UNIBAIL-RODAMCO-WESTFIELD

2020

Universal Registration Document

UNIBAIL-RODAMCO-WESTFIELD SE

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2020
Universal Registration Document

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document has been filed on March 25, 2021, with the *Autorité des Marchés Financiers* (French Financial Markets Authority), as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of this Regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary together with any amendments to the Universal Registration Document. All shall be approved by the *Autorité des Marchés Financiers* in accordance with Regulation (EU) 2017/1129.

The Universal Registration Document (URD) is a reproduction of the official version of the URD which has been prepared in XHTML and available on www.urw.com.

This is a translation into English of the Universal Registration Document of the Company issued in French and available on www.urw.com.

CHAPTER 1

Presentation of the Group

1.

1.1 KEY FACTS

87
SHOPPING CENTRES

16
OFFICES & OTHERS BUILDINGS[1]

10
CONVENTION & EXHIBITION VENUES[2]

80%
COLLECTION RATE[3]

247
COVID-19 ESG INITIATIVES

~3,100
EMPLOYEES

€1,790 Mn
NET RENTAL INCOME

€7.28
ADJUSTED RECURRING EARNINGS PER SHARE

€2.3 Bn
DISPOSALS[4]

€56.3 Bn
GROSS MARKET VALUE

€166.8
EPRA NET REINSTATEMENT VALUE PER SHARE

€4.4 Bn
PIPELINE

(1) Only standalone offices > 10,000 sqm and offices affixed to a shopping centre > 15,000 sqm, including La Vaguada offices.
(2) Excluding Palais des Sports.
(3) Rent collection rate calculated compared to 100% of rents invoiced, reflecting no adjustment for deferred or discounted rent in denominator. Retail only. Including rents, Sales Based Rent ("SBR"), service charges and Common Area Maintenance ("CAM") charges, assets at 100%. Data as at January 31, 2021.
(4) Including the SHiFT and Les Villages offices, which were signed in 2020 and closed in Q1-2021.

1.2 HISTORY

UNIBAIL

1968

Worms & Cie, a Paris-based banking group, creates Unibail as a real estate financial leasing company (Sicomi) managed by Arc Union/Espace Expansion.

1972

Listing of Unibail on the Paris Stock Exchange.

1988

First significant acquisition, Sliminco, one of the two Crédit Lyonnais Sicomis.

1992

Léon Bressler succeeds Jean Meynial as Chief Executive Officer. Unibail starts to focus on the property investment sector, and to phase out involvement in lease financing. The strategy is to become a specialised owner, developer and manager of shopping centres and offices. Unibail concentrates on large-size and differentiated assets.

1992–1995

Build up of a property portfolio with close to 30 shopping centres located in France, including the Forum des Halles and Les Quatre Temps, and substantial office properties in Paris and La Défense.

1995

Takeover of Arc Union; Unibail becomes self-managed and self-administered. Espace Expansion, the main shopping centre operator in France, becomes its subsidiary.

1998–2000

Acquisition of the Cœur Défense project, the Vivendi portfolio and Porte de Versailles.

2001

Delivery of Cœur Défense.

2003

France introduces a REIT regime taxing real estate and capital gains from property disposals at the level of the shareholders of a SIIC. Unibail opts for the SIIC status.

2006

Guillaume Poitrinal succeeds Léon Bressler as Chief Executive Officer and Chairman of the Board of Directors.

RODAMCO

1979

Robeco, a Rotterdam based fund manager, creates Rodamco, a diversified global real estate investment fund (FBI) listed in Amsterdam with investments in Europe, the United States and Asia.

1980s

Rodamco is one of the top global real estate investment funds with investments in the United States, the United Kingdom, Europe and Asia.

1994–1996

Acquisition of Suez Spain and CEGEP (Parly 2, Lyon Part-Dieu).

1999

Rodamco splits into four regionally focused real estate companies, including Rodamco Europe.

2000

Listing of Rodamco Europe in Amsterdam.

2000–2005

Acquisitions in Sweden (Skanska portfolio), in the Czech Republic (Intershop Holding), in The Netherlands (Amvest), in Poland (Galeria Mokotow), in Austria (Donauzentrum) and in Slovakia (Aupark).

UNIBAIL-RODAMCO

2007

Merger of Unibail and Rodamco Europe creating the European leader in commercial Real Estate. The Group was incorporated as a limited liability company *(société anonyme)* with a two-tier governance structure with a Management Board and a Supervisory Board. Listed in Paris and Amsterdam, the new entity is included in the CAC40 and AEX25 indices.

2008

Unibail-Rodamco and the Chamber of Commerce and Industry of Paris ("CCIP") merge their Convention & Exhibition activities to form Viparis and Comexposium. Viparis, with ten venues in the Paris region, is responsible for the management and development of the sites. Comexposium is the European leader in the organisation of large-scale trade shows, fairs and congresses. Acquisition of Shopping City Süd in Vienna and La Maquinista in Barcelona.

2009

Unibail-Rodamco becomes a European company (Societas Europaea) and is now formally known as Unibail-Rodamco SE.

2010

Acquisition of Simon Ivanhoe's portfolio in Poland (Arkadia, Wilenska) and France. Disposal of €1.5 Bn of non-core assets.

2011

Acquisition of Galeria Mokotow's full ownership in Warsaw and of Splau in Barcelona. Disposal of €1.1 Bn of assets.

2012
Acquisition of a 51% stake in mfi AG, Germany's second largest shopping centre operator, investor and developer. Creation of the 4 star shopping experience.

2013
Christophe Cuvillier succeeds Guillaume Poitrinal as Chief Executive Officer and Chairman of the Management Board. Launch of "Unexpected shopping" advertising campaign. Partnership with Socri to develop Polygone Riviera, the first lifestyle open air shopping centre in France bringing art and shopping together.

2014
Partnership with CPPIB on CentrO (Germany). Signature of agreements with the city of Hamburg to develop Überseequartier and with the City of Brussels to develop Mall of Europe. Disposal of €2.4 Bn of non-core assets.

2015
Delivery of Mall of Scandinavia, the largest shopping centre in Scandinavia at the forefront of the Group's standards. Disposal of Comexposium stake to Charterhouse Capital Partners LLP.

2016
Launch of Unibail-Rodamco's CSR strategy "Better Places 2030" and launch of UR Link's first season to foster development of retail start-ups.

2017
Unibail-Rodamco announces it has entered into an agreement with Westfield Corporation to create the world's premier developer and operator of Flagship destinations.

WESTFIELD

1959
John Saunders and Frank Lowy open their first shopping centre, Westfield Plaza, in Blacktown, in the outer suburbs of Sydney, Australia.

1960
Westfield is listed on the Sydney Stock Exchange.

1966
Burwood, the first shopping centre branded with the Westfield logo, opens in Australia.

1977
Westfield enters America with the acquisition of Trumbull (Connecticut) on the East Coast.

1994
The $1 Bn CenterMark transaction with 19 centres, triples Westfield portfolio in the United States.

1996
Westfield America Trust was listed on the ASX, enabling Australian investors to make direct investments in the United States retail property market.

1998
Westfield acquired the $1.4 Bn TrizecHahn portfolio adding a further 12 properties to the Group's Californian portfolio.

2000
Westfield enters the United Kingdom, with the acquisition of a centre in Nottingham followed by the establishment of a joint venture interest in nine prime town centre and urban locations.

2002
Westfield becomes one of the largest retail property groups in the United States with the acquisition of nine shopping centres from Richard E Jacobs and 14 shopping centres from Rodamco.

2004
Birth of the Westfield Group, consisting of Westfield Holdings, Westfield Trust and Westfield America Trust.

2008
Opening of Westfield London, the United Kingdom's largest shopping centre with more than 280 stores, attracting 23 million visits in the first year.

2011
Westfield Stratford City opens, transforming the east side of London, and the gateway to the 2012 London Olympics.

2014
Split of the Australian and New Zealand business from other international operations.

2016
Westfield's most ambitious project in the United States, the $1.5 Bn World Trade Center, opens.

UNIBAIL-RODAMCO-WESTFIELD

2018
Acquisition of Westfield Corporation by Unibail-Rodamco and the creation of Unibail-Rodamco-Westfield ("URW"), the world's premier developer and operator of Flagship destinations.

2020
Disposal of five French shopping centres into a JV with Crédit Agricole Assurances, La Française and URW. Delivery of the Westfield Valley Fair and Lyon La Part Dieu retail extensions and the Trinity office tower in La Défense. Operations impacted by lockdowns and other restrictions following the outbreak of the COVID-19 pandemic. Léon Bressler appointed as Chairman of the Supervisory Board, succeeding Colin Dyer.

2021
Jean-Marie Tritant succeeds Christophe Cuvillier as Chief Executive Officer and Chairman of the Management Board.

1.3 STRATEGY AND BUSINESS MODEL

INTRODUCTION – Reinvent Being Together

Unibail-Rodamco-Westfield (“**URW**” or “**the Group**”) is the premier global developer and operator of Flagship destinations. Founded in 1968, Unibail merged with Rodamco Europe in 2007 to form Unibail-Rodamco, which in 2018 acquired Westfield Corporation (“Westfield”) to become Unibail-Rodamco-Westfield.

The Group owns and operates 87 shopping centres in 12 countries, of which 53 are Flagships. URW believes that well connected prime assets in the best locations will thrive and continue to generate sustained rental income growth, including in the post COVID-19 world, as footfall and sales are bouncing back when shopping centres reopen and restrictions are lifted as illustrated in Q3-2020. The Group has a transatlantic platform with exposure to the wealthiest and most attractive cities in Europe and the United States. The Group’s high-quality developments – like Westfield Mall of the Netherlands, Gaîté Montparnasse and Westfield Hamburg Überseequartier – will further enhance this position. The Group also owns and develops office buildings and owns and operates Convention & Exhibition venues in the Paris region.

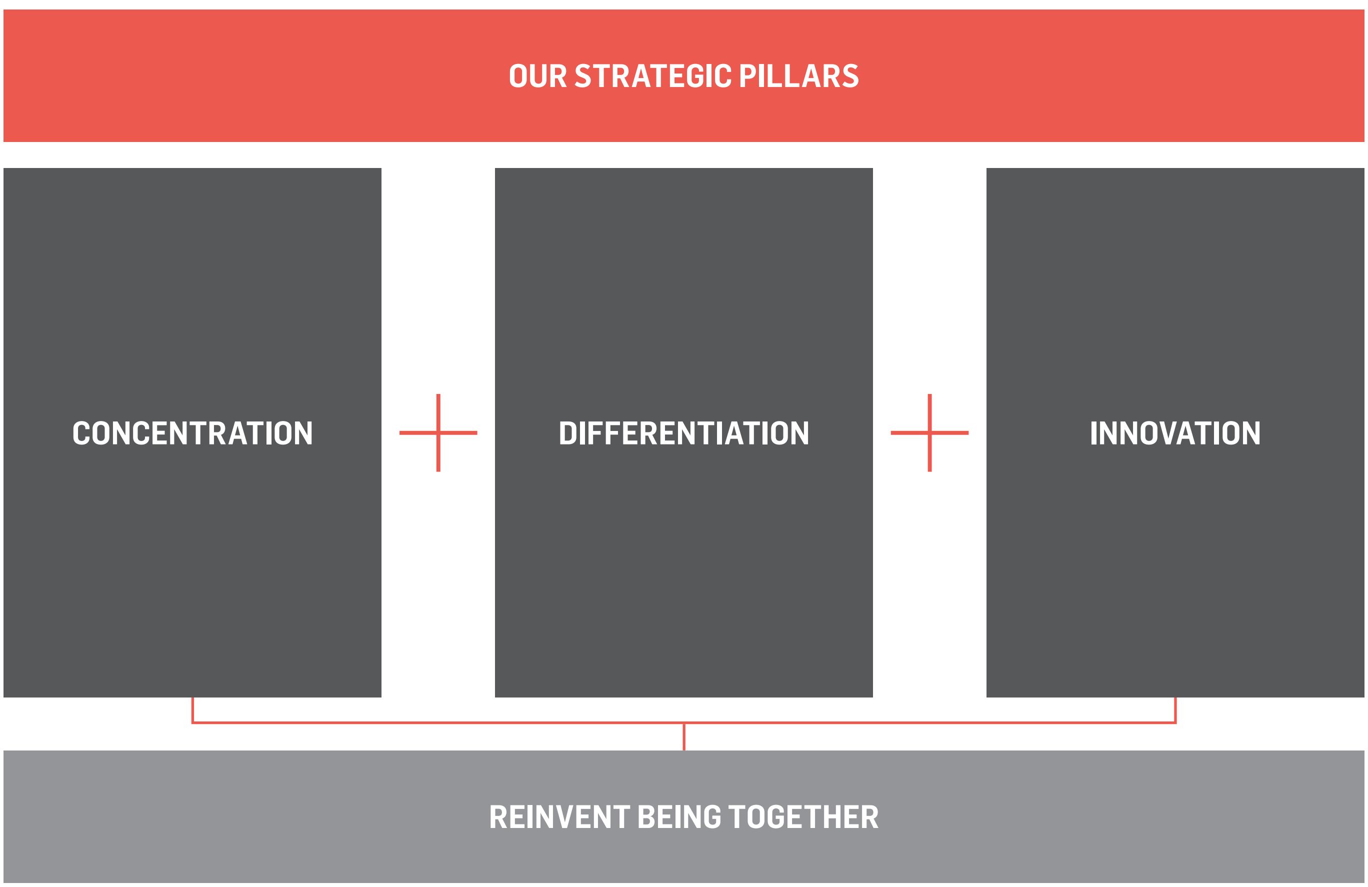
URW is currently strongly committed to deleveraging and intends to achieve that through the implementation of a US disposal programme in the next two years supported by the return of strong economic growth, selling €4 Bn of European assets (to be completed before year end 2022), limiting the CAPEX for the coming two years to €2 Bn, reducing its cost base and suspending the dividend payments for the fiscal years 2020, 2021 and 2022.

THE GROUP’S BUSINESS STRATEGY

The Group’s strategy is based on three pillars: concentration, differentiation and innovation. The CSR strategy, captured in the “Better Places 2030” programme, is an integral part of these pillars.

The three pillars enable URW to pursue its mission: “Reinvent Being Together”, which becomes even more relevant in the context of the COVID-19 pandemic. The places created by URW participate in shaping and improving the cities where it operates. The Group aims to provide a seamless online-offline shopping experience, in an entertaining, contemporary and eco-friendly environment. It intends to make positive contributions to the social, environmental and economic well-being of the communities in which it operates.

This strategy has allowed URW in the past to generate strong growth and outperform the market, driving returns and growth, and the Group expects to do so again with its European focused portfolio. In 2020, URW’s large destination shopping centres were particularly affected by the COVID-19 restrictions, as they are in general well connected to public transport, located in major cities, and Food & Beverage (“F&B”) and entertainment tenants form an important part of the offering. However, the Group is convinced that its positioning will allow it to thrive in the long-term.



Concentration

URW **concentrates** on the best assets in key cities. The Group's operations are focused on Flagship destinations in the leading cities in Europe and the United States, large office buildings in the Paris region, select airports in the United States, and major Convention & Exhibition venues in and around Paris. URW has a disciplined asset rotation strategy, which is based on disposing those assets that no longer meet its demanding return criteria, while investing in its Flagship assets or select new high quality developments. As at December 31, 2020, the Group's proportionate total portfolio was valued at €56.3 Bn, of which 85% in retail, 8% in offices, 5% in Convention & Exhibition venues and 2% in associated services. This portfolio of high-quality assets and a strategy of active investment and divestment, development, leasing, and operating management drives URW's growth.

The Group provides a unique platform for retailers and brand events and offers an unparalleled experience for customers. The URW platform, which attracted in 2019 circa 1.2 billion annual visits to its centres, is connecting customers in the wealthiest catchment areas with the best brands and retailers. While the 2020 footfall was impacted by the lockdowns and restrictions put in place to combat the spread of COVID-19, the Group is confident it will bounce back when the centres reopen, as seen in Q3-2020 in Continental Europe, i.e. the period with the least restrictions. The combined visitor base of all assets strengthens the Group's consumers insights and influence and enhances its value to retailers and brands, making URW a critical partner for such operators globally.

