covers a range of issues, including energy efficiency, waste, the use of environmentally-sound products and materials, and social and ethical behaviour (notably an engagement to comply with International Labour Organisation (ILO) conventions and local labour laws and regulations). A framework has been drawn up to monitor and assess suppliers' compliance with these engagements.

4. Investors and shareholders

Unibail-Rodamco is listed on a number of prestigious SRI (socially responsible investment) indexes: the FTSE4Good, the Dow Jones Sustainability (World) and Sustainability (Europe), the ASPI (Europe), and the NYSE Euronext Low Carbon 100 Europe® Index. In February 2011, Unibail-Rodamco was selected for inclusion in the Ethibel EXCELLENCE Investment Register. The Group also entered the Corporate Knights Global 100 list of

the world's most sustainable companies at number 47. Unibail-Rodamco is one of 4 real estate companies in the 2011 Global 100 and one of only 5 French companies selected.

The Group shares its sustainability strategy and achievements with investors at dedicated sessions. In 2010, sessions were held in Paris, Amsterdam and London. These meetings also enable Unibail-Rodamco to learn more about its investors' vision of sustainability in the real estate sector. Unibail-Rodamco participates in the Carbon Disclosure Project and is a signatory of the UN Global Compact.

5. Communities and local authorities

Unibail-Rodamco's assets play an important social role in the community and contribute to economic growth, job creation and urban renewal. To ensure that its investments, developments and operations benefit the communities where it is present and reflect their needs and expectations, the Group works to build and maintain strong relationships with local residents and public authorities. Extensive public consultations are held for all development and extension projects.

V. CORPORATE PHILANTHROPY

Unibail-Rodamco donated a total of €3.75 million in cash and in kind to educational, cultural, entrepreneurial and social initiatives during 2010. The Group offers space in its shopping centres for charities to hold fundraising and awareness events and waives the commercial fees which would usually be applied.

Since 2007, Unibail-Rodamco has organised the annual Grand Prize for Young Retail Entrepreneurs, which is the largest single endowment supporting the creation of new businesses in France.

The Group supports the Ecole de la Deuxième Chance (E2C, School of the Second Chance), a French initiative which provides 18- to 25-year olds with few or no qualifications with the training and support they require to access further education or employment. In 2010, the Group contributed €80,000 to support the day-to-day operations of the E2C and help participants obtain work or work experience in its shopping centres.

Unibail-Rodamco is a corporate partner of CEMS, a strategic network of international business schools. As part of the Group's sponsorship of the Real Estate Chair at HEC, in partnership with Morgan Stanley, Unibail-Rodamco executives lecture in subjects such as real estate finance, sustainability, investment, development and asset management.

VI. HUMAN RESOURCES

Unibail-Rodamco aims to offer a working environment that promotes equality and diversity, and provide its employees with the skills and opportunities they require to build exciting and rewarding careers. Recruitment and human resources policies are designed to attract and retain the best talent on the market.

1. Reporting methodology

Corporate and regional human resources teams are responsible for collecting and compiling employment data and trends. Some indicators (namely headcount and wage level comparisons) show average figures over the whole year. Others, such as the number of people movements or number of training hours per employee show the situation as it stood on December 31, 2010. In 2010, the Group finalised the deployment of a new human resources tool in France which facilitates the collection and comparison of HR data. This system will begin to be leveraged across the Group in 2011.

2. Employment and diversity

In 2010, average headcount for the Group was 1,616 employees. The Group has a positive track record for gender and age diversity: the workforce is split almost equally between men and women and the age pyramid is well balanced. Job candidates are asked to submit anonymous CVs to ensure that academic profile and proven achievements are the sole criteria for selection.

The Group participates in the voluntary, non-profit BoardWomen Partners programme, which aims to improve the corporate governance of European listed companies by increasing the number of women present on their supervisory boards. In France, Unibail-Rodamco is a signatory of the Diversity Charter and the Disability in the Workplace Charter. The Group aims to ensure that the standards set out in these charters are respected in its other regions.

Employment by country ⁽¹⁾	Average headcount	%
Austria	91	5.6%
Czech Republic	44	2.7%
Denmark	16	1.0%
France ⁽²⁾	1,050	65.0%
Netherlands	93	5.8%
Poland	56	3.5%
Spain	148	9.1%
Sweden	118	7.3%
Total	1,616	100%

(1) Average headcount in 2010.

(2) This figure includes 100% of VIPARIS employees (405)

Employment by activity	Average Headcount
Offices	17
Shopping Centres	667
Convention & Exhibition ⁽¹⁾	405
Development ⁽²⁾	63
Shared Services	273
Headquarters	191
TOTAL	1,616

(1) This figure includes 100% of VIPARIS employees.

(2) Office and shopping centre development.