The Group also has a strategy to increase the densification of its portfolio by adding office, residential, hotel and other "mixed-use" projects where relevant. URW is already leveraging its key strengths to reinvent city districts in London, Paris, Hamburg and San Diego. The Group's unique know-how across retail, offices and hotels, and flexible approach to funding models, will allow it to maximize value on its exceptional and highly connected retail locations. Only 25% of the GLA of its €4.4 Bn development pipeline consists of pure retail.

Differentiation

URW **differentiates** by re-inventing the retail and user experience through outstanding services, bold digital marketing, unique architecture and design, premium retailers, and inspiring events. The Group participates in shaping and improving the cities in which it is present and has a major influence on how people live, work, shop, connect and are entertained. URW anticipates consumer trends and intends to make positive contributions to the social, environmental and economic well-being of its communities.

The Group's asset management differentiation strategy is based on three pillars: re-designing, re-tenanting and re-marketing to improve assets and services in the entire portfolio. URW attracts new and differentiating retailers through active tenant rotation and drives footfall by introducing new brands, executing on a dynamic events strategy and offering high-quality services.

URW is leveraging the world-famous Westfield brand, by gradually introducing it to a number of its Continental European Flagship assets. In 2019 the first ten shopping centres in Continental Europe were rebranded (7 in France, 1 in the Czech Republic, 1 in Sweden and 1 in Poland), and the Group plans to continue the roll-out with the Westfield Mall of the Netherlands opening in 2021.

The Westfield brand is the only global B2B and B2C brand for retail, leisure, entertainment and dining destinations. It is already a "signature" brand for the most iconic centres such as Westfield London and Westfield Stratford City in London, Westfield Les 4 Temps in Paris, Westfield Mall of Scandinavia in Stockholm, Westfield Century City and Westfield UTC in California, and Westfield World Trade Center in New York City. The brand is famous for providing outstanding experiences for its visitors, with a very broad range of retailers, high-quality services and concerts and events. The Westfield experience goes far beyond shopping: Westfield destinations are where people can come together to create real human connections. The introduction of the Westfield brand has been supported by the launch of the Group's first Pan-European marketing campaign: Come Together, with in 2020 the "Back Together" and "Working Together" campaigns launched under this overarching brand.

Innovation

URW **innovates** by seizing technological opportunities to explore new business models, create value, generate growth, and stay ahead of the curve. As relevant ideas also come from outside the Group, its open innovation platform is set up to connect with leading experts, build partnerships with other corporates and think tanks, invest alongside venture capital funds and share new ideas and solutions.

Innovation is at the heart of URW's strategy, with the aim to be the preferred partner for brands and retailers and the go-to destination for customers, to strengthen desire, *impact* and *agility*.

Strengthen desire. The Group designs appealing mixed-use destinations where people can shop, work, and come together to share memorable experiences, and ensures a seamless customer experience by continuously enhancing the standards of service to be the preferred partner for digital-native and sustainable retailers entering the physical retail space.

Strengthen impact. The Group builds omnichannel marketplaces that harness the power of digital and data to generate unprecedented value for cutting-edge retailers. URW is leveraging data and digital infrastructure to better interact with customers and create more value from every surface by merging online and offline logistics operations to meet omnichannel standards.

Strengthen agility. The Group leverages new technologies to better manage buildings and create new revenue streams through IoT and Cloud technologies.

To even further accelerate the use of data in the Group, and become more customer centric, URW has created the position of a Chief Customer Officer, which will be a part of the Management Board.

CONTINUED FOCUS ON DELEVERAGING STRATEGY AND BALANCE SHEET MANAGEMENT

The Group is strongly committed to deleveraging through disposals, limiting CAPEX, reducing its cost base and temporarily suspending the dividend.

The Group has generated €5.6 Bn of net disposal proceeds since June 2018, of which €2.3 Bn was signed in 2020.

URW intends to complete the remaining €3.2 Bn of its €4 Bn European disposals programme by year end 2022 and will implement a US disposal programme in the next two years, supported by the return of strong economic growth, to make URW a Europe focused player. The Group's strong liquidity position allows it to do these disposals over time and in an orderly fashion.

The Group only undertakes select development projects, in line with its concentration strategy, disciplined capital allocation and high internal return requirements, with the committed pipeline in 2020 amounting to €2.9 Bn (out of a total development pipeline of €4.4 Bn) of which €1.2 Bn remains to be spent. The Group will limit overall capital expenditure for the next two years to €2 Bn in total.

In 2020, URW implemented furlough plans and partial activity schemes, reduced the non-staff costs, restructured the US and UK organisation and downsized the development teams, which generated gross administrative savings of €80 Mn in 2020 vs. 2019.

Given the impact of the pandemic on the Group's 2020 results, the on-going uncertainty of the 2021 operating environment and its impact on URW's results, as well as the Group's commitment to deleverage, the Group has decided to suspend the payment of a dividend for fiscal years 2020, 2021 and 2022.

Once the Group has completed its deleveraging programme, it will resume paying a dividend (at a significant and sustainable payout ratio) which will grow in line with the performance of its reshaped portfolio.

Given the statutory results of URW SE in 2020, the Group has no obligation to pay a dividend in 2021 for the fiscal year 2020 under the SIIC regime and other REIT regimes it benefits from. It anticipates not to have such an obligation in fiscal years 2021 and 2022 as well. Consequently, URW SE's SIIC distribution obligation, standing at €212.5 Mn as at December 31, 2020, will be delayed until URW SE has sufficient statutory results to meet this obligation.

URW has good access to credit markets, as illustrated by the €4,150 Mn of bonds issued during 2020, despite the adverse operational and market conditions. As a result, the Group has a very strong liquidity position with €2.1 Bn of cash on hand and €9.2 Bn of undrawn credit facilities[1] as at December 31, 2020, covering its financing needs for the next 24 months, even without any further funds being raised or disposals being completed. The Group has been able to maintain a low average cost of debt of 1.7% in 2020 and extend the average debt maturity to a record 8.4 years.[2]

THE GROUP'S CORPORATE SOCIAL RESPONSIBILITY STRATEGY

Corporate Social Responsibility ("CSR") is at the very heart of URW's business strategy. In 2016, the Group launched its Better Places 2030 CSR strategy, building on the objectives outlined in the Paris Climate Agreement and taking them one step further. Better Places 2030 combines both an ambitious objective to reduce the environmental footprint and increase social engagement, integrating CSR into the Group's entire value chain. The Group's CSR ambition subscribes to a larger global vision, adapted to the challenges of the industry and to the various activities in the locations in which it operates. The Group relies on both the quality of its assets and collective power of its teams to raise awareness, mobilise and provide practical solutions that will facilitate the transition towards a low carbon economy. Through its civic engagement and job creation initiatives, the Group is actively involved in the communities in which it operates.

The Group's commitment to address climate change across its value chain and halve its carbon footprint is more fundamental than ever. Better Places 2030 also tackles new environmental challenges like biodiversity, responsible consumption and the circular economy.

Better Places 2030 is based on 3 pillars:

- Better spaces: cut carbon emissions across the value chain by -50%, across scopes 1, 2 and 3 (including the carbon emissions of stakeholders that URW can influence but does not control directly like construction, operations, tenant energy consumption, transportation of employees and visitors);
- Better communities: be a catalyst for growth within the communities in which the Group operates;
- Better together: empower URW's people to become sustainability & diversity change-makers.

In 2020, the Group focused especially its efforts on Better communities in the context of the COVID-19 pandemic. URW deployed 247 COVID-19 related initiatives Group-wide, including the installation of 20 testing sites and donation of ca. 100,000 pieces of protective equipment.

URW is the first listed real estate company to engage in such a comprehensive CSR strategy and is a leader of change. This strategy has been recognized and rewarded: URW in 2020 was ranked global Sector Leader by GRESB among diversified – office/retail real estate companies worldwide, included in the CDP "A" list, and obtained ISS ESG's "Prime" status. In addition, the Group's climate targets were recognised by the Science Based Targets initiative, as they are aligned with the 1.5° C trajectory.

2021 Guidance

As at the beginning of February, all countries in which the Group is active continue to have some level of restrictions in place which impact on the Group's operations. As at February 10, approximately 52% of URW's shopping centres are restricted from trading except for "essential" stores.

(1) On an IFRS basis.
(2) Taking into account the undrawn credit lines (subject to covenants) and cash on hand.

URW's operational results will thus clearly continue to be impacted by the pandemic in 2021. The impact is likely to include further rent relief to tenants, further disruption to variable revenue streams such as Sales Based Rent, Parking or Commercial Partnerships, a longer than usual time needed to re-lease vacant units, and the prospect of further tenant bankruptcies. In addition, 2021 is likely to remain a challenging year for the Group's Convention & Exhibition and airports businesses.

Given the uncertainty regarding the duration and the severity of restrictions decided by governments and their impact on the Group's operations, URW is currently not providing earnings guidance for 2021. Guidance will be provided when the Group has clearer visibility on lifting of restrictions and the subsequent economic recovery.

Looking forward, the Group sees good prospects for a solid recovery starting at some point in the second half of the year, as vaccination efforts achieve critical mass and restrictions get lifted. Government support means that consumer finances in the Group's markets remain robust and the Group firmly believes that people will again seek out the mix of top brands and great experiences offered by URW's Flagship destinations when they are able to.

URW is very confident in the quality of its assets and the enduring strength of its business and teams. The Group, with its newly reconfigured management team, is taking all necessary measures to address these challenges in the best possible manner and strategically position URW for the future.

MEDIUM-TERM OUTLOOK

Thanks to its strategy, the URW portfolio is at the forefront of the changes in a rapidly evolving retail environment. The impact of these changes on physical retail include the rationalisation of store footprints, increasing importance of flagship stores, the transformation of categories and merchandising within shopping centres, an expanded focus on dining, entertainment and leisure and integration of digital technology.

A major shift is occurring in the retail industry as access to digital and mobile technology coupled with ubiquitous connectivity has empowered consumers with unsurpassed access and information. Today's consumer can instantly compare prices and offerings, and can easily switch between brands and products. E-commerce market share continues to grow and has been further accelerated by COVID-19. Consumers, and especially younger demographics, are increasingly choosing experiences over tangible goods, and shifting spend away from the traditional retail categories to experiential categories including eating out and leisure activities.

Research shows however that physical locations remain critical, which is underlined by the footfall and sales URW recorded in its centres when restrictions got lifted, with younger generations being an important driver despite their online savviness. In the future the vast majority of consumer spend will touch both physical stores and online, thus stores will remain hugely valuable for customer engagement, marketing and branding, regardless of where the actual transaction take place. Stores are the opportunity for retailers to truly differentiate themselves, enabling them to create real showrooms that represent the deeper meaning and identity of the brand, offer great experiences, provide expert advice, as well as serving as fulfilment hubs.

Traditional retailers like Inditex and H&M are reducing their total number of stores, but are even more importantly investing in and extending their most important and profitable stores, which are often located in URW shopping centres, as those are key for their brand equity and an integral part of their omni-channel strategy. In Westfield Les 4 Temps works are currently ongoing to open the largest Zara in France, and Bershka will inaugurate in H1-2021 the biggest store worldwide in a shopping centre at Westfield Forum Les Halles. At Westfield Mall of the Netherlands, scheduled to open this year, Inditex and H&M will present 4 and 3 iconic stores respectively, illustrating their commitment to Flagship destinations. In addition, Inditex themselves indicated in the latest communications that their business model is based on the stores and online being fully and seamlessly integrated, with prominent stores in prime locations that are digitally equipped and in-store inventory being used to fulfil online orders, to provide an "all in" customer experience.

Even Digital Native Vertical Brands ("DNVBs") have recognized the need for physical locations, to attract the increasingly critical, selective and experience-oriented customers, and build a relationship with them. DNVBs such as Amazon, Bonobos, Peloton, and Warby Parker have elected to open stores in URW Flagship centres, acknowledging the quality of the URW centres and active and innovation-oriented asset management and embracing the omni-channel strategy. Physical stores also allow retailers to benefit from the Halo effect (the additional spend online in a catchment area after opening a shop there). In addition, physical stores allow omni-channel retailers to reduce both delivery and return costs, by implementing Buy Online Pickup in Store ("BOPIS") and return in store.

Furthermore, URW centres are proving to be attractive for new high potential sectors like innovative automotive, allowing the Group in 2020 to sign leading brands like Tesla, Polestar, Lucid, Callisma, Electra Meccanica and Fiat.

At the forefront of innovation, URW's ca. 3,100 talented professionals are preparing for future generations of customers. Their skills, engagement and teamwork are key to driving performance and generating superior value. The team's skills lie across a range of disciplines, from engineering, finance and human resources to marketing, retail, digital, design, development, operations and leasing. The Group fosters an environment that celebrates new ideas, engagement, and individual development. URW is committed to diversity and promotes an inclusive culture where people are positively encouraged to succeed, which is combined in its values, "Together at URW".

Presentation of the Group
Strategy and Business Model

OUR MISSION

REINVENT BEING TOGETHER

IN A RAPIDLY CHANGING ENVIRONMENT

STRUCTURAL CHANGES IN RETAIL

IMPACT OF ONGOING COVID-19 PANDEMIC

TRANSITION TOWARD A GREENER ECONOMY

WILL BE DELIVERED BY THREE STRATEGIC OBJECTIVES

- WE CONCENTRATE on the best assets in the world's most dynamic cities
- WE DIFFERENTIATE the retail experience through outstanding services, bold digital marketing, unique designs, premium retailers and inspiring events
- WE INNOVATE seizing external opportunities brought by technology to explore new business models, create value, generate growth and stay ahead of the curve; we aim to monetise data and accelerate data usage to enhance omnichannel URW experience

THAT MOBILISE OUR RESOURCES

EMPLOYEES
- **3,098** skilled employees
- **48%** male, **52%** female

ASSETS
- **87** shopping centres with **8.8** Mn sqm GLA(1)
- **16** office buildings(2) with **0.5** Mn sqm GLA(1)
- **10** Convention & Exhibition venues with **0.7** Mn sqm GLA(1)

CAPITAL
- **€56.3 Bn** total GMV(3)
- **€26.1 Bn** net debt(3)
- **1.7%** average cost of debt
- **8.4** years average debt maturity(4)
- **44.7%** LTV(5)
- **€22.8 Bn** shareholders' equity

INTELLECTUAL PROPERTY
- Westfield's international brand equity
- Group signature destination concepts
- A dedicated innovation lab
- URW Link, the Group's open innovation platform
- An internal Concept Studio

(1) Excluding assets under redevelopment, total complex.
(2) Only standalone offices > 10,000 sqm and offices affixed to a shopping centre > 15,000 sqm, including La Vaguada offices.
(3) On a proportionate basis.
(4) Taking into account the undrawn credit lines (subject to covenants) and cash on hand.
(5) On an IFRS basis, excluding €1,129 Mn of goodwill not justified by fee business as per the Group's European leverage covenants.