Employees by age ⁽¹⁾	2009	2010
< 30 years old	23.1%	21.7%
30 - 50 years old	61.4%	62.1%
> 50 years old	15.5%	16.2%

(1) On 31st December.

Employees by gender ⁽¹⁾	2009	2010
Women	49.0%	49.1%
Men	51.0%	50.9%

(1) On 31st December.

3. Career management

Employees receive regular support and advice on career development. All employees meet with their manager at least once a year to discuss performance objectives and career progression, review achievements and identify training needs. A 360° review process is held annually to provide employees with comprehensive feedback on their strengths and points of development. 100% of employees receive regular performance reviews.

Performance management	2009	2010
Employees receiving regular performance reviews	100.0%	100.0%

Internal mobility between core disciplines is strongly promoted. This approach provides employees with an in-depth understanding of technical processes and business priorities at different stages in the asset lifecycle and helps to build networks and share best practices between regions. In 2010, 25 people worked abroad on an international mobility assignment. During the year, 129 employees made a lateral career shift within the Group and 115 employees were promoted.

4. Training

Unibail-Rodamco's recruitment, training and mobility policies are designed to ensure that employees have the skills, experience and confidence that is required to take sound decisions in complex situations involving major assets and large sums of money. Corporate training is delivered through the Unibail-Rodamco Academy. General business and management skills are taught by external experts, but subjects relating to the Group's core functions and expertise are taught by senior managers. The content of this extensive professional training syllabus is regularly reviewed and updated. Targeted training is backed by on-the-job experience and mentoring to accelerate skills acquisition for new recruits, enable career progression and support transitions to new positions, functions and/or countries.

Training	2009	2010
Total number of hours provided	32,982	30,332
Average number of hours per employee ⁽¹⁾	20.1	20.3

(1) Based on effective headcount at the end of the year.

5. Employee movements

The Group recruits 'best in class' talent from leading business and engineering schools across Europe. In 2010, 26 young graduates from eight different countries were recruited through the European Graduate Programme (EGP).

Absenteeism and departures are closely tracked in each region and data is regularly reported to management. An exit interview is systematically conducted when there is a departure. Employee turnover, as measured by the number of resignations, dismissals, mutual agreements, retirements and departures during probationary periods over effective headcount at the end of 2009, stood at 18.2% in 2010 (versus 16.0% in 2009 on the same basis)⁽¹⁾. The causes of work-related injuries are studied, and measures are taken to reduce the likelihood that they will reoccur.

(1) This slight increase can be attributed to higher divestment activity in the Netherlands and to the change of head office location in Sweden.

Recruitments	2009	2010
Permanent contracts	248	163
Fixed-term contracts	95	58
Apprenticeships ⁽¹⁾	9	7
Total	352	228

(1) Excluding internships (32 in 2010).

Reasons for departures in 2010	Departures	%
Resignations	144	38%
Dismissals	40	10%
Mutual Agreements	82	21%
Retirements	21	5%
Departures during probationary periods	14	4%
Expiry of temporary contracts	45	12%
Outsourcing	36	9%
Death	2	1%
Total	384	100%

6. Organisation of working time

Unibail-Rodamco entities have undertaken various initiatives to organise statutory working time. These measures take into account the specific operating requirements of each site and business line within the Group. The most common arrangements adopted are as follows:

- a fixed annual number of working days for executives,
- a shorter working week and extra leave days in other cases,
- an annual number of working hours and yearly adjustment for certain employee categories (mainly VIPARIS).

In addition, a certain number of employees work part-time or fewer fixed days per year, corresponding to a range between 40% and 90% of a full-time activity rate.

In 2010, sickness absences totalled 12,677 working days (3.2% of total working days) and lost days for injuries and occupational diseases represented 731 days (0.2%).

Absenteeism	N° of incidents	Ratio
Injuries	25	1.7%
Work related fatalities	0	0.0%
	N° of days	Ratio
Lost days for injuries	874	0.2%
Lost days for sick leave	12,677	3.2%
Other paid absence days (excluding vacation)	731	0.2%
Other unpaid absence days	3,532	0.9%
Total	17,814	4.5%

In 2010, maternity/paternity leave represented 9,940 working days (2.5% of total working days).

Employees by contract type	2009	2010
Permanent contract	94.7%	96.8%
Fixed-term contract	5.3%	3.2%

Employees by contracted hours	2009	2010
Full-time contract	95.2%	94.7%
Part-time contract ⁽¹⁾	4.8%	5.3%

(1) Corresponding to between 40% and 90% of a full-time activity rate.

7. Remuneration

Unibail-Rodamco works to ensure that there is no difference between the remuneration of men and women who do the same job and have similar responsibilities. All young graduates in a given country are recruited at the same base salary, regardless of gender or age. Remuneration policy is designed to encourage individual achievement and support the long-term growth of the Group. On a like-for-like headcount basis, total salaries increased by an average of 4.1% in 2010.