FOCUS ON VALUE CREATION AND DELEVERAGING

BUILDING AND RENOVATION

- **€4.4 Bn** development pipeline
- Ambitious mixed-use projects, fully integrated in their communities, like Gaîté Montparnasse and Westfield Hamburg
- Constantly challenging the status quo to deliver the best customer experience

LEASING

- Ensure we offer the best tenant mix and brands to our visitors with **1,528** leases signed in 2020

PROPERTY MANAGEMENT

- Ensure premium quality services for our visitors

INVESTMENT AND DIVESTMENT

URW is strongly committed to deleveraging through disposals and select capital allocation

- Invest in the highest quality assets in vibrant dynamic destinations
- CAPEX limited to **€2 Bn** for 2021–2022
- Divest non-core or mature assets: **€2.3 Bn** of disposals signed in 2020
- **€4 Bn** of European disposals to be completed by year-end 2022
- Implement a US disposal programme in the next two years, supported by the return of strong economic growth, to make URW a Europe focused player
- Retain earnings by suspending dividend payments for fiscal years 2020, 2021 and 2022

ALLOWING URW TO RE-EMERGE AS THE MOST ATTRACTIVE RETAIL FOCUSED LISTED REAL ESTATE COMPANY AND DELIVER SUSTAINABLE GROWTH AS TOTAL RETURN PLAY

TO PRODUCE OPTIMAL OUTPUTS

ASSETS

- **65%** of owned and managed shopping centres are certified BREEAM In-Use, of which **36%** were rated "Outstanding" for Building Management (Part 2)
- **100%** of European portfolio supplied with Green Electricity
- **67%** of European assets connected to Metro or Tram lines(6)
- **19** of the Group's assets among the top 30 European assets by footfall(7)

SHAREHOLDERS AND CREDITORS

- **€7.28** AREPS(8)
- **€166.80** EPRA NRV per share

SALES AND FOOTFALL

- Strong rebound of footfall and sales when centres reopen and restrictions are lifted. In Q3-2020, continental European footfall amounted to **77%** of 2019 levels and sales to **86%** of 2019 levels

PARTNERSHIP APPROACH TO SUPPORT TENANTS

- Rent discounts granted as at December 31, 2020, at 100%: **€401 Mn**
- Average relief granted: **1.6** months in Europe and **2.1** months in the US
- Solid rent collection in 2020: **80%**(9)

EMPLOYEES

- **15.6%** of employees were promoted
- **4.8%** of employees made a lateral career move within the Group
- **2%** of employees conducted an international mobility assignment

SOCIO-ECONOMIC FOOTPRINT

- Over **60,000** jobs hosted by our continental European shopping centres
- **70%** the Group's Flagships engaged to support local entrepreneurship with over **100** entrepreneurs supported through space donation, service provision, marketing promotion or financial support
- **61%** of the Flagships supported and promoted at least one sustainable consumption initiative

COMMUNITIES

- **100%** of assets with a Community Resilience Action Plan
- **81%** of Flagships supported at least one local charity or NGO-sponsored long-term project
- **912** social or environmental initiatives led by URW assets (including **247** initiatives implemented to fight COVID-19)
- **"URW for jobs"** conducted in **22** shopping centres across Continental Europe, the UK and the US. **131** jobs and training placements provided and **262** job-seekers trained

MOBILITY

- **79%** of the Group's standing assets equipped with electrical vehicle charging spaces

(6) Based on assets referenced in CACI Retail Markets 2019 ranking - Property portfolio as at December 31, 2018.
(7) In countries where URW operates, in millions of visitors, 2019. Source: Sites Commerciaux October 2020.
(8) Adjusted Recurring Earnings Per Share.
(9) Rent collection rate calculated compared to 100% of rents invoiced, reflecting no adjustment for deferred or discounted rent in denominator. Retail only. Including rents, Sales Based Rent, service charges and Common Area Maintenance (CAM) charges, assets at 100%. Data as at January 31, 2021.

1.4 BUSINESS OVERVIEW

BUSINESS SEGMENTS

a) Retail

As at December 31, 2020, URW owned 87 shopping centres, of which 53 are Flagships[1]. URW's strategy is built upon continuously reinforcing the attractiveness of its assets by re-designing them: upgrading the layout; re-tenanting them: renewing the tenant mix; and re-marketing them: enhancing the shopping experience through special events.

During the majority of 2020, governments implemented severe restrictions following the outbreak of the COVID-19 pandemic, resulting in an unprecedented interruption to operations in FY-20 with only ca. 70 normal trading days and 93 days with the centres effectively closed.

Total proportionate Net Rental Income ("NRI") of the Shopping Centre portfolio in 2020 amounted to €1,698.6 Mn, a decrease of -25.9% mainly driven by the negative like-for-like NRI due to the COVID-19 rent relief, an increase in doubtful debtors, lower variable income streams like SBR and parking income, and higher vacancy, as well as the disposal of five shopping centres in France in May 2020.

	Net Rental Income (€Mn)		
Region	**2020**	2019	%
France	491.7	663.4	-25.9%
Central Europe	191.1	223.0	-14.3%
Spain	124.8	156.8	-20.4%
Nordics	100.8	122.7	-17.9%
Austria	86.1	111.4	-22.7%
Germany	114.1	143.5	-20.5%
The Netherlands	49.6	62.4	-20.5%
US	462.5	652.8	-29.2%
UK & Italy	78.0	157.3	-50.4%
TOTAL NRI	**1,698.6**	2,293.2	-25.9%

b) Offices & Others

URW develops and owns large, efficient office buildings and hotels in prime locations in the Paris central business district, La Défense and elsewhere in the Paris region. URW also owns office, hotel and residential assets in the United States, the Nordics and certain other countries in which URW operates. URW's investment strategy is driven by development and renovation opportunities.

In 2020, the proportionate NRI from Offices & Others amounted to €85.5 Mn, a -16.9% decrease compared to 2019, due primarily to the transfer of Michelet-Galilée to the pipeline and the impact of the disposal of Tour Majunga in July 2019 and Novotel Lyon Confluence in May 2020, partly offset by the deliveries of SHiFT and Versailles Chantiers offices in 2020.

	Net Rental Income (€Mn)		
Region	**2020**	2019	%
France	56.0	72.0	-22.3%
Nordics	10.2	10.0	2.0%
Other countries	8.1	7.5	8.3%
US	11.2	13.3	-16.1%
TOTAL NRI	**85.5**	102.9	-16.9%

Figures may not add up due to rounding.

c) Convention & Exhibition

The Convention & Exhibition activity is exclusively located in the Paris region and consists of a real estate venues and services company: Viparis. Viparis is a world leader jointly owned with the Chamber of Commerce and Industry of Paris Île-de-France ("CCIR"), but operated and fully consolidated by URW.

2020 was heavily impacted by COVID-19, as most events were cancelled from March 9 as a result of government restrictions. As at December 31, 2020, 383 events had been cancelled and 26 events had been postponed to 2021.

In total, 236 events were held in Viparis venues through the year, of which 64 exhibitions, 28 congresses and 144 corporate events, compared to the 705 and 719 events held in 2019 and 2018, respectively. Viparis' EBITDA amounted to €12.1 Mn compared to €156.9 Mn in 2019. The decrease is entirely attributable to the impact of COVID-19.

(1) Assets of a certain size and/or with footfall in excess of 10 million per year, substantial growth potential for the Group based on their appeal to both retailers and visitors, iconic architecture or design and a strong footprint in their area.

PORTFOLIO BREAKDOWN

NET RENTAL INCOME AND RECURRING NET RESULT

The COVID-19 pandemic has significantly impacted URW's business over the course of 2020. Reported AREPS amounted to €7.28, down -41.1% from 2019, a decrease of -€5.09, split as follows:

- -€4.57 due to the impact of COVID-19 on operations, including rent relief, doubtful debtors and lower variable revenue streams, and financing;
- -€0.49 due to disposals made in 2019 and 2020;
- -€0.42 as a result of ending the capitalisation of letting fees; and
- Partially offset by +€0.39 of other items.

(€Mn)	FY-2020	FY-2019	Growth	Like-for-like Growth*
Shopping Centres	1,698.6	2,293.2	-25.9%	-24.0%
Offices & Others	85.5	102.9	-16.9%	+0.1%
Convention & Exhibition	6.1	95.1	-93.6%	-93.6%
Net Rental Income	1,790.2	2,491.2	-28.1%	-26.4%
Recurring Net Result (Group share)	1,056.6	1,759.7	-40.0%	

* NRI excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to square metres and currency exchange rate differences in the periods analysed.

	FY-2020	FY-2019	Growth
Recurring EPS	7.63	12.72	-40.0%
Adjusted recurring EPS	7.28	12.37	-41.1%

VALUATION SPLIT PER ACTIVITY

	Proportionate		IFRS		Group share	
Asset portfolio valuation – Dec. 31, 2020	(€Mn)	%	(€Mn)	%	(€Mn)	%
Shopping Centres	47,905	85%	45,948	85%	41,799	86%
Offices & Others	4,409	8%	4,241	8%	4,223	9%
Convention & Exhibition	2,701	5%	2,703	5%	1,410	3%
Services	1,299	2%	1,299	2%	1,218	3%
TOTAL	**56,314**	**100%**	**54,192**	**100%**	**48,649**	**100%**

Figures may not add up due to rounding.

VALUATION SPLIT PER ACTIVITY AND REGION

	Dec. 31, 2020		Dec. 31, 2019	
Valuation of Shopping Centre portfolio	(€Mn)	%	(€Mn)	%
France	13,563	28%	16,571	29%
Central Europe	5,059	11%	5,408	10%
Spain	3,596	8%	3,827	7%
Nordics	3,095	6%	3,282	6%
Germany	3,447	7%	3,591	6%
Austria	2,290	5%	2,510	4%
The Netherlands	1,658	3%	1,703	3%
US	12,205	25%	15,204	27%
UK & Italy	2,994	6%	4,454	8%
TOTAL	**47,905**	**100%**	56,495	100%

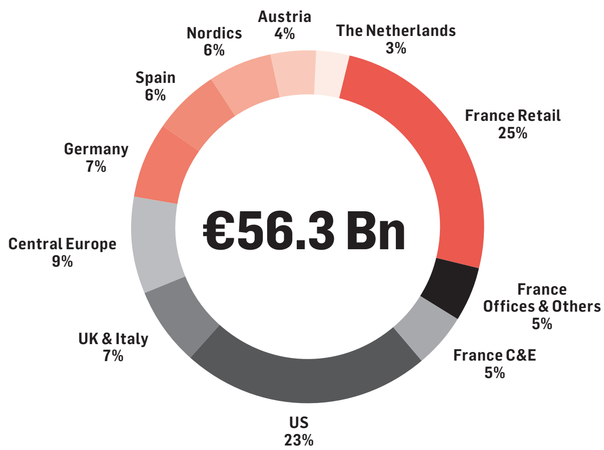
Figures may not add up due to rounding.

Presentation of the Group
Business Overview

	Dec. 31, 2020		Dec. 31, 2019	
Valuation of Offices & Others portfolio	(€Mn)	%	(€Mn)	%
France	3,025	69%	2,830	68%
Nordics	179	4%	171	4%
Other countries	462	10%	411	10%
US	283	6%	356	8%
UK & Italy	460	10%	419	10%
TOTAL	**4,409**	**100%**	4,186	100%

The chart below shows the split of proportionate Gross Market Value ("GMV") per region as at December 31, 2020:

GROSS MARKET VALUE



Figures may not add up due to rounding.

DEVELOPMENT PIPELINE

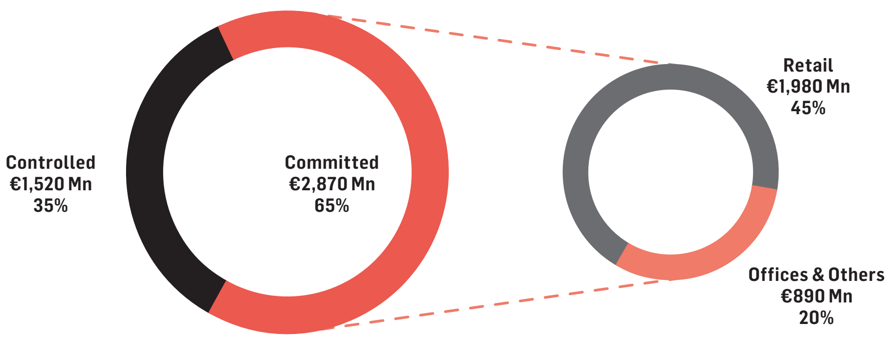
The table below shows the evolution of URW's development pipeline between December 31, 2019, and December 31, 2020:

(€Bn)	31/12/2020	31/12/2019
Committed projects[1]	2.9	2.7
Controlled projects[2]	1.5	5.6
URW TOTAL INVESTMENT COST	4.4	8.3

(1) Committed: projects for which URW owns the land or building rights and has obtained:
- All necessary administrative authorisations and permits;
- Approvals of JV partners (if applicable);
- Approvals of URW's internal governing bodies to start superstructure construction works; and
- On which such works have started.

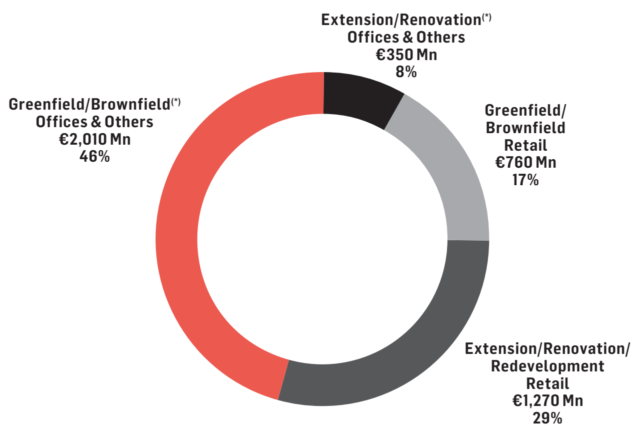
(2) Controlled: projects at an advanced stage of studies, for which URW controls the land or building rights, and all required administrative authorisations have been filed or are expected to be filed shortly. There can be no assurance these will become "Committed" projects, as this will be subject to having obtained all required administrative approvals, as well as those of JV partners (if applicable), and of URW's internal governing bodies to start superstructure works. Besides these approvals, the Group retains the flexibility to decide to launch them, if and when appropriate. URW could in particular consider launching these projects with joint venture partners.

DEVELOPMENT PIPELINE BY PROJECT PHASE[1]

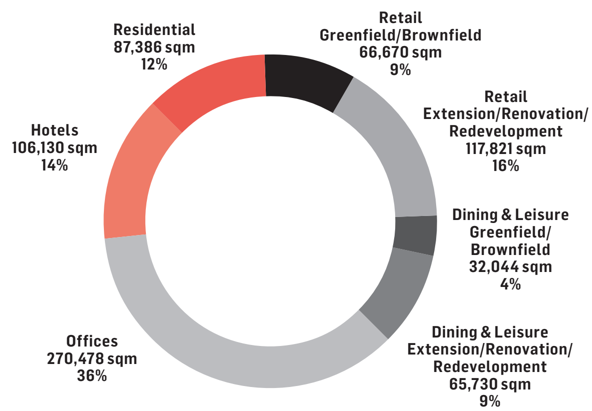


DEVELOPMENT PIPELINE BY CATEGORY AND REGION[1]

URW TIC (€4,390 MN)



GLA (746,259 SQM)



(*) Including Residential and Hotel units.

(1) Figures may not add up due to rounding.