Comparison of remuneration (in euros) for similar positions across the Group in 2010 ⁽¹⁾	Women		Men	
	% per category	Average gross monthly salary ⁽²⁾	% per category	Average gross monthly salary ⁽²⁾
Accountants	77%	2,847	23%	3,083
Analysts ⁽³⁾	44%	3,485	56%	3,566
Assistants	95%	2,743	5%	2,537
Controllers	25%	5,562	75%	5,141
Development/Investment	37%	5,139	63%	5,254
IT managers & project heads	37%	5,528	63%	5,466
Leasing	61%	5,204	39%	5,582
Legal managers	69%	4,634	31%	4,525
Marketing managers (shopping centres)	84%	3,496	16%	3,659
Operating managers	18%	6,460	82%	6,246
Property Maintenance & Purchasing (PMP)	13%	3,400	87%	3,883
Shopping centre managers	44%	5,656	56%	5,924

(1) Positions composed of more than 12 staff in the Group, excluding VIPARIS.

(2) Average gross monthly salary equals annual fixed salary plus individual bonus divided by twelve.

(3) "Analyst" category encompasses all employees graded "Analyst" in the new job grading system.

Total remuneration ⁽¹⁾	2009	2010
Annual increase in average salary, including bonus	2.5%	4.1%

(1) Based on like-for-like headcount

Variable remuneration	2009	2010
Received an individual merit-based bonus	65.0%	64.1%
Received stock options	18.0%	18.6%

In March 2010, 778,800 options were granted to 18.6% of total employees and MB members, at no discount to the share price at the time of allocation, with a price of €148.32 per share, for a total economic value (IFRS valuation, adjusted for staff turnover and before straightlining over the vesting period) of €5.0 million. These options were all subject to conditions based on Unibail-Rodamco's share price performance compared with that of the EPRA Euro zone index, which is a benchmark for the sector's performance.

In 2010, the Group supported the voluntary savings contributions of its staff by making a total employer contribution of €0.4 million. On December 31, 2010, more than 82% of eligible employees (excluding VIPARIS) were shareholders of Unibail-Rodamco through the Group's savings plan.