1.5 PORTFOLIO

1.5.1 FRANCE SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Shopping Centres in the Paris Region											
Westfield Carré Sénart (Lieusaint) Carrefour, Galeries Lafayette, Apple; 213 units, a cinema complex and shopping park	155,500	7,700	3.0[*]	1994 1999	2002 (C) 2006/2007 (C) 2012 (C) 2017 (C) 2019	94.8%	129,400	100%	100%	129,400	FC
Westfield Les 4 Temps (La Défense) Auchan, C&A, Go Sport, H&M, Apple; 226 units and a cinema complex	142,000	5,400[1]	11.7[*]	1992 1995 1999 2011 2016	1981 (R) 2006/2008	98.0%	137,200	53%	100%	137,200	FC
Westfield Parly 2 (Le Chesnay-Rocquencourt) Printemps, BHV, FNAC, Decathlon, Apple; 192 units and a cinema complex	129,800	4,560	9.0[*]	2004 2012 2018	1969/1987 (R) 2011 (R) 2015 (C) 2017 (C) 2019	98.2%	105,300	50%	100%	105,300	FC
Westfield Vélizy 2 (Vélizy-Villacoublay) Auchan, Printemps, FNAC, PicWicToys, Apple; 192 units and a cinema complex	124,300	6,500	9.6[*]	1994 2007	(R) 2005/2007 (C) 2019	97.3%	86,700	100%	100%	86,700	FC
Westfield Rosny 2 (Rosny-sous-Bois) Carrefour, Galeries Lafayette, FNAC, C&A, Apple; 169 units and a cinema complex	114,500	6,160	11.8[*]	1994 2001 2010 2016 2018	1973 (R) 1997 (C) 2011 (R) 2015	96.1%	32,300 29,200 20,700	26% 100% 50%	n.a. 100% 100%	49,900	FC & EM-JV
Aéroville (Roissy-en-France) Auchan, H&M, New Yorker, Furet du Nord, King Jouet; 176 units and a cinema complex	84,900	4,450	4.4[*]		2013	n.a.	84,900	46%	n.a.	n.a.	EM-A
Westfield Forum des Halles (Paris 1st) FNAC, H&M, Monoprix, Go Sport, Nike; 136 units and a cinema complex	75,700	1,150	14.9[*]	1994 2010 2016	1979/1986 (R) 1996 (C) 2016	98.8%	75,700	65%	100%	75,700	FC
So Ouest (Levallois-Perret) Leclerc, Boulanger, Go Sport, H&M; 108 units and a cinema complex	56,900	1,700[1]	8.7	2006 2010	(C) 2012/2015	n.a.	51,600	46%	n.a.	n.a.	EM-A
Ulis 2 (Les Ulis) Carrefour, C&A, Go Sport; 87 units and a cinema complex	54,200	3,200[1]	2.5	1994	1973 (R) 1998/1999	90.4%	25,400	100%	100%	25,400	FC
CNIT (La Défense) FNAC, Decathlon, Monoprix; 34 units	28,400	300[2]	11.7[*]	1999	1989 (R) 2009	93.1%	28,400	100%	100%	28,400	FC
L'Usine Mode & Maison (Vélizy-Villacoublay) Galeries Lafayette; 64 units	21,100	1,270	6.2	2005	1986 (R) 2011	78.2%	21,100	100%	100%	21,100	FC
Carrousel du Louvre (Paris 1st) Printemps, Nature & Découvertes; 37 units	13,500	700[1][4]	6.8	1999	1993 (R) 2009	86.8%	13,500	100%	100%	13,500	FC
Les Ateliers Gaîté[5] (Paris 14th) Darty	n.a.	2,030[3]	5.9[*]	1998	1976 (R) 2000/2001	n.a.	n.a.	100%	100%	n.a.	FC
Sub-total Shopping Centres in the Paris Region										**672,600**	

Catchment area: determined according to CACI gravity model: (*) or, less than 30 minutes from the shopping centre.
(1) Car park not owned by URW.
(2) Car park owned by CNIT C&E and are shared between CNIT C&E, CNIT Offices and CNIT Retail.
(3) Gaîté Montparnasse car park is shared between Pullman hotel, Les Ateliers Gaîté retail and offices.
(4) The Carrousel du Louvre car park is shared between the shopping centre and the exhibition space.
(5) Currently under redevelopment.

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Shopping Centres in the French Provinces											
La Part-Dieu (Lyon) Carrefour, Galeries Lafayette, Decathlon, Primark, FNAC; 235 units and a cinema complex	156,400	1,960	4.1(*)	2004 2016	1975 (R) 2001/02 (C) 2009/10 (R) 2011 (C/R) 2020	96.8%	113,600	100%	100%	113,600	FC
La Toison d'Or (Dijon) Primark, Carrefour, Cultura, Boulanger, Apple; 152 units	78,700	3,700	1.2(*)	1994 2017	1990 (C) 2013	n.a.	49,200	46%	n.a.	n.a.	EM-A
Polygone Riviera (Cagnes-sur-Mer) Printemps, H&M, Zara, Primark, FNAC; 118 units, a cinema complex and a casino	75,200	3,260	1.5(*)	2017	(C) 2015	95.8%	69,100	100%	100%	69,100	FC
Westfield Euralille (Lille) Carrefour, Primark, Zara, H&M, Go Sport; 131 units	67,700	2,900(1)	3.4(*)	1994 2010	1994 (R) 2015	96.9%	51,600	76%	100%	51,600	FC
Villeneuve 2 (Villeneuve-d'Ascq) Auchan, C&A, Zara; 124 units	56,600	3,500(1)	1.8		1977 (R) 2004/06 (R) 2018	96.3%	32,100	100%	100%	32,100	FC
Rennes Alma (Rennes) Carrefour, Printemps, Zara, Conforama; 117 units	55,700	2,690	1.3(*)	2005 2007 2020	1971 (R) 1990 (C) 2013	n.a.	41,700	46%	n.a.	n.a.	EM-A
Confluence (Lyon) Carrefour, Joué Club, Decathlon, Apple; 96 units and a cinema complex	53,900	1,430	1.6		2012	n.a.	53,900	46%	n.a.	n.a.	EM-A
La Valentine (Marseille) Printemps, Darty, FNAC; 70 units	39,500	1,650	1.4	2007 2017 2018	1982 (R) 1999	91.2%	19,000	100%	100%	19,000	FC
Sub-total Shopping Centres in the French Provinces										**285,400**	

Catchment area: determined according to CACI gravity model (*) or less than 30 minutes from the shopping centre
(1) Car park not owned by URW.

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Other holdings											
Bel-Est (Bagnolet) Auchan; 58 units	48,800	2,000	3.8	2010	1992	74.1%	500 5,000	100% 35%	100% 35%	2,300	FC
Aquaboulevard (Paris 15th) Decathlon, water park, fitness centre, event area, food court; 3 stores and a cinema complex	38,400	1,000	n.a.	2006 2008	1990	100.0%	32,400	100%	100%	32,400	FC
Maine Montparnasse (Paris 14th) 1 Naf Naf store	35,500	1,900	n.a.	2007		100.0%	200	100%	100%	200	FC
Villabé (Villabe) Carrefour, PicWicToys; 56 units	35,300	2,400	1.3	2010 2012 2013 2015	1992	66.1%	4,600 5,800	100% 49%	100% 49%	7,400	FC
Go Sport (Saintes)	2,500	n.a.	n.a.	2007		0.0%	2,500	100%	100%	2,500	FC
Sub-total Other holdings in France										**44,800**	
Total (according to the scope of consolidation)										**1,002,800**	

Catchment area: less than 30 minutes from the shopping centre.

1.5.2 FRANCE: CONVENTION & EXHIBITION

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Parking spaces	Year of acquisition	Construction (C) Refurbishment (R) date	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Description	Consolidation method
Property and Operation									
Paris Nord Villepinte	246,300	13,000	2008	Hall 7 in 2010	50%	100%	246,300	9 exhibition halls, 45 conference rooms of which 3 auditoriums	FC
Paris Porte de Versailles (Paris 15th)	238,900	3,930	2000	(C) Hall 5 in 2003 (R) Pavillon 7 in 2017 (C) Pavillion 6 in 2019	50%	100%	238,900	7 exhibition halls (from 19,000 to 70,000 sqm), of which 1 convention centre with a 5,200 seat plenary room	FC
Le Palais des Congrès de Paris[3] (Paris 17th)	48,100	1,780[2]	2008	1993	50%	100%	48,100	82 meeting rooms, 18 conference rooms of which 4 auditoriums	FC
CNIT (La Défense)	24,000	1,100[1]	1999	(R) 2007	100%	100%	24,000	Exhibition and convention space	FC
Espace Champerret (Paris 17th)	8,500	1,480[2]	1989/1995	(R) 2008	50%	100%	8,500	Exhibition space (trade shows)	FC
Carrousel du Louvre (Expos) (Paris 1st)	6,600	4,300[2]	1999	1993 (R) 2016	100%	100%	6,600	Exhibition space (trade and fashion shows, corporate events)	FC
Espace Grande Arche (La Défense)	5,000	n.a.	2001	(R) 2003	50%	100%	5,000	Flexible space covering 5,000 sqm	FC
Operation									
Paris, Le Bourget	79,700	1,500	2008	1952 2005	50%	100%	n.a.	5 exhibition halls, 7 conference rooms of which 1 auditorium	FC
Palais des Congrès d'Issy-les-Moulineaux	3,000	n.a.	2009	(R) 2018	48%	100%	n.a.	14 conference rooms of which 1 auditorium	FC
Hôtel Salomon de Rothschild (Paris 8th)	1,300	n.a.	2014	(R) 2007 (R) 2010 (R) 2016	50%	100%	n.a.	8 18th century rooms 1 reception room	FC
Palais des Sports (Paris 15th)	n.a.	n.a.	2002	1960	25%	50%	n.a.	Flexible entertainment or convention room from 2,000 to 4,200 seats	EM-JV
Total (according to the scope of consolidation)							**577,400**		

(1) Car park owned by CNIT C&E and shared between CNIT C&E, CNIT Offices and CNIT retail.
(2) Car park not owned by URW.
(3) Including Les Boutiques du Palais.

1.5.3 FRANCE: OFFICES

Portfolio(*) as at December 31, 2020	Total floor space *(sqm)*	Parking spaces	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Main tenants *(in terms of rental income)*	Consolidation method
Paris CBD, Paris and Western Paris Outskirts											
Paris 15th											
Le Sextant	13,400	144	2009	(C) 1998	90.0%	13,400	100%	100%	13,400	Direct Energie, Alloresto, APEC	FC
Paris 16th											
7 Adenauer	12,200	145	1999	(R) 2008	100.0%	12,200	100%	100%	12,200	Unibail-Rodamco-Westfield	FC
Sub-total Paris CBD									**25,600**		
Paris - La Défense											
Trinity	49,700				0.3%	49,700	100%	100%	49,700		FC
Les Villages de l'Arche(4)	41,900	1,550	1999	(R) 2006 (R) 2016(1)	86.4%	41,900	100%	100%	41,900	Orange, Orange Cyber Défense, Genegis, Ageas, SMI, M2I, Groupe Lucien Barrière, CIAMT	FC
CNIT (Offices)	37,100	1,123(2)	1999	(R) 2009	95.3%	37,100	100%	100%	37,100	SNCF, ESSEC, IFSI, Châteauform	FC
Hilton CNIT (Hotel)	10,800	n.a.	1999	(R) 2009	100.0%	10,800	100%	100%	10,800	Hilton	FC
Michelet-Galilée(5)	n.a.	147	1999	(R) 2010	n.a.	n.a.	100%	100%	n.a.		FC
Sub-total Paris - La Défense									**139,500**		
Issy-les-Moulineaux											
SHiFT(3)	47,000	480	1999	(R) 2019	100%	47,000	100%	100%	47,000	Nestlé	FC
Sub-total Issy-les-Moulineaux									**47,000**		
Other office buildings in Paris and Western Paris region											
Gaîté-Montparnasse (Offices(5) (Paris 14)	n.a.	n.a.	1998	(C) 1974	n.a.	n.a.	100%	100%	n.a.		FC
Pullman Paris-Montparnasse (Hotel)(5) (Paris 14)	n.a.	n.a.	1998	(R) 2012	n.a.	n.a.	100%	100%	n.a.	Pullman Hotel	FC
29, rue du Port (Nanterre)	10,300	90	2010	(C) 1989	100.0%	10,300	100%	100%	10,300	Xylem Water Solutions France	FC
Le Blériot (Rueil Malmaison)	3,400	70	2016	(C) 1989	0.0%	3,400	100%	100%	3,400		FC
Sub-total of other office assets in Paris and Western Paris region									**13,700**		
Other											
Tour Rosny (Rosny-sous-bois)	13,600	200	2017 2018	(C) 1975	32.6%	13,600	100%	100%	13,600		FC
Versailles Chantiers (Versailles)	16,300	150	2016	(C) 2019	81.7%	16,300	100%	100%	16,300	Léon Grosse, Stop & Work, Novatel, Fiducim, France Habitation, SMA BTP	FC
Novotel Lyon Confluence (Lyon)	7,600	n.a.	2012	(C) 2012	n.a.	7,600	46%	n.a.	n.a.	Novotel	EM-A
Sub-total Other									**29,900**		
Total (according to the scope of consolidation)									**255,700**		

(*) And related: shops in office buildings, light-industrial space.
(1) Refurbishment of Village 3 and Village 4 buildings.
(2) Car park owned by CNIT C&E and shared between CNIT C&E, CNIT Offices and CNIT retail.
(3) Disposed on January 21, 2021.
(4) Village 3 disposed on March 4, 2021, and Village 4 and 6 disposed on March 17, 2021.
(5) Currently under redevelopment.

1.5.4 CENTRAL EUROPE: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in million of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Czech Republic											
Centrum Cerny Most (Prague) Superdry, H&M, Nespresso, Aw Lab, Sinsay; 180 units and a cinema complex	107,600	3,720	1.1	2000	(C) 1997 (C) 2013	98.5%	107,600	100%	100%	107,600	FC
Westfield Chodov (Prague) Armani Exchange, Hugo Boss, Zara, Douglas; 305 units and a cinema complex	101,400	3,430	2.8	2005 2014	(C) 2005 (C+R) 2014 (C+R) 2017	94.5%	101,400	100%	100%	101,400	FC
Metropole Zlicin (Prague) Gant, Reserved, Rituals; 128 units and a cinema complex	54,000	1,800	1.8	2017	(C) 2002 (C) 2004	97.6%	54,000	50%	50%	27,000	EM-JV
Sub-total Shopping Centres in Czech Republic										**236,000**	
Poland											
Westfield Arkadia (Warsaw) Victora's Secret, H&M, Zara, Douglas, Mango; 221 units and a cinema complex	117,400	3,900	2.8	2010	(C) 2004 (C) 2017	93.1%	79,200	100%	100%	79,200	FC
Wroclavia (Wroclaw) H&M, Zara, Reserved, Peek & Cloppenburg, CCC; 190 units and a cinema complex	72,400	2,115	0.7		(C) 2017	92.6%	72,400	100%	100%	72,400	FC
Galeria Mokotow (Warsaw) H&M, KappAhl, Peek & Cloppenburg, Zara, Royal Collection; 236 units and a cinema complex	68,400	2,226	1.9	2003 2011	(C) 2000 (C) 2002 (C) 2006 (C) 2013	92.9%	68,400	100%	100%	68,400	FC
Zlote Tarasy(1) (Warsaw) H&M, Zara, Van Graaf, Reserved; 174 units and a cinema complex	66,400	1,132	2.7	2007 2012 2013	(C) 2007	n.a.	66,400	100%	n.a.	n.a.	EM-A
CH Ursynow (Warsaw) OBI, Auchan, Zdrofit, Go Sport, RTV EURO AGD; 31 units	46,300	1,682	1.7	2014	(C) 1998	96.7%	n.a.	10%	n.a.	n.a.	EM-JV
Wilenska (Warsaw) RTV EURO AGD, Go Sport, New Yorker, Reserved, Pepco; 95 units	41,300	1,100	2.4	2010	(C) 2002	91.0%	19,200	100%	100%	19,200	FC
Sub-total Shopping Centres in Poland										**239,200**	
Slovak Republic											
Aupark (Bratislava) Zara, H&M, Gant, Kiehl's, Peek & Cloppenburg; 220 units and a cinema complex	59,500	1,900	0.5	2006 2011 2018	(C) 2001 (R) 2015	96.5%	59,500	100%	100%	59,500	FC
Sub-total Shopping Centres in Slovak Republic										**59,500**	
Total (according to the scope of consolidation)										**534,700**	

Catchment area: less than 30 minutes from the shopping centre.
(1) Not managed by URW.

1.5.5 CENTRAL EUROPE: OFFICES

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Year of acquisition	Construction (C) Refurbishment (R) date	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Poland								
Wilenska Offices (Warsaw)	13,600	2010	2002	4,800	100%	100%	4,800	FC
Wroclavia Offices (Wroclaw)	8,500		(C) 2017	8,500	100%	100%	8,500	FC
Total (according to the scope of consolidation)							**13,300**	

1.5.6 SPAIN: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in million of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Parquesur (Madrid) El Corte Inglés, Primark, Leroy Merlín, Media Markt, Fnac; 203 units and a cinema complex	159,000	5,800	5.7	1994	(C) 1989 (C) 2005	97.0%	130,400	100%	100%	130,400	FC
Bonaire (Valencia) Primark, H&M, Zara, C&A, Fnac; 150 units and a cinema complex	135,000	5,700	1.8	2001	(C) 2001 (R) 2003 (R) 2012 (R) 2016	97.6%	56,000	100%	100%	56,000	FC
La Vaguada (Madrid) Alcampo, El Corte Inglés, Disney, Zara, Hema; 241 units and a cinema complex	87,000	3,600	5.3	1995	(C) 1983 (R) 2003	89.0%	38,100	100%	100%	38,100	FC
La Maquinista (Barcelona) Zara, Media Markt, H&M, Apple, Decathlon; 219 units and a cinema complex	75,600	4,588	4.6	2008	(C) 2000 (C) 2010 (R) 2012	97.6%	63,600	51%	100%	63,600	FC
Glòries (Barcelona) H&M, Zara, Pull & Bear, Fnac, Uniqlo; 136 units and a cinema complex	68,800	2,271[(1)]	4.4	1998	(C) 1995 (R) 2001 (R) 2014/2015 (R) 2016 (R) 2017	94.0%	42,100	100%	100%	42,100	FC
Splau (Barcelona) Primark, Media Markt, Zara, Mercadona; 154 units and a cinema complex	55,800	2,800	4.2	2011	(C) 2010	95.1%	55,800	100%	100%	55,800	FC
Garbera (San Sebastian) Media Markt, Forum, H&M, Zara, Toys "R" Us; 57 units	40,000	2,784	0.5	2002	(C) 1997 (R) 2002 (R) 2014	97.9%	25,400	100%	100%	25,400	FC
Equinoccio (Madrid) Decathlon, Ilusiona, Espacio Casa, Fit Up; 34 units and a cinema complex	36,800	1,408	5.2	1998	(C) 1998 (R) 2000/2008 (C) 2012 (R) 2015	89.8%	33,900	100%	100%	33,900	FC
Total (according to the scope of consolidation)										**445,300**	

Catchment area: less than 30 minutes from the shopping centre.
(1) Car park partly owned by URW.

1.5.7 SPAIN: OFFICES

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Year of acquisition	Construction (C) Refurbishment (R) date	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
La Vaguada Offices (Madrid)	10,300	2018		10,300	100%	100%	10,300	FC
Total (according to the scope of consolidation)							**10,300**	

1.5.8 NORDICS: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Sweden											
Westfield Mall of Scandinavia (Greater Stockholm) Tesla, Filmstaden, Uniqlo, H&M, Åhlens; 218 units and a cinema complex	105,100	3,700	1.6		(C) 2015	91.1%	105,100	100%	100%	105,100	FC
Täby Centrum (Greater Stockholm) Apple, Filmstaden, H&M, ICA, SATS; 245 units and a cinema complex	84,300	2,670	0.8	1997	(C) 1968/1969 (R) 1975/1992/2015	90.4%	84,300	100%	100%	84,300	FC
Nacka Forum (Greater Stockholm) H&M, Jumpyard, Media Markt, New Yorker, MOI; 141 units	57,200	1,750	1.0	1996	(R) 1990/1997/2008	90.4%	57,200	100%	100%	57,200	FC
Solna Centrum (Greater Stockholm) Stadium, H&M, ICA, Systembolaget, Lidl; 118 units	49,800	1,200	1.5	1985	(C) 1962/1965/1992 (R) 2012/2013	87.3%	49,800	100%	100%	49,800	FC
Sub-total Shopping Centres in Sweden										**296,400**	
Denmark											
Fisketorvet (Copenhagen) Fotex Hypermarket, Silvan, Bahne, Sport24; 114 units and a cinema complex	59,200	1,600	1.0	2000	2000 (R) 2013	92.2%	59,200	100%	100%	59,200	FC
Sub-total Shopping Centres in Denmark										**59,200**	
Total (according to the scope of consolidation)										**355,600**	

Catchment area: less than 30 minutes from the shopping centre.

1.5.9 NORDICS: OFFICES

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Year of acquisition	Construction (C) Refurbishment (R) date	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Sweden								
Solna Centrum (Greater Stockholm) Office and 108 apartments	29,900	1985	1962/1965/1992	29,900	100%	100%	29,900	FC
Täby Centrum (Greater Stockholm)	21,600	1997	1968/1969 1975/1992	21,600	100%	100%	21,600	FC
Nacka Forum (Greater Stockholm)	13,500	1996	1990/1997/2008	13,500	100%	100%	13,500	FC
Total (according to the scope of consolidation)							**65,000**	

1.5.10 AUSTRIA: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Shopping City Süd (SCS) (Vienna) Zara, H&M, Primark, P&C, Saturn; 282 units and a cinema complex	198,500	9,700	2.0	2008	(C) 1976/2002/2012 (R) 2013	97.0%	138,600	100%	100%	138,600	FC
Donau Zentrum (Vienna) Interspar, Zara, H&M, P&C, C&A; 261 units and a cinema complex	127,300	3,000	1.7	2003	(C) 1975/2000/2006/2008/2010 (R) 2012	97.9%	127,300	100%	100%	127,300	FC
Total (according to the scope of consolidation)										**265,900**	

Catchment area: less than 30 minutes from the shopping centre.

1.5.11 AUSTRIA: OFFICES

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Year of acquisition	Construction (C) Refurbishment (R) date	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Donauzentrum (Vienna)	9,800	2003	1975 1985	9,800	100%	100%	9,800	FC
Shopping City Süd (SCS) (Vienna)	9,000	2008	1989	9,000	100%	100%	9,000	FC
Total (according to the scope of consolidation)							**18,800**	

1.5.12 GERMANY: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
CentrO (Oberhausen) Sinn, Kaufhof, P&C, Saturn, H&M; 216 units and a cinema complex	242,000	12,000	3.3	2014	(C) 1996	94.9%	235,200	50%	50%	117,600	EM-JV
Ruhr Park (Bochum) Karstadt, Sinn, Kaufland, MediaMarkt, Baltz, H&M; 164 units and a cinema complex	117,700	4,416	3.8	2012	(C) 1964 (R) 2015	97.0%	109,000	65%	100%	109,000	FC
Paunsdorf Center (Leipzig) Kaufland, Media Markt, Decathlon, C&A, Müller, H&M; 176 units	113,700	7,300	0.9	2012	(C) 1994 (R) 2012	87.9%	113,700	26%	50%	56,900	EM-JV
Gropius Passagen (Berlin) Kaufland, Primark, Mediamarkt, P&C, H&M; 146 units and a cinema complex	94,700	2,014	3.0	2012	(C) 1964 (R) 1997 (R) 2019	n.a.	94,700	10%	n.a.	n.a.	EM-A
Höfe am Brühl (Leipzig) MediaMarkt, H&M, Fischer, Müller, New Yorker, Edeka; 134 units	51,300	820	1.1	2012	(C) 2012	94.9%	51,300	51%	100%	51,300	FC
Pasing Arcaden (Munich) HIT, MediaMarkt, C&A, Müller, H&M; 153 units	46,300	943	2.1	2012	(C) 2011 (C) 2013	96.4%	46,300	51%	100%	46,300	FC
Palais Vest (Recklinghausen) Kaufland, MediaMarkt, C&A, H&M, Reserved; 119 units	45,800	970	2.3	2012	(C) 2014	92.2%	45,800	51%	100%	45,800	FC
Minto (Mönchengladbach) H&M, Saturn, Sportscheck, Reserved, Müller; 111 units	41,500	905	1.5		(C) 2015	97.3%	41,500	51%	100%	41,500	FC
Gera Arcaden (Gera) Kaufland, C&A, H&M, Fischer, Intersport, Medimax; 84 units	33,400	1,309	0.3	2012	(C) 1998 (R) 2008	95.4%	33,400	51%	100%	33,400	FC
Total (according to the scope of consolidation)										**501,800**	

Catchment area: less than 30 minutes from the shopping centre.

1.5.13 GERMANY: OFFICES

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Year of acquisition	Construction (C) Refurbishment (R) date	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Pasing Arcaden (Munich)	6,800	2012		6,800	51%	100%	6,800	FC
Gera Arcaden (Gera)	5,000	2012		5,000	51%	100%	5,000	FC
Höfe am Brühl (Leipzig)	4,900	2012	(C) 2012	4,900	51%	100%	4,900	FC
Total (according to the scope of consolidation)							**16,700**	

1.5.14 THE NETHERLANDS: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Citymall Almere (Almere) Media Markt, H&M, HEMA, Zara, Pull & Bear; 137 units and a cinema complex	89,500	1,588[1]	1.1	2002	(C) 2002 (R) 2008	88.4%	86,800	100%	100%	86,800	FC
Stadshart Zoetermeer (Zoetermeer) Albert Heijn XL, H&M, Primark, HEMA, Media Markt; 123 units	84,100	3,270[2]	2.4	1983	(C) 1983 (R) 2005	93.0%	54,800	100%	100%	54,800	FC
Stadshart Amstelveen (Amstelveen) De Bijenkorf, H&M, HEMA, Albert Heijn, Zara; 151 units	81,300	2,780[2]	2.6	2005	(C) 1960 (R) 1998	94.1%	58,100	100%	100%	58,100	FC
Westfield Mall of the Netherlands (the Hague region)[3] Albert Heijn, HEMA, Jumbo, Media Markt; 259 units	n.a.	3,840[2]	2.9	1990	(C) 1971 (R) 2000	n.a.	n.a.	100%	100%	n.a.	FC
Sub-total Shopping Centres in The Netherlands										**199,700**	
Other holdings											
De Els (Waalwijk) 11 units	14,500	500[1]	n.a.	1990	(C) 1975 (R) 1990	n.a.	1,200	100%	100%	1,200	FC
Kerkstraat (Hilversum) C&A 8 units	12,200	70[1]	n.a.	1993	n.a.	n.a.	11,500	100%	100%	11,500	FC
In den Vijfhoek (Oldenzaal) 21 units	8,100	70[1]	n.a.	1980	(C) 1980	n.a.	7,800	100%	100%	7,800	FC
Zoetelaarpassage (Almere) Lidl; 20 units	6,500	450[1]	n.a.	1983	(C) 1983	n.a.	6,500	100%	100%	6,500	FC
Sub-total Other holdings in The Netherlands										**27,000**	
Total (according to the scope of consolidation)										**226,700**	

Catchment area: less than 30 minutes from the shopping centre.
(1) Car park not owned by URW.
(2) Car park partly owned by URW and shared between retail and office.
(3) Undergoing a substantial extension and renovation.

1.5.15 THE NETHERLANDS: OFFICES

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Year of acquisition	Construction (C) Refurbishment (R) date	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Stadshart Amstelveen (Amstelveen)	6,800	2005/2016	(C) 1999	6,200	100%	100%	6,200	FC
Stadshart Zoetermeer (Zoetermeer)	5,400	1983/2005	n.a.	5,400	100%	100%	5,400	FC
Total (according to the scope of consolidation)							**11,600**	

(1) Car park partly owned by URW and shared between retail and office.

Presentation of the Group
Portfolio

1.5.16 UNITED STATES: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of peoples)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Flagship											
Westfield Topanga[(1)] (Canoga Park, California) Nordstrom, Macy's, Target, Costco, Apple, Tesla, Louis Vuitton, Tiffany, Nespresso, Lululemon; 345 units	196,100	6,143	1.4	1994	(C) 1964 (R) 1994, 2006, 2008, 2019	87.2%	112,700	55%	55%	62,000	EM-JV
Westfield Garden State Plaza (Paramus, New Jersey) Neiman Marcus, Nordstrom, Macy's, Gucci, Louis Vuitton, Burberry, Tesla, Apple; 309 units and a cinema complex	184,100	10,831	1.3	1996	(C) 1957 (R) 1997, 2007, 2014	85.4%	97,100	50%	50%	48,600	EM-JV
Westfield Valley Fair (Santa Clara, California) Nordstrom, Macy's, Bloomingdales, Louis Vuitton, Gucci, Tiffany, Apple, Eataly, Cartier, Prada, Saint Laurent, Louboutin; 379 units and a cinema complex	180,700	8,400	1.7	1998	(C) 1986 (R) 2002, 2013, 2016	86.1%	98,800	50%	50%	49,400	EM-JV
Westfield Southcenter (Seattle, Washington) Macy's, Nordstrom, Sears, JC Penney; 246 units and a cinema complex	157,200	6,701	1.4	2002	(C) 1968 (R) 2008, 2012	88.1%	76,200	55%	55%	41,900	EM-JV
Westfield Old Orchard (Skokie, Illinois) Macy's, Nordstrom, Apple, Tiffany, Lululemon, Peloton, Aritzia; 151 units	157,200	7,840	1.0	2002	(C) 1956 (R) 2007, 2011, 2013	86.5%	78,700	100%	100%	78,700	FC
Westfield UTC (San Diego, California) Macy's, Nordstrom, Hermes, Apple, Tesla, Aritzia, Lululemon; 242 units and a cinema complex	127,500	4,924	1.3	1998	(C) 1977 (R) 1998, 2007, 2012, 2017	92.3%	82,200	50%	50%	41,100	EM-JV
Westfield Century City (Los Angeles, California) Macy's, Nordstrom, Bloomingdales, Eataly, Tiffany, Apple, Tesla, Equinox, Gelson's, Adidas, Aritzia, Lululemon; 273 units and a cinema complex	124,600	4,851	2.1	2002	(C) 1964 (R) 2006, 2013, 2017	93.1%	90,900	100%	100%	90,900	FC
Westfield Galleria at Roseville (Roseville, California) Macy's, Nordstrom, Louis Vuitton, Apple, Lululemon; 236 units	112,700	6,312	0.9	2002	(C) 2002 (R) 2008, 2018	84.5%	63,500	100%	100%	63,500	FC
Westfield Mission Valley[(2)] (San Diego, California) Target, Bed, Bath, and Beyond, Trader Joe's, West Elm, Ulta, Nordstrom Rack; 134 units and a cinema complex	111,400	5,898	1.4	1994	(C) 1961 (R) 1997, 1998, 2004, 2007	87.7%	76,300	42%	42%	31,800	EM-JV
Westfield San Francisco Centre & Emporium (San Francisco, California) Bloomingdale's, Nordstrom, Adidas, Aritzia, Lululemon; 196 units and a cinema complex	109,800	-	2.0	2002	(C) 1988 (R) 2006	78.8%	16,100 32,900	100% 50%	100% 50%	16,100 16,500	FC & EM-JV
Westfield Montgomery (Bethesda, Maryland) Nordstrom, Macy's; 224 units and a cinema complex	104,400	5,831	0.9	1994	(C) 1968 (R) 2001, 2014, 2016	84.0%	57,200	50%	50%	28,600	EM-JV
Westfield Culver City (Culver City, California) Macy's, Target, JC Penney, Best Buy, Nordstrom Rack, Trader Joe's, Adidas; 190 units	98,700	4,285	1.7	1998	(C) 1975 (R) 2009, 2012	90.7%	63,000	55%	55%	34,700	EM-JV
Westfield World Trade Center (New York, New York) Apple, Boss, Gansevoort Liberty market, Banana Republic, Breitling, Mont Blanc; 121 units	34,900	-	7.2	2012	(C) 2016	89.4%	34,900	100%	100%	34,900	FC
Sub-total Flagship Shopping Centres in the US										**638,700**	

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of peoples)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Regionals											
Westfield Wheaton (Wheaton, Maryland) Costco, Target, Macy's, JC Penney; 182 units	140,000	6,053	0.8	1997	(C) 1960 (R) 2005, 2013, 2016	91.5%	68,100	53%	53%	35,800	EM-JV
Westfield Santa Anita (Santa Anita, California) Nordstrom, Macy's, JC Penney; 250 units and a cinema complex	137,200	6,199	1.5	1998	(C) 1974 (R) 1994, 2004, 2009, 2012	89.9%	89,200	49%	49%	44,000	EM-JV
Westfield Annapolis (Annapolis, Maryland) Macy's, JC Penney; 248 units and a cinema complex	126,500	5,973	0.8	1994	(C) 1980 (R) 2007	85.9%	69,100	55%	55%	38,000	EM-JV
Westfield Countryside(3) (Clearwater, Florida) Macy's, Dillards, JC Penney; 173 units and a cinema complex	117,000	5,712	0.5	2002	(C) 1975 (R) 2009, 2012	82.0%	43,100	100%	100%	43,100	FC
Westfield North County (Escondido, California) Macy's, JC Penney; 199 units	116,100	5,752	0.7	1994	(C) 1986 (R) 2006, 2012, 2014	78.7%	61,500	55%	55%	33,800	EM-JV
Westfield Oakridge (San Jose, California) Target, Macy's; 208 units and a cinema complex	106,800	4,399	0.8	1998	(C) 1973 (R) 2003	85.5%	73,300	55%	55%	40,300	EM-JV
Westfield Brandon (Brandon, Florida) Macy's, Dillard's, JC Penney; 213 units	106,800	5,101	0.8	2002	(C) 1995 (R) 2007	91.7%	61,300	100%	100%	61,300	FC
Westfield Citrus Park(3) (Tampa, Florida) Macy's, JC Penney, Dillard's; 152 units and a cinema complex	106,000	5,610	0.5	2002	(C) 1999 (R) 2007	83.4%	46,800	100%	100%	46,800	FC
Westfield Trumbull (Trumbull, Connecticut) Macy's, JC Penney, Target, Lord and Taylor; 167 units	105,000	4,436	0.4	1996	(C) 1962 (R) 2008, 2010	90.5%	42,200	53%	53%	22,200	EM-JV
Westfield Valencia Town Center (Valencia, California) Macy's, JC Penney; 229 units and a cinema complex	101,400	4,312	0.3	2005	(C) 1992 (R) 2010, 2019	88.2%	71,100	50%	50%	35,600	EM-JV
Westfield Broward (Plantation, Florida) JC Penney, Macy's, Dillard's; 123 units and Regal Cinema	97,600	4,775	0.6	2007	(C) 1978 (R) 2014	85.2%	31,400	100%	100%	31,400	FC
Westfield Plaza Bonita (National City, California) Target, Macy's, JC Penney; 193 units and a cinema complex	95,000	4,586	0.7	1994	(C) 1981 (R) 2008, 2011	88.1%	55,500	55%	55%	30,500	EM-JV
Westfield South Shore (Bay Shore, New York) JC Penney, Lord and Taylor, Macy's; 135 units	94,200	4,922	0.4	1996	(C) 1963 (R) 1998, 2013	91.6%	64,300	100%	100%	64,300	FC
Westfield Palm Desert (Palm Desert, California) Macy's, JC Penney; 153 units and a cinema complex	91,600	4,326	0.4	1999	(C) 1983 (R) 2001, 2004, 2014	88.6%	45,900	53%	53%	24,100	EM-JV
Westfield Fashion Square (Sherman Oaks, California) Macy's, Bloomingdales; 151 units	80,100	3,856	0.7	2002	(C) 1961 (R) 2012	83.9%	33,400	50%	50%	16,700	EM-JV
Sub-total Regional Shopping Centres in the US										**567,900**	
Other holdings											
Westfield Sarasota(3) (Sarasota, Florida) Costco; 112 units and AMC Theatre	92,900	4,500	0.4	2003	(C) 1977 (R) 2007, 2012	n.a.	33,700	100%	100%	33,700	FC
Sub-total other holdings in the US										**33,700**	
Total (according to the scope of consolidation)										**1,240,300**	

(1) Including "The Village".
(2) Including Mission Valley West.
(3) In receivership.