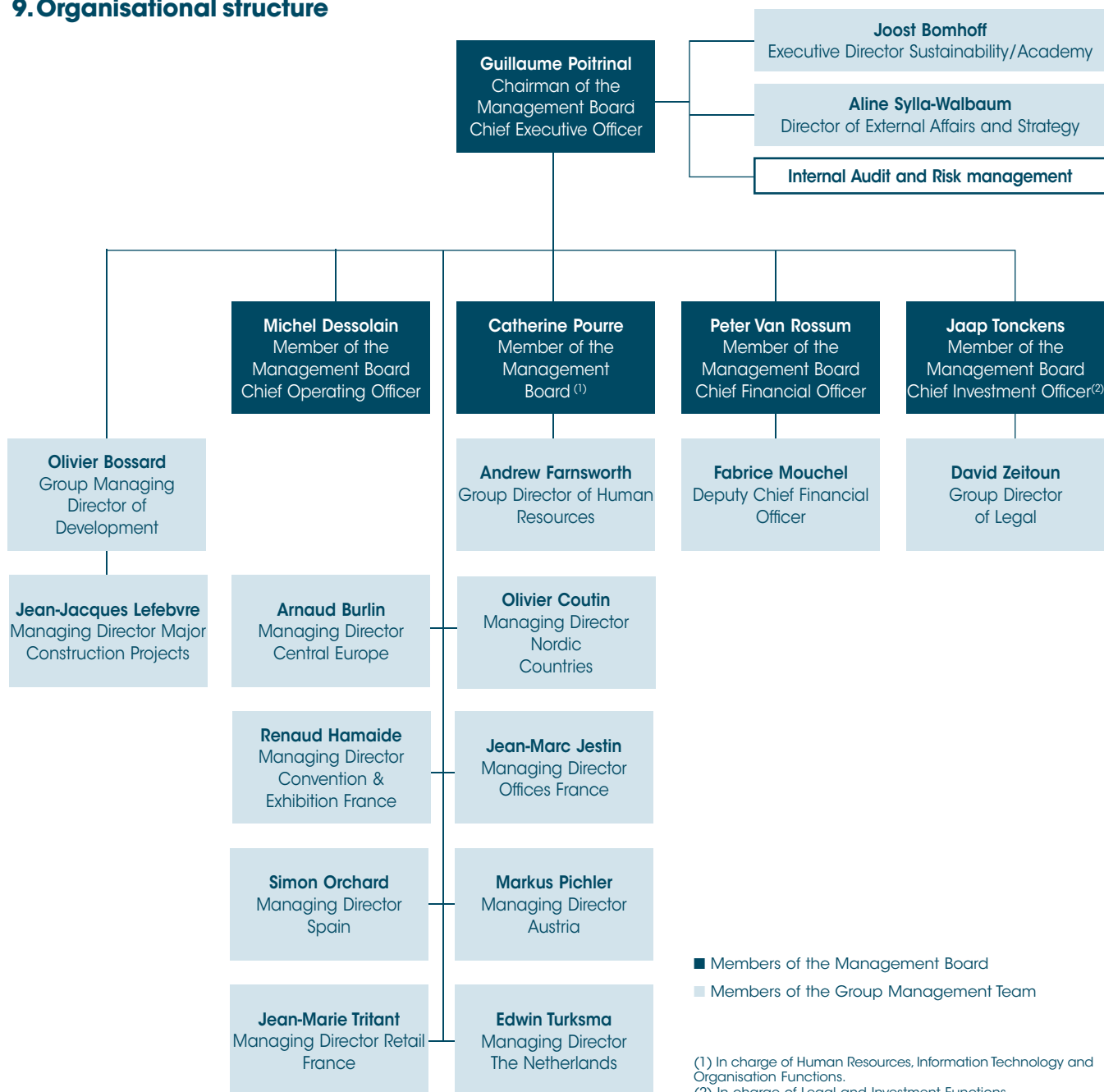
8. Employee relations

Unibail-Rodamco works closely with employee representative bodies in compliance with the local labour laws of the various European countries where the Group is present. The Group chose to become a European Company in April 2009. As part of this transformation, a European Employees' Committee (EEC) was created. Each European country within the Group is entitled to have at least one representative on the EEC.

On December 31, 2010, 90% of employees were covered by collective bargaining agreements.

Labour relations	2009	2010
Employees covered by collective bargaining agreements	87.3%	90.0%

9. Organisational structure



VII. OBJECTIVES AND ACHIEVEMENTS

Each year, Unibail-Rodamco reviews its sustainability performance and identifies areas where the Group can make further improvements. The results of this analysis are used to set challenging operational and strategic objectives which reflect the Group's priorities and responsibilities, inform its actions, and drive continued progress. These sustainability objectives are reviewed, validated and endorsed by the Management Board.