Presentation of the Group
Portfolio

1.5.17 UNITED STATES: OFFICES

Portfolio as at December 31, 2020	Total floor space (sqm)	Year of acquisition	Construction (C) Refurbishment (R) date	Total space of the property owning companies (sqm)	URW's share (%)	% of consolidation	Total space according to consolidation (sqm)	Consolidation method
US Offices & Others								
San Francisco Centre (San Francisco, California)	32,200	1996 2002	(R) 2006	22,400 9,800	50% 100%	50% 100%	21,000	FC & EM-JV
Palisade at Westfield UTC (San Diego, California) 300 apartments	26,900		(C) 2019	26,900	50%	50%	13,500	EM-JV
Wheaton Office (Wheaton, Maryland)	18,800	1997		18,800	53%	53%	9,900	EM-JV
Old Orchard Office (Skokie, Illinois)	7,500	2002	(C) 1956	7,500	100%	100%	7,500	FC
Ownesmouth Office (Canoga Park, California)	4,100	1994	(C) 1978 (R) 1994	4,100	55%	55%	2,300	EM-JV
Corbin Office (New York, New York)	3,700	2014	2014	3,700	100%	100%	3,700	FC
Total (according to the scope of consolidation)							**57,900**	

1.5.18 UNITED KINGDOM: SHOPPING CENTRES

Portfolio as at December 31, 2020	GLA of the whole complex *(sqm)*	Parking spaces	Catchment area *(in millions of people)*	Year of acquisition	Construction (C) Refurbishment (R) date	Occupancy (EPRA definition)	GLA of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total space according to consolidation *(sqm)*	Consolidation method
Shopping Centres											
Westfield London (London, Shepherds Bush) John Lewis, Harrods Outlet, House of Fraser, M&S; 466 units and a cinema complex	235,900	5,200	3.3	2008	(C) 2008 (R) 2018	86.8%	235,900	50%	50%	118,000	JO
Westfield Stratford City (London, Stratford) John Lewis, M&S, Waitrose, Aspers Casino; 317 units and a cinema complex	183,400	4,700	5.3	2011	(C) 2011	95.1%	183,400	50%	50%	91,700	EM-JV
Sub-total Shopping Centres in the UK										**209,700**	
Other holdings											
Centrale (Croydon) Debenhams, House of Fraser, H&M, Zara, Next, Sports Direct, Metro Bank; 77 units	74,100	950	1.9	2013	(C) 1988 Drummond centres (R) 2004	n.a.	74,100	50%	50%	37,100	EM-JV
Whitgift (Croydon) M&S, Sainsbury's, Boots, New Look, River Island, H&M, Superdry; 172 units	n.a.	397	1.9	2013	(C) 1970	n.a.	n.a.	50%	50%	n.a.	EM-JV
Sub-total other holdings in the UK										**37,100**	
Total (according to the scope of consolidation)										**246,800**	

Catchment area: calculated by CACI.

1.5.19 UNITED KINGDOM: OFFICES

Portfolio as at December 31, 2020	Total floor space *(sqm)*	Year of acquisition	Construction (C) Refurbishment (R) date	Total floor space of the property owning companies *(sqm)*	URW's share (%)	% of consolidation	Total floor space according to consolidation *(sqm)*	Consolidation method
Westfield London (London)	13,400	2008	(C) 2018	13,400	50%	50%	6,700	JO
Total (according to the scope of consolidation)							**6,700**	

FC = Fully Consolidated
EM-JV = Joint Venture under the equity method
EM-A = Associates under the equity method
JO = Joint Operation

1.6 OVERVIEW OF VALUATION REPORTS PREPARED BY URW SE'S INDEPENDENT EXTERNAL APPRAISERS FOR THE EUROPEAN ASSETS

SCOPE OF INSTRUCTIONS

In accordance with your instructions we have undertaken valuations of the various freehold and leasehold property interests as at December 31, 2020 (the "valuation date") either held directly by Unibail-Rodamco-Westfield SE (the "Company") or held in a Joint Venture where the Company holds a share, as referred to in our valuation reports for each individual property. This Overview letter has been prepared for inclusion in the Company's accounts. The valuations have been undertaken by our local valuation teams in each relevant country and have been reviewed by the Pan European Valuation teams of all three valuation firms. In arriving at an opinion of Fair Value (as defined in IFRS 13) for each property we have taken into consideration European wide investment transaction activity and not solely any investment activity in the domestic market.

We can confirm that we did not receive fees from the Company representing more than 10% of our respective turnovers.

We can also confirm that our opinion of Fair Value has been reviewed against other valuations conducted across Europe, if applicable, for consistency of approach and consideration of the evidence and sentiment in the market place.

The valuations have been based upon the discounted cash flow or yield methodologies that are regularly used for these types of properties.

Following the wide and competitive tender process led by the Company in the first quarter of 2015, we confirm that, in situations where an appraisal firm saw its valuation mandate renewed for a given asset, the appraisal signatory of such asset was replaced by a new signatory as of June 2015, in accordance with RICS recommendations.

Following the acquisition of Westfield by Unibail-Rodamco, the European freehold and leasehold property interests either held directly by Westfield or held in a Joint Venture where Westfield held a share have been added to our valuation mandate.

BASIS OF VALUATION AND ASSUMPTIONS

We set out below the basis and assumptions we have used in preparing our Valuation.

We confirm that the valuations have been made in accordance with the appropriate sections of the current Practice Statements contained within the RICS Valuation – Professional Standards (the "Red Book"). This is an internationally accepted basis of valuation. Our valuations are fully compliant with IFRS accounting standards and IVSC valuation standards and guidance.

The valuations have been also prepared in accordance with the AMF recommendations regarding the presentation of valuation parameters of listed real estate companies, published February 8, 2010.

We can confirm that we have prepared our valuations as External Valuers as defined in the Royal Institution of Chartered Surveyors Valuation Standards and our valuations have been prepared in accordance with our General Principles.

Our valuations are prepared on the basis of Fair Value and are reported as gross values (Fair Value gross of any deduction made for typical purchaser costs).

INTANGIBLE ASSETS AND BUSINESSES

Regarding the valuation of intangible assets attached to the shopping centres and of businesses, the instructions, standards and confirmations specific to real estate Valuation do not apply.

DATE OF VALUATION

The effective date of valuation is December 31, 2020.

DATE OF INSPECTION

The properties Shopping Centres and Offices & Others were inspected in the timeframe of July 2020 to December 2020. All the Convention & Exhibition venues were inspected in the timeframe of October 2017 to December 2020.

AGGREGATED TOTAL AMOUNT OF VALUE OF THE TOTAL PROPERTY PORTFOLIO PER THE DATE OF THE REPORT

Appraiser	Sector	Number of assets appraised	Number of assets visited in 2020	Valuation including transfer taxes[(a)] (€Mn)
Cushman & Wakefield	Shopping Centres/Offices & Others	63	63	20,408
Jones Lang Lasalle	Shopping Centres/Offices & Others	41	41	16,202
PricewaterhouseCoopers	Shopping Centres/Convention & Exhibition	12	6	2,812
Other appraisers	Shopping Centres	3	3	3,363
Impact of the assets valued by two appraisers	Shopping Centres			(2,512)
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others			2,254
TOTAL PORTFOLIO		**119**	**113**	**42,527**

(a) On a Proportionate basis.

AGGREGATED TOTAL VALUE FOR ALL LEASEHOLD AND ALL FREEHOLD PROPERTIES

	Valuation including transfer taxes[(a)] (€Mn)
Freehold	38,522
Leasehold	4,005
TOTAL PORTFOLIO	**42,527**

(a) On a Proportionate basis.

INFORMATION

We have requested Company management to confirm that the information which it has supplied to us in respect of the property and its lessees is both comprehensive and correct in all material aspects. It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as operating expenses, committed capital expenditures, financial elements including any doubtful debtors, sales based rental levels, prospective and signed leasing deals, lease incentives and all rent roll information and vacant units have been made available to us and that the information is up to date in all material aspects.

FLOOR AREAS

We have not measured the property and have relied on the areas which have been supplied to us.

ENVIRONMENTAL INVESTIGATIONS AND GROUND CONDITIONS

We were not instructed to carry out a site survey or environmental assessment nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we assume that properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect their present or future use.

PLANNING

We have not seen planning consents and we assume that properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We assume that buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations. We also assume that any extensions currently under construction satisfy all planning regulations and all necessary permits are in place.

TITLE AND TENANCIES

We have relied upon tenancy schedules, summaries of additional income, non-recoverable costs and capital expenditure and business plans which have been supplied to us.

Our valuations assume that, other than disclosed in our reports, there is good and marketable title to the properties and that they are free of any undisclosed burdens, outgoings, restrictions or charges. We have not read documents of title and for the purposes of our advice have accepted the details of tenure, tenancies and all other relevant information, which have been supplied by the Company.

CONDITION

We have reflected the general condition of the property as noted during our inspections. We were not instructed to carry out a structural survey but we have reflected any apparent wants of repair in our opinion of the value as appropriate. The property has been valued on the basis of the Company's advice except where we have been specifically advised to the contrary, that no harmful materials have been used in its construction.

TAXATION

Our valuations are prepared on the basis of Fair Value and are reported as gross values (Fair Value gross of any deduction made for typical purchaser costs). No allowance has been made in our valuations for expenses of realisation or for any taxation, which may arise in the event of a disposal. However, when we have used the discounted cash flow ("DCF") methodology, we have deducted registration duty and transaction costs at the end of the model for the assessment of the exit value. All rental and capital values stated are exclusive of Value Added Tax.

MARKET CONDITIONS EXPLANATORY NOTE: NOVEL CORONAVIRUS (COVID-19)

The outbreak of COVID-19, declared by the World Health Organization as a "Global Pandemic" on the March 11, 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel restrictions have been implemented by many countries and "lockdowns" applied to varying degrees. Whilst restrictions have now been lifted in some cases, local lockdowns may continue to be deployed as necessary and the emergence of significant further outbreaks is possible.

The pandemic and the measures taken to tackle COVID-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to "material valuation uncertainty" as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards.

MATERIAL VALUATION UNCERTAINTY

In respect of hotels, as at the valuation date we continue to be faced with an unprecedented set of circumstances caused by COVID-19 and an absence of relevant/sufficient market evidence on which to base our judgements. Our valuation of the hotels is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case.

For the avoidance of doubt, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the valuation date.

CONFIDENTIALITY AND PUBLICATION

Finally, and in accordance with our normal practise, we confirm that our valuations are confidential to the party to whom it is addressed for the specific purpose to which they refer. No responsibility whatsoever is accepted to any third party and neither the whole of our valuation reports, nor any part, nor references thereto may be published in any document, statement or circular, nor in any communication with third parties without our prior written approval of the form and context in which it will appear. In signing this Overview, each appraiser does so on its behalf for its own valuation work only.

Yours faithfully,

Christian Luft MRICS
Director
For and on behalf of Jones Lang LaSalle Expertises SAS

Jean-Philippe Carmarans MRICS
Director
For and on behalf of Cushman & Wakefield

Geoffroy Schmitt
Partner
For and on behalf of PwC Corporate Finance

Marc Gerretsen
Partner
For and on behalf of PwC Corporate Finance

1.7 OVERVIEW OF VALUATION REPORTS PREPARED BY URW SE'S INDEPENDENT EXTERNAL APPRAISERS FOR THE AMERICAN ASSETS

SCOPE OF INSTRUCTIONS

In accordance with your instructions we have undertaken valuations of the various freehold and leasehold property interests as at December 31, 2020 (the "valuation date") either held directly by Unibail-Rodamco-Westfield SE (the "Company") or held in a Joint Venture where the Company holds a share, as referred to in our valuation reports for each individual property. This Overview letter has been prepared for inclusion in the Company's accounts. The valuations have been undertaken by our local valuation teams for each relevant asset and have been reviewed at the national level by each firm's engagement leadership. In arriving at an opinion of Fair Value (as defined in IFRS 13) for each property we have taken into consideration nationwide investment transaction activity and not solely any investment activity in the local markets.

We can confirm that we did not receive fees from the Company representing more than 10% of our respective turnovers.

We can also confirm that our opinion of Fair Value has been prepared under guidelines as stipulated in the Uniform Standards of Professional Appraisal Practice ("USPAP"), which provide for a consistency of approach and analysis for all valuations undertaken in the US.

The valuations have been based upon the discounted cash flow or yield methodologies that are regularly used for these types of properties.

We confirm that, in situations where an appraisal firm saw its valuation mandate renewed for a given asset, the appraisal signatory of such asset did not exceed two consecutive mandates of four years, in accordance with RICS recommendations.

BASIS OF VALUATION AND ASSUMPTIONS

We set out below the basis and assumptions we have used in preparing our Valuation.

We confirm that the valuations have been made in accordance with the appropriate sections of the current Practice Statements contained within the RICS Valuation – Professional Standards (the "Red Book"). This is an internationally accepted basis of valuation. Our valuations are fully compliant with IFRS accounting standards and IVSC valuation standards and guidance. The valuations have been also prepared in accordance with the AMF recommendations regarding the presentation of valuation parameters of listed real estate companies, published February 8, 2010.

We can confirm that we have prepared our valuations as External Valuers as defined in the Royal Institution of Chartered Surveyors Valuation Standards and our valuations have been prepared in accordance with our General Principles.

Our valuations are prepared on the basis of Fair Value and are reported as gross values (Fair Value gross of any deduction made for typical purchaser costs) and as net values (Fair Value after deduction of typical purchaser costs).

All assets were valued on a total basis without regard to the Company's ownership share and as unencumbered by debt.

INTANGIBLE ASSETS AND BUSINESSES

Regarding the valuation of intangible assets attached to the shopping centres and of businesses, the instructions, standards and confirmations specific to real estate valuation do not apply.

DATE OF VALUATION

The effective date of valuation is December 31, 2020.

DATE OF INSPECTION

The properties were inspected in the timeframe of January 2020 and December 2020.

AGGREGATED TOTAL AMOUNT OF VALUE OF THE TOTAL PROPERTY PORTFOLIO PER THE DATE OF THE REPORT

Appraiser	Sector	Number of assets appraised	Number of assets visited in 2020	Valuation including transfer taxes[(a)] (€Mn)
Cushman & Wakefield[(b)]	Shopping Centres/Offices & Others	23	23	7,168
Duff & Phelps	Shopping Centres/Offices & Others	16	16	4,612
PricewaterhouseCoopers	Shopping Centres/Convention & Exhibition	4	0	580
Other appraisers	Shopping Centres			60
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others			68
TOTAL PORTFOLIO		**43**	**39**	**12,487**

(a) On a Proportionate basis.
(b) Valuation net of a 30% discount on four assets (Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Palm Desert).

AGGREGATED TOTAL AMOUNT OF VALUE OF THE TOTAL PROPERTY PORTFOLIO PER THE DATE OF THE REPORT

	Valuation including transfer taxes[(a)] (€Mn)
Freehold	9,499
Leasehold	2,988
TOTAL PORTFOLIO	**12,487**

(a) On a Proportionate basis.

INFORMATION

We have requested Company management to confirm that the information which it has supplied to us in respect of the property and its lessees is both comprehensive and correct in all material aspects. It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as operating expenses, committed capital expenditures, financial elements including any doubtful debtors, sales based rental levels, prospective and signed leasing deals, lease incentives and all rent roll information and vacant units have been made available to us and that the information is up to date in all material aspects.

FLOOR AREAS

We have not measured the property and have relied on the areas which have been supplied to us.

ENVIRONMENTAL INVESTIGATIONS AND GROUND CONDITIONS

We were not instructed to carry out a site survey or environmental assessment nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we assume that properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect their present or future use.

PLANNING

We have not seen planning consents and we assume that properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We assume that buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations. We also assume that any extensions currently under construction satisfy all planning regulations and all necessary permits are in place.

TITLE AND TENANCIES

We have relied upon tenancy schedules, summaries of additional income, non-recoverable costs and capital expenditure and business plans which have been supplied to us.

Our valuations assume that, other than disclosed in our reports, there is good and marketable title to the properties and that they are free of any undisclosed burdens, outgoings, restrictions or charges. We have not read documents of title and for the purposes of our advice have accepted the details of tenure, tenancies and all other relevant information, which have been supplied by the Company.

CONDITION

We have reflected the general condition of the property as noted during our inspections. We were not instructed to carry out a structural survey but we have reflected any apparent wants of repair in our opinion of the value as appropriate. The property has been valued on the basis of the Company's advice except where we have been specifically advised to the contrary, that no harmful materials have been used in its construction.

TAXATION

Our valuations are prepared on the basis of Fair Value and are reported as gross values (Fair Value gross of any deduction made for typical purchaser costs) and as net values (Fair Value after deduction of typical purchaser costs). In addition, when we have used the discounted cash flow ("DCF") methodology, we have deducted registration duty and transaction costs at the end of the model for the assessment of the exit value. All rental and capital values stated are exclusive of Value Added Tax.

CONFIDENTIALITY AND PUBLICATION

Finally, and in accordance with our normal practise, we confirm that our valuations are confidential to the party to whom it is addressed for the specific purpose to which they refer. No responsibility whatsoever is accepted to any third party and neither the whole of our valuation reports, nor any part, nor references thereto may be published in any document, statement or circular, nor in any communication with third parties without our prior written approval of the form and context in which it will appear. In signing this Overview, each appraiser does so on its behalf for its own valuation work only.

Yours faithfully,

Deborah A. Jackson, CRE, FRICS
Senior Managing Director
For and on behalf of Cushman & Wakefield

Duff & Phelps, LLC
For and on behalf of Duff & Phelps

Marc Gerretsen
Partner
For and on behalf of PwC Corporate Finance

1.8 STRUCTURE

URW Group comprises two main legal entities:

- Unibail-Rodamco-Westfield SE with a registered office in France; and
- Unibail-Rodamco-Westfield N.V., with a registered office in The Netherlands.

The shares of Unibail-Rodamco-Westfield SE and the Class A shares of Unibail-Rodamco-Westfield N.V. are stapled together (the **"Stapled Shares"**) such that holders hold an interest in both Unibail-Rodamco-Westfield SE and Unibail-Rodamco-Westfield N.V. as if they held an interest in a single (combined) company. Any holder of a Stapled Share has the rights and obligations of both a shareholder of Unibail-Rodamco-Westfield SE and a shareholder of Unibail-Rodamco-Westfield N.V.:

- The right to attend and to vote at general meetings of both companies and the right to receive dividends paid by both companies.
- The obligation to disclose threshold crossing in both companies to the French Market Authorities for Unibail-Rodamco-Westfield SE and to the Dutch Market Authorities for Unibail-Rodamco-Westfield N.V. and all disclosure requirements described in the Articles of Association of both companies.

The Stapled Shares are traded on the regulated markets of Euronext Amsterdam and Euronext Paris. In addition, a secondary listing on the Australian Securities Exchange has been established to allow former Westfield Corporation shareholders to trade Stapled Shares locally in the form of Chess Depositary Interests ("CDIs").

The structure has been designed to take into account the interests of all former Unibail-Rodamco and Westfield Corporation shareholders by preserving the respective REIT regimes. URW Group operates under the *Sociétés d'Investissements Immobiliers Cotées* regime ("SIIC") in France, the *Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario* regime ("SOCIMI") in Spain, the Fiscal Investment Institution regime (*fiscale beleggingsinstelling*, "FII") for Unibail-Rodamco-Westfield N.V. in The Netherlands and the Real Estate Investment Trust ("REIT") regime in the United Kingdom and the United States.

While both entities have separate decision-making corporate bodies, independent Supervisory Boards and Management Boards, alignment and coordination between both entities is guaranteed by the appointment of the CEO and CFO of Unibail-Rodamco-Westfield SE to the Supervisory Board of Unibail-Rodamco-Westfield N.V., and appointment of the URW US COO, who is the Chairman of the Management Board of Unibail-Rodamco-Westfield N.V., to the Executive Committee of the URW Group.

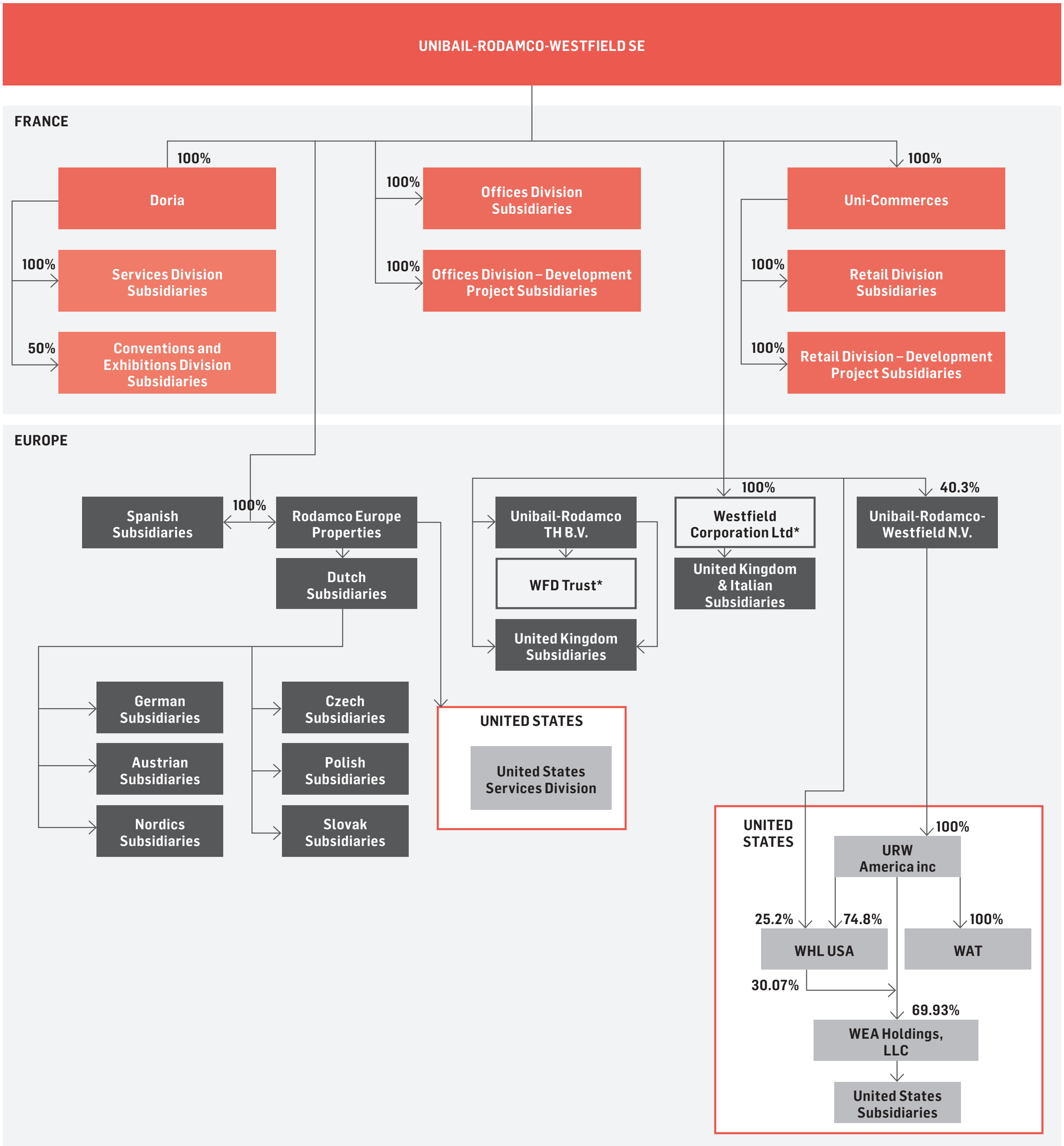
Unibail-Rodamco-Westfield SE fully consolidates Unibail-Rodamco-Westfield N.V. and its controlled undertakings and Unibail-Rodamco-Westfield SE's consolidated financial statements therefore represent a comprehensive overview of the Group.

For any further information related to Unibail-Rodamco-Westfield N.V., please refer to its Annual Report available on its website (https://www.urw-nv.com/en/investors/financial-information).

(1) Also owns selected Dutch assets.

1.9 SIMPLIFIED GROUP ORGANISATIONAL CHART

As at December 31, 2020, is as follows:



United States part of the Group

* Australian companies.

CHAPTER 2

Corporate Social Responsibility

> Corporate Social Responsibility is a core component of what we do and who we are as a business, in each of our locations. 2020 demonstrated that Better Places 2030 enables us to fully play our role in supporting the resilience of the communities we serve. We immediately delivered key support to the local areas in which we operate during the pandemic, whilst implementing a trusted plan to protect the health & safety of visitors coming to our centres. Internally, we reinvented the power of working together during lockdown periods and launched a strategic and ambitious Diversity and Inclusion framework. In spite of all headwinds in 2020, we maintained our commitments to high environmental standards. The crisis itself became a strong accelerator for more responsible consumption, circular economy and the preservation of biodiversity. Even as we have adapted our actions to the global context, our outstanding CSR results demonstrate the relevance of our approach. We are proud of Better Places 2030, a cornerstone of our "Reinvent Being Together" company purpose.

JEAN-MARIE TRITANT
Group Chief Executive Officer

2.1 GROUP CSR STRATEGY

2.1.1 BUSINESS MODEL

The Unibail-Rodamco-Westfield (URW) business model is presented in Sections 1.3 Strategy and business model and 1.4 Business overview.

2.1.2 CSR CHALLENGES AND OPPORTUNITIES

URW's current approach to Corporate Social Responsibility (CSR) has been structured on solid grounds, going way beyond regulation. In order to define its CSR strategy, the Group has identified key areas of work, representing challenges and opportunities related to its activities. Two complementary approaches were used to that end:

- A materiality analysis, which is a mapping tool used to identify and order the important CSR issues for the Group from an internal as well as an external stakeholder perspective;
- A risk analysis, which is a framework used to highlight the CSR issues likely to negatively impact the Group.

2.1.2.1 MATERIALITY MATRIX

In 2018, Unibail-Rodamco-Westfield updated its materiality matrix to identify its CSR-related priorities. An external advisory firm supported the Group in this process to ensure the robustness and neutrality of the methodology.

This work was done on the basis of a detailed analysis of the main CSR reporting standards[1], investor expectations[2], underlying market trends, best practices observed in the Real Estate industry and beyond, as well as insight from NGOs and experts.

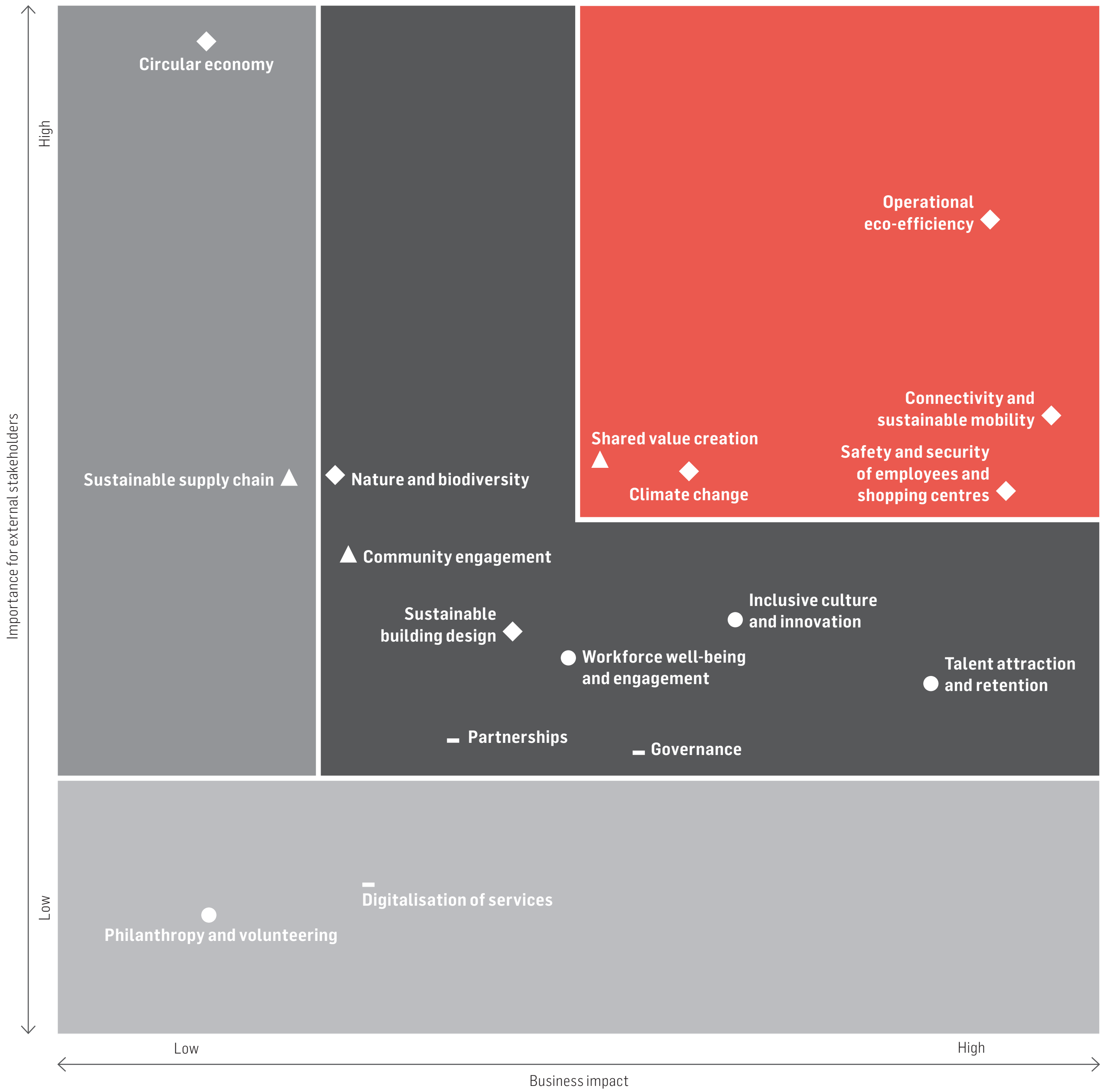
In total, over 30 external and internal stakeholders, representative of the Group's different regions and businesses, were consulted to rank the CSR topics, according to their level of expectation (for the external stakeholders) and the impact on the URW business model (for the internal stakeholders).