2010 achievements		Status/ target date	Scope (1)	Comment
Environmental management systems				
Existing assets	Ensure that 75% of managed assets have an externally-certified environmental management system in place ⁽³⁾	Target: 2011	ROC	With regard to the Group's policy and priorities, it was decided to adapt this target for 2011 by obtaining an external assessment of the implementation of the Group's environmental management system, the 'Sustainable Attitude'. In France, Bureau Veritas delivered an independent assessment of the 'Sustainable Attitude'. All shopping centres in Spain have ISO 14001 certification.
	Obtain ISO 14001 certification for at least 10 more managed shopping centres	○	R	Priority was given to reinforcing the implementation of the 'Sustainable Attitude' environmental management system.
New developments	Achieve a BREEAM rating of 'Very Good' or better for all new developments of more than 10,000 m ² that will be delivered from 2011 onwards ⁽³⁾	Ongoing target ●	ROC	All major projects that were in progress in 2010 underwent BREEAM assessment. Details are provided on page 6.
	Roll out the newest edition of the Design Guidelines and carry out at least five training sessions for regional development teams on the use of the Design Guidelines	●	ROC	The updated Design Guidelines are being applied to major development projects. Dedicated training sessions were held for regional development teams in France, the Czech Republic, the Nordic Countries, Austria, the Netherlands and Spain.
Resource use and health & safety				
Tenants	Conduct a tenant satisfaction survey in at least 60 shopping centres in 8 different countries	●	R	A tenant satisfaction survey was conducted in 60 shopping centres.
	Ensure that at least 60% of new retail and office tenants sign a green lease ⁽³⁾	●	RO	1,180 green leases were signed (79% of office and retail leases signed in 2010).
	Set up dedicated asset-level sustainability committees in at least 50% of managed shopping centres by end-2010 and achieve 100% coverage by end-2012	●	R	Sustainability committees are in place at 40% of managed shopping centres.
Suppliers and contractors	Introduce updated environmental and labour clauses to new supplier contracts in all regions ⁽³⁾	●	R	Environmental and labour clauses were rolled out in all regions (target relates to opex for existing assets, capex excluded). New waste requirements were introduced in 2010.
	Develop a Group-wide framework to assess suppliers' compliance with environmental clauses	●	R	The Group developed a methodology to assess suppliers' compliance with environmental clauses covering maintenance, cleaning, security and safety.
Customers	Develop a communication strategy to highlight asset-specific sustainability initiatives in at least 75% of managed shopping centres	Target: 2011	R	A pilot was rolled out at Vélizy 2 (France).
	Increase average quality audit scores by 25% between 2009 and 2013	Target: 2012	R	Quality scores increased from 72 in 2009 to 84 in 2010. This increase of 16% is in line with the long-term target.
	Increase the average customer satisfaction survey score from 8.1/10 in 2009 to 8.5/10 in 2012	Target: 2011	R	Due to a change of methodology, 2009 and 2010 scores are not comparable. A new customer satisfaction target has been set for 2011.
Shareholders and investors	Cover at least 75% of the top 50% of investors by value in meetings with management	●	G	Meetings were held with 75% of the top 50% investors by value.
	Organise a road show focused on Asian investors in at least two Asian financial centres	●	G	A roadshow focused on Asian investors was held in Hong Kong and Singapore.
	Organise investor sessions on Group governance and sustainable development in three European financial centres	●	G	Meetings took place in Paris, London and Amsterdam.
Communities and local authorities	Ensure that local community commitment plans are introduced or updated for all major shopping centres	●	R	The 'PAR' relationship action plan was implemented and reviewed for all major shopping centres.
	Deploy at least 10 initiatives to make the Group's shopping centres more welcoming and more accessible to visitors with disabilities	●	R	Unibail-Rodamco headquarters hosted training sessions delivered by the UNAPEI to 6 regional associations as part of the S3A labelling process underway at 10 shopping centres (see page 22). The results of accessibility audits conducted at all French managed assets were studied to identify improvement targets.
Environmental responsibility				
Climate change adaptation and mitigation	Conduct a study to improve the Group's understanding of the potential impact of climate change on its assets and activities	●	ROC	Initial research was performed. Unibail-Rodamco understands the importance of tracking the potential impact of climate change on its assets and activities and will continue to study the effects of climate change in the coming years.
	Launch new initiatives to generate renewable or low-carbon energy on site	●	R	Several initiatives were launched. In France, photovoltaic studies were conducted at Labège 2, BAB2, Porte de Versailles and Rennes Alma, and a study into geothermal energy was conducted for the Aéroville development project. In Spain, a trigeneration unit went into operation at Los Arcos.
	Reduce CO ₂ emissions per visit at managed shopping centres by at least 40% in 2016 relative to 2006 ⁽²⁾	Target: 2016	R	On track to achieve target in 2016.
	Increase energy efficiency at major managed shopping centres by 20% in 2012 relative to 2006 ⁽²⁾	Target: 2012	R	On track to achieve target in 2012.
	Develop green travel plans for at least 10 assets	○	ROC	Green travel plans have been implemented for new developments and are being developed for existing assets.
	Set up a system to monitor the business travel of all Unibail-Rodamco employees	●	G	Business travel data was collected.
	Install charging points for electric vehicles at 20 assets ⁽³⁾	●	ROC	Dedicated charging points were installed at 21 managed assets.
Develop a CO ₂ calculator to enable convention and exhibition clients to assess the carbon footprint of their events	●	C	The CO ₂ calculator was developed and rolled out to clients.	

2010 achievements		Status/ target date	Scope (1)	Comment
Environmental responsibility (continued)				
Resource use and health & safety	Increase water efficiency (litres/visit) in managed shopping centres by 20% in 2016 relative to 2006	Target: 2016	R	On track to achieve target in 2016.
	Monitor the final destination of waste collected in 89% of managed shopping centres and set targets for reducing the amount of waste sent directly to landfill ⁽²⁾	●	R	The final destination of waste that is collected by Unibail-Rodamco was monitored at 92% of managed shopping centres. Specific long-term targets have been set.
	Develop a corporate policy on biodiversity for new developments and existing assets	●	ROC	A corporate biodiversity policy was developed for new developments and existing assets.
	Conduct a study of a representative sample of existing assets to identify opportunities to improve biodiversity	●	ROC	A biodiversity study was conducted at 14 shopping centres.
	Carry out systematic risk assessments at all shopping centres with refrigeration equipment	◐	R	Methodological Risk Assessment (MRA) have been implemented at all French and Spanish shopping centres with refrigeration equipment. MRA requirements and recommendations were distributed to all regions.
	Carry out systematic mapping of remaining asbestos at all shopping centres built before asbestos was banned locally	◐	R	Formal asbestos maps have been established for all French and Spanish shopping centres. Asbestos map requirements and recommendations were distributed to all regions.
Employment and diversity				
Diversity and ethical behaviour	Launch a programme to train managers and employees in all regions about diversity, non discrimination, the Code of Ethics and compliance rules	●	G	885 hours of training in compliance and ethical business behaviour was provided in 2010 to a total of 282 employees. An e-learning training programme was also launched.
	Create a positive working environment for employees with disabilities by providing training sessions for all HR and communication staff who will be responsible for implementing and communicating policies internally	●	G	Training sessions were held. A booklet explaining the Group's policies regarding employees with disabilities was distributed in electronic and paper format to all employees in France.
	Implement the Senior Employees Agreement that was signed in France in 2009 and support older employees by providing targeted training and skills assessments	●	G	The Senior Employees Agreement has been implemented. Skills assessments and training sessions were launched. Follow-up sessions with senior employees have started.
	Identify potential psycho-social risks in the workplace and take corrective action if necessary, in partnership with the French work council	●	G	5 half-day training sessions were conducted by an external legal specialist in France (3 for senior managers and 1 each for the French and Corporate HR teams).
Environmental responsibility	Continue to organise meetings with employees in all regions to increase awareness of sustainability policies and objectives	●	G	Meetings were organised in all regions.
Training and career management	Maintain the number of hours of training provided through the Unibail-Rodamco Academy and offer new courses in management skills ⁽²⁾	●	G	The number of hours of training, including induction seminar, increased by 1.2% compared to 2009. The inclusion of the induction seminar constitutes a change of scope relative to 2009.
	Introduce a new software application to improve the performance review process	●	G	The R'Flex application was fully implemented.
	Introduce a Group-wide job grading system to facilitate mobility and career development ⁽³⁾	●	G	A Group-wide job grading system was implemented.
Mobility and recruitment	Increase the number of employees working for the Group outside their home region	●	G	9 new international mobilities were initiated in 2010 compared to 8 during 2009.
	Expand recruitment through the European Graduate Programme by hiring at least 25 EGP participants in 2011	●	G	26 EGP participants were recruited in 2010.
Performance management	Continue to apply a remuneration policy that rewards and encourages individual achievement	●	G	The format of the Group's annual performance assessments was amended to better reflect employees' objectives and results. A new performance assessment system for leasing was developed and will be implemented in 2011.
	Continue efforts to reduce the risks of injury in the workplace	●	G	Specific KPIs are used to monitor this issue.
	Improve the processes used to collect and analyse data on absenteeism and departures in all regions	●	G	A new, more structured system for analysing departures was introduced. Data have been collected and analysed in all regions.
Internal communication	Launch a Group intranet portal that gives all employees access to the latest local, corporate and professional information and business tools	○	G	The portal project was cancelled in favour of a project to harmonise existing local sites, which will be launched in 2011.

(1) Targets are established for specific scopes: R=Retail, O=Offices, C=Convention & Exhibition, G=Group.

(2) Indicators for which a limited assurance has been delivered by Ernst & Young. The statutory auditor's report on the review of selected environmental and human resources information and indicators is available on pages 46-47 and on the Group website: www.unibail-rodamco.com

(3) Informations for which a qualitative review has been performed by Ernst & Young. The statutory auditor's report on the review of selected environmental and human resources information and indicators is available on pages 46-47 and on the Group website: www.unibail-rodamco.com

78% of targets for 2010 were achieved, 14% were partially achieved, and 8% were not achieved.

● Achieved = target 100% complete ◐ Partially achieved = 26-99% complete ○ Not achieved = 0-25% complete

Targets for 2011 and beyond		Scope ⁽¹⁾	Target date
Environmental Management Systems			
Existing assets	Obtain an external assessment of the Unibail-Rodamco's 'Sustainable Attitude' environmental management system in each region	ROC	2011
New developments	Achieve a BREEAM rating of 'Very Good' for all new developments of more than 10,000 m ²	RO	Ongoing target
	Conduct training sessions for the development teams in each region on the use of the updated Design Guidelines	RO	2011
	Formalise the terms of the Group's 'Considerate Construction Charter' to reduce the social and environmental impacts of construction (e.g. noise, dust, traffic) for all new development projects	R	2011
Stakeholder involvement			
Tenants	Increase the response rate of the tenant satisfaction survey to 50%	R	2011
	Ensure that at least 85% of new retail and office tenants sign a green lease	RO	2011
	Set up sustainability committees in each 'jumbo' shopping centre	R	2011
Suppliers and contractors	Assess suppliers' compliance with environmental clauses at each 'jumbo' shopping centre (target relates to security, cleaning and maintenance contracts)	R	2011
Customers	Develop a communication strategy to highlight asset-specific sustainability or disability initiatives at 10 'jumbo' shopping centres	R	2011
	Increase average score in the internal quality audit by 25% between 2009 and 2012	R	2012
	Increase the average customer satisfaction survey score from 7.5/10 in 2010 to 8/10 in 2011	R	2011
Shareholders and investors	Combine the Corporate Sustainability Report and the Annual Report to provide a coherent overview of the Group's financial, social and environmental performance for the investment community and other stakeholders	G	2011
	Organise meetings on corporate governance with 5 of the Group's top 10 investors	G	2011
	Cover at least 90% of the top 50% of investors by value in meetings with management	G	2011
Communities and local authorities	Cooperate with local authorities to launch specific sustainability initiatives for at least 10 'jumbo' shopping centres, including at least 1 asset per region	R	2011
	Obtain S3A label for at least 10 French shopping centres to show their commitment to welcoming and supporting people with mental disabilities	R	2011
Environmental responsibility			
Climate change adaptation and mitigation	Introduce climate change risk criteria into investment activity (acquisition process)	ROC	2011
	Reduce CO ₂ emissions per visit at managed shopping centres by at least 40% in 2016 relative to 2006	R	2016
	Increase energy efficiency at major managed shopping centres by 20% in 2012 relative to 2006	R	2012
	Extend the monitoring of CO ₂ emissions arising from employees' business travel and define targets for 2012	G	2011
	Install additional charging points for electric vehicles at 15 managed assets	ROC	2011
	Monitor and improve the implementation and uptake of the VIPARIS CO ₂ calculator	G	2011
Resource use	Increase water efficiency (litres/visit) in managed shopping centres by 20% in 2016 relative to 2006	R	2016
	Reduce the proportion of waste sent to landfill by 50% in 2016 relative to 2009 (target relates to waste managed by Unibail-Rodamco)	R	2016
	Obtain a waste recycling rate of at least 50% at managed shopping centres by 2016 (target relates to waste managed by Unibail-Rodamco)	R	2016

Targets for 2011 and beyond		Scope ⁽¹⁾	Target date
Employment and diversity			
Diversity and ethical behaviour	Increase employees' awareness of diversity, non-discrimination and the Code of Ethics via e-learning courses and regional training programmes	G	2011
	Continue to implement the terms of the 3-year Senior Employees Agreement in France	G	2011
	Roll out training programme on psycho-social risks in the workplace to managers in France	G	2011
Environmental responsibility	Continue to increase awareness of sustainable behaviour by providing a yearly training session for all employees in each region	G	2011
Training	Develop management and leadership across the Group by delivering specific training courses for managers with a level of Principal and above in the job grading framework	G	2011
Mobility and recruitment	Maintain the number of employees working for the Group outside their home region	G	2011
	Organise a 10-day induction programme for all new recruits to the European Graduate Programme	G	2011
Performance management	Introduce a Group-wide performance measurement system for leasing managers	G	2011
	Develop and launch a Group-wide employee health and safety policy to promote a safe working environment	G	2011
Social reporting	Launch an electronic suggestion box to collect employees' ideas and proposals on efficiency and other topics	G	2011
	Launch a pilot employee survey in the Group	G	2011

(1) Targets are established for specific scopes: R=Retail, O=Offices, C=Convention & Exhibition, G=Group.

Disclaimer

Certain statements contained in this document are statements of future expectations and other forward-looking statements. These expectations are based on the management's current views and assumptions and involve known risks and uncertainties that could cause actual results and/or data to differ materially from those expressed or implied in these statements. Statements are based on the current property portfolio and disregard the potential effects of external factors including, but not limited to, climate change, local energy policy or regulatory or legal developments.

The 2006-2008 data that is provided in this report, particularly that which appears on pages 27-37, was collected and

consolidated for the first time in 2008. The data provided for 2009 and 2010 was collected using internal management tools on a quarterly and/or annual basis. The accuracy of this data may be affected by a number of variables, including but not limited to the heterogeneity of the assets in Unibail-Rodamco's portfolio, the specific characteristics of certain assets, and the differences in data collection systems and perimeters at different assets.

Readers should not place undue reliance on forward-looking statements. Unibail-Rodamco assumes no obligation to update any forward-looking information contained in this document subject to legal requirement. Data is subject to change without notice.

STATUTORY AUDITOR'S REPORT ON THE REVIEW OF SELECTED ENVIRONMENTAL AND HUMAN RESOURCES INFORMATION AND INDICATORS

YEAR ENDED DECEMBER 31, 2010

Further to your request and in our capacity as the Statutory auditor of Unibail-Rodamco, we have performed a limited review on 3 environmental and human resources indicators⁽¹⁾ (the "Indicators") identified with the footnote "(2)" on pages 42-43 of the sustainable development report, as well as the procedures agreed with you on selected sustainability information (the "Information") identified with the footnote "(3)" on pages 42-43 of this report, all published in the group's 2010 annual report. These Indicators were prepared under the responsibility of the management of Unibail-Rodamco, in accordance with the reporting criteria applicable in 2010 (the "Reporting Criteria"), a summary of which is provided on pages 28-29 of this sustainable development report. It is also the responsibility of Unibail-Rodamco to update and internally disseminate this Reporting Criteria.

It is our responsibility to express a conclusion on these Indicators on the basis of our review and to report our findings and observations on the selected Information. Our review was conducted in compliance with the French professional norms and the international standard ISAE 3000 (International Standard on Assurance Engagement, December 2003) of IFAC. Our independence is defined by legal and regulatory texts as well as by our professional code of ethics. The conclusions and findings expressed below relate solely to these Indicators and Information reviewed and not to the entire sustainability information published in the 2010 sustainable development report. A higher level of assurance would have required more extensive work.

Nature and scope of our work

Regarding the 3 selected indicators

We performed the following review to obtain limited assurance that the Indicators presented on pages 2 to 23 and 27 to 43 of the sustainable development report are free of material misstatements.

- We have assessed the Reporting Criteria with respect to its reliability, understandability, neutrality, completeness and relevance.
- At Group level, we have conducted interviews with the persons responsible for consolidating the Indicators. We have assessed the risk of misstatement, implemented analytical

procedures and verified, on a test basis, the calculations (CO₂ emissions between 2006 and 2010 in each country, training hours of the Unibail-Rodamco Academy in 2009 and 2010) as well as the consolidation of the Indicators.

- We have selected a sample of 4 operational entities⁽²⁾ that are representative of the activities and the locations, on the basis of their size and contribution to the Group's consolidated data as well as of the results of the risk review performed previously. The selected operational entities represent in average 26%⁽³⁾ of the total value of the Indicators. At this level, we have verified the understanding and application of the Reporting Criteria, and verified, on a test basis, calculations and reconciliation with supporting documents.
- We have also reviewed the presentation of the Indicators in the sustainable development report.

Regarding the selected Information

On the environmental and human resources Information, we have performed the procedures agreed with the sustainability department of Unibail-Rodamco. We have conducted interviews with the Sustainability and Human Resources persons in charge of the rolling-out of the sustainability program in order to gather underlying evidence of the progress made in the implementation of the sustainability program and review the presentation of the information in the annual report.

Comments about the Reporting Criteria

With respect to the Reporting Criteria defined by Unibail-Rodamco for the selected data, we wish to make the following comments:

Relevance:

- The Indicators addressing the energy efficiency and climate change issues on the "all assets" scope are relevant to reflect the environmental impacts of the operations as well as the actions undertaken by the Group. They are also consistent with the industry sustainability issues and the European and French regulatory requirements and objectives.

(1) Energy efficiency per visit of the shopping centres, Carbon intensity per visit of the shopping centres, Number of training hours given under the "Unibail-Rodamco Academy".

(2) France: shopping centres Le Forum des Halles and Les Quatre Temps; Poland: shopping centres Galeria Mokotów and Złote Tarasy.

(3) 20% of the energy consumptions; 41% of the CO₂ emissions; 17% of the number of visits.

Completeness:

- The indicators Energy efficiency per visit and Carbon intensity per visit cover shopping centres managed by Unibail-Rodamco that represent 83% of the shopping centres portfolio's gross market value, i.e. 63% of the total gross market value of the asset portfolio aggregated as at December 31, 2010.
- The Reporting Criteria for the energy efficiency and carbon intensity indicators does not take into account the impact of certain actions on the assets portfolio performance and generate uncertainties when assessing its evolution:
 - Rules regarding the "like-for-like" scope lead to the exclusion of the assets that have been refurbished, extended, sold, or that entered the managed portfolio through acquisition or construction.
 - The calculation methodology for the indicators evolution, based on the aggregation of the annual percentage, leads to the addition of the annual uncertainties, which might generate a high level of uncertainty in the long term.

Reliability:

- The reporting criteria should define the rules for the selection of the emissions factors as well as for the calculation of the number of visits (particularly when estimated) for the regions.
- Rules, methodologies, roles and responsibilities for the internal controls should be described in the Reporting Criteria.

Findings and observations regarding the Information

- The Group has implemented and disseminated tools and good practices regarding the following environmental and human resources subjects: BREEAM certification, green leases, responsible purchasing requirements in the facilities management contracts, electric vehicles charging points, waste management and career development for the employees. The action plans are designed with the involvement of the people in the regions and their progress are specifically and adequately reviewed.
- At Group level, the reporting of the achievements relating to responsible purchasing requirements for the facilities management contracts and electric vehicles charging points should be better formalised outside France region. The monitoring of the progress of the actions towards the Group's objectives could be improved by the implementation of a dedicated IT reporting tool.
- Based on our work related to the Information selected and on our overall reading of the sustainable development report, particularly the objectives presented on pages 42-43, we have not identified any obvious inconsistency and any misleading assertions.

Conclusion on the 3 indicators reviewed

Based on our review, nothing has come to our attention that causes us to believe that the Indicators were not established, in all material respects, in accordance with the Reporting Criteria.

Neuilly-sur-Seine on March 11, 2011

The statutory auditors
Ernst & Young Audit

Assisted by Ernst & Young
Climate Change and Sustainability Department

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NOTES

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