The main priorities identified, in line with market trends up to 2030 and the parallel work done on risks (see Section 2.1.2.2 CSR risks and opportunities), resulted in three CSR focus areas for the Group (see Section 2.1.3 Priorities of the Group CSR strategy).

(1) Global Reporting Initiative Construction and Real Estate Supplement, Sustainability Accounting Standards Board.
(2) As represented by questions and analysis frameworks from the Dow Jones Sustainability Index, MSCI, V.E (ex-VigeoEiris), ISS-ESG, GRESB and FTSE4Good.

2.

UNIBAIL-RODAMCO-WESTFIELD'S MATERIALITY MATRIX



Key

◆ Pillar 1 – Better Spaces ▲ Pillar 2 – Better Communities ● Pillar 3 – Better Together ▬ Transversal

Top priority issues
- Operational eco-efficiency
- Connectivity and sustainable mobility
- Shared value creation
- Climate change
- Safety and security of employees and shopping centres

Important issues
- Sustainable building design
- Nature and biodiversity
- Inclusive culture and innovation
- Workforce well-being and engagement
- Talent attraction and retention
- Community engagement
- Partnerships
- Governance

Key issues for external stakeholders
- Circular economy
- Sustainable supply chain

Less material issues
- Digitisation of services
- Philanthropy and volunteering

2.1.2.2 CSR RISKS AND OPPORTUNITIES

In 2018, in response to the Directive related to the disclosure of non-financial information[1], Unibail-Rodamco-Westfield identified and assessed its main CSR risks, using the Group risk assessment methodology taking into account three impact criteria: financial, legal and reputational. In line with the spirit of the regulation, the analysis provided below presents gross risks (before the implementation of management measures).

The Group CSR risk universe was defined on the basis of both the CSR priorities highlighted by the Group's materiality analysis (see Section 2.1.2.1 Materiality matrix) and the sector-based CSR risk universe established by the work done in 2018 in partnership with the French Council of Shopping Centres (CNCC).

In total, 30 risks were identified and classified into 11 categories, among which 20 were identified as main CSR risks due to their level of impact.

The risk analysis and ranking work was undertaken jointly by the Group's CSR team and Group Risk Management Department, with the involvement of the local teams. The results were shared with the Group Chief Resources Officer, the member of the Group Management Board overseeing Risk Management and CSR.

The following table summarises the main CSR risks, and the policies, action plans, performance indicators and opportunities associated with their management. The results of the performance indicators for each action plan are presented either directly within this table, or within the body of this document (see references in the "risks" column of the table).

Climate change risks for the Group (physical and transitional) form a core part of the CSR risks analysis and are integrated in the following summary of main CSR risks and their management policies. A more detailed overview of climate risk management and, in particular, of the resilience of assets to physical climate risks is provided in Section 2.2.1.3 Climate risk management and adaptation to climate change.

Climate change and CSR risks are integrated in the global Group Enterprise Risk Management (ERM) framework, which provides a specific risk governance and control framework (see Section 6.1.2 Group Risk Management (ERM) Framework for more details).

This risk analysis remains relevant and applicable in the COVID-19 crisis context, which confirmed the relevancy of integrating these non-financial risks in the global Group risk management approach. Related policies and action plans described reflect the latest updates made by the Group to mitigate these risks, as do all associated performance indicators disclosed.

Themes	Risks	Summary of associated policies and actions plans	Associated main performance indicators (2020 results)	Opportunities
Business Ethics	• **Corruption, agreements or fraud (business relationships, relationships with public officials)** • **Money laundering and financing of terrorism** • **Non-compliance with anti-trust regulation** References: *3.4.1 Ethics and compliance within the URW Group* *6.2.2.5 B. Corruption, money laundering and fraud risks* *6.2.2.1 B. Mergers & Acquisitions, Investment and Divestment* *6.2.2.5 A. Legal and Regulatory*	• Anti-corruption programme (ACP) in compliance with Sapin II law (France), the Foreign Corrupt Practices Act "FCPA" (US) or the UK Bribery Act "UKBA" (UK); • Group Code of Ethics with compulsory yearly e-learning module for all employees; • Procedure for screening of business partners; • Whistleblowing procedure accessible to all employees and suppliers; • Appointment of Local Compliance Correspondents to support the coordination of the ACP; • Insider Trading Rules procedure; • Part of the due-diligence process in case of acquisitions; • Close monitoring of Viparis activities in relation with the French General Directorate for Fair Trading, Consumer Affairs and Fraud Control (DGCCRF).	• Number (A) and monetary value (B) of sanctions imposed by regulators in 2020 linked to corruption incidents: 0 (A); €0 (B); • Percentage of employees trained on corruption prevention: 16%[2] as at December 31, 2020 and 72%[2] as at January 31, 2021[3].	Promote and embed trust and transparency as core of the business relationship
	• **Non-transparency in the reporting of lobbying activities** References: *3.4.1 Ethics and compliance within the URW Group*	• Annual reporting of lobbying activities to the French High Authority for Transparency in Public Affairs; • Internal policy on Interest Representatives.	• Number of reported lobbying actions to the French High Authority for Transparency in Public Affairs: 0 > https://www.hatvp.fr/fiche-organisation/?organisation=414878389##	
	• **Breach of customers' personal data** References: *6.2.2.5 A. Legal and regulatory* *6.2.2.1 E. Information Technology system and data: continuity and integrity*	• Data Privacy Protection programme compliant with EU and US regulations; • Data protection Governance network at corporate and local levels; • Preventive and alert internal processes; • Group-wide employees and specific business population trainings on data protection awareness and cybersecurity; • Information Systems security strategy.	• Percentage of employees trained on IT security awareness: 64%[2].	

(1) European directive n° 2014/95/UE as regards disclosure of non-financial information.
(2) The coverage of this figure excludes Viparis employees: Viparis employees have not followed this training in 2020 due to the impact of the COVID-19 crisis on the Convention & Exhibition activity.
(3) The 2020 Anti-Corruption programme training campaign was extended from November 2020 to January 2021 due to the impact of the COVID-19 crisis on employee activity organisation.

Themes	Risks	Summary of associated policies and actions plans	Associated main performance indicators (2020 results)	Opportunities
Health & Safety, Security and Well-being of people in our properties	• **Threats or attacks on sites** References: *6.2.2.4 A. Terrorism and major security incident* *2.2.3.7 Health & Safety, security and environmental risks and pollution*	• Dedicated Group organisation for security and crisis management; • Global security governance, policies and guidelines implemented at all locations; • Crisis response plan, training and exercises; • Frequent interactions with police authorities, regional authorities and intelligence agencies; • Training of shopping centre management and security teams as well as all URW employees; • Raising awareness of tenants on security framework and evacuation plans.	• Percentage of employees trained on security: 45%[1].	**Lead the industry in health, safety and security to reduce incident levels**
	• **Failure to provide a safe and healthy environment for stakeholders (employees, tenants, contractors and visitors/occupants) according to Health & Safety procedures and legislation** References: *6.2.2.4 B. Health and Safety (H&S) (including pandemic and natural disasters)* *2.2.3.7 Health & Safety, security and environmental risks and pollution* *2.2.2.1 Environmental Management Systems (EMS) - Health and safety on work sites*	Operations: • Dedicated Group organisation for health and safety risk management, supplemented by procedures that comply with local regulations at local level; • Maintenance and inspection conducted for all relevant equipment subject to regulation; • Annual third-party audits of Health & Safety risks conducted at asset level on the European portfolio and associated action plans; • Routine property tours to identify hazardous conditions and implement corrective actions in the US; • Strong sanitation and hygiene standards implemented at all of the Group's venues to answer to the global COVID-19 pandemic, in partnership with an external certification partner. Developments: • Worksites monitored by a Health and Safety Coordinator; • Contractual requirement for construction contractors overseen by the construction management contractor to make the necessary provisions for site safety and comply with the relevant Health & Safety legislation.	• Number of sanctions for non-compliance related to building health and safety and monetary value of associated fines; • Percentage of assets in operation that obtained an A or B annual score in their Health & Safety and Environmental third-party risk assessment.	

(1) The coverage of this figure excludes Viparis employees: Viparis employees have not followed this training in 2020 due to the impact of the COVID-19 crisis on the Convention & Exhibition activity.

Corporate Social Responsibility
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Themes	Risks	Summary of associated policies and actions plans	Associated main performance indicators (2020 results)	Opportunities
Health & Safety, Security and Well-being of people in our properties	• **Non-resilience of assets facing physical phenomena (acute and chronic climate events)** References: *2.2.1.3 Climate risk management and adaptation to climate change* *6.2.2.4 B. Health and Safety (H&S) (including pandemic and natural disasters)* *2.2.2.2 Environmental certifications of buildings under development* *2.2.3.2 Environmental certifications of buildings during the operation phase* *6.3 Transferring risk to insurers*	• Group climate change risk assessment covering all standing assets and the development pipeline, in line with TCFD recommendations, covering both transitional and physical risks; • Global map of future risks of climate change for the Group portfolio, to design relevant climate change adaptation plans; • Target for development projects and standing assets in the portfolio to integrate long-term climate risks; • Periodic assessment of assets most exposed to natural disasters and of their prevention/protection plans; • Adequate insurance cover for natural disasters for assets in Europe, the UK and the US; • Annual emergency preparedness drills for all assets in a natural catastrophe zone; • Compliance with regulatory requirements in each region regarding flooding risks, water management, and drainage systems for exceptionally heavy rainfall; • Due diligence process for acquisitions and new development projects also covers the risks associated with climate change; • Environmental certification policy for all assets in both development and operation phases: BREEAM or LEED and BREEAM In-Use certifications schemes covering among others physical resilience and energy aspects.	• Coverage of BREEAM In-Use environmental certification of the Group's standing assets (shopping centres and offices) — in floor area; • Percentage of retail and office assets in the standing portfolio that obtained an environmental certification in development phase (in number); • Percentage of development projects that are in an environmental building certification process; • Conditions of asset insurance for natural disasters.	**Enhance resilience of buildings facing climate change impacts**
"Green"/ sustainable value of assets and of the Group	• **Loss of access to green financing instruments and decrease in ESG ratings** References: *2.1.4.2 Results of non-financial ratings and indices* *2.1.5.4 Relations with investors and professional organisations* *2.5. Green financing of the Group activities*	• Answering to the most recognised non-financial rating agencies, monitoring questionnaire evolutions and benchmarking of scores; • Organisation of ESG roadshows and meetings with investors, and direct dialogue on sustainability issues with investors; • Formalised Use of Proceeds for Green Bond allocation, and formalised procedure for analysing, selecting and monitoring assets under the Green Bond instrument; • Regular back-testing of asset eligibility to Green Bond criteria and monitoring of green loan KPIs' performance levels.	• Reporting on Green Bonds allocation and amount of Green Bonds allocated (monetary value); • Scores of extra-financial ratings (GRESB, CDP, ISS ESG, MSCI, Sustainalytics, FTSE4Good, V.E).	**Obtain access to green financing instruments** **Improve and demonstrate the environmental quality of assets (environmental certifications, carbon footprint, accessibility, etc.)**

Themes	Risks	Summary of associated policies and actions plans	Associated main performance indicators (2020 results)	Opportunities
Responsible Supply chain	• **Contracting with service providers, suppliers or subcontractors not complying with regulations or standards of their profession (e.g. fundamental human and labour rights) or having a negative CSR image/ performance** References: *2.3.2.3 Supply chain management* *2.2.2 Design sustainable buildings - Sustainable construction* *2.2.2.3 Construction materials - A responsible supply chain*	• Procedure for screening of business partners; • Group Code of Ethics applicable to all contractors; • Whistleblowing procedure made accessible to all contractors; • Onboarding process of main service providers on the Group's sustainability engagements; • Group purchasing conditions and standard contracts including environmental and social terms, such as complying with ILO conventions and local labour laws in Europe; • Group Considerate Construction Charter applicable for all development projects describing the Group's requirements and recommendations to optimise worksites' environmental quality; • For development projects, compliance of providers to professional standards ensured through the tender process, the contract documents, and the monitoring of compliance by the operations supervisor, with sanctions in case of non-compliance, according to severity (formal notice, penalties or dismissal); • Policy to use 100% timber from certified, sustainably managed forests with FSC or PEFC certification in development, extension and renovation projects, for both works and building structure; • Development of an internal road-map to plan additional Group-level works on sustainable purchasing.	• Direct information to all of the Group's main service providers on its Better Places 2030 CSR strategy, to kick-start an onboarding process; • Number and percentage of development projects that implement a Considerate Construction Charter.	**Onboard stakeholders along the Group's value chain in its CSR strategy**
	• **Controversies linked with tenant activity affecting the asset image** References: *2.3.3.2 Open dialogue with tenants and visitors* *2.3.4 Promote responsible consumption* *2.3.2.2 Support local entrepreneurship* *2.2.3.3 Green leases and tenant commitments*	• Strengthen communication with tenants and visitors (e.g. sustainability meetings with tenants, satisfaction surveys, etc.); • Reflecting consumer trends in tenanting mix, and notably increasing sustainable and healthy alternatives in the shopping centres; • Support entrepreneurship and local/innovative concepts; • Signing voluntary and contractual agreements on sustainability issues with tenants; • Initiatives led in collaboration with tenants to raise visitors' awareness of the environmental and social impact of consumption choices.	• Percentage of Green leases signed among new leases and active leases.	

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Themes	Risks	Summary of associated policies and actions plans	Associated main performance indicators (2020 results)	Opportunities
Human Capital	• **Non-engagement of employees and employee turnover rate increase** References: *2.4.1.1 Talent development and career management* *2.4.1.2 Training* *2.4.1.4 Compensation and benefits* *2.4.2 Working Together* *2.4.3.1 Employee commitments and CSR* *2.4.3.2 Well-being* *6.2.2.3 A. Recruitment, retention and succession plan*	• Frequent employee consultations and engagement surveys to design and implement action plans to make URW a great place to work; • Ambitious people-oriented policies on Work-life balance, Well-being, Diversity & Inclusion, Sustainable work environment ("Work Greener"); • Structured and comprehensive benefits policy (stock-options and performance shares, Company Savings Plan, health plans) in line with market practice; • Monitoring continued attractiveness of compensation and benefit packages; • Global Talent Review process including yearly 360° feedback for all employees; • Providing permanent learning and development opportunities (e.g. URW Academy learning platform, international mobility, cross-functional mobility); • Shared "Together at URW" corporate values embedding the Group's culture; • "Be You at URW" corporate framework and regional networks embedding the Group's commitment to diversity and inclusion; • Launch of "Your Well-Being" framework to all employees supporting healthy culture, minds and bodies.	• Turnover rate; • Percentage of employees that were promoted; • Percentage of employees who made a lateral career move; • Percentage of URW countries that implement employee Well-being and Work Greener programmes; • Employee engagement rate in the Group URW Volunteering programme.	**Engage employees in the Group's strategy**
	• **Lack of attractiveness for employees/loss of key competencies for the execution of the Group's strategy** References: *2.4.1.2 Training* *2.4.1.1 Talent development and career management* *6.2.2.3 A. Recruitment, retention and succession plan*	• Developing and supporting URW's "employer brand"; • Highly successful international graduate programme (IGP); • Global Talent Review process including yearly 360-degree feedback for all employees; • Global succession planning process; • Strong cooptation programme and partnering with the best head-hunting firms to regularly map best external talent; • Providing permanent learning and development opportunities (e.g. URW Academy learning platform, international mobility, cross-functional mobility); • Leadership & management programmes.	• Average number of training hours per employee; • Employee recruitment rate; • Percentage of employees that conducted an international mobility assignment.	**Attract the best talents for the Company**
	• **Lack of profile diversity (innovation, long-term management and decision-making)** References: *2.4.2.2 Diversity & inclusion* *2.4.2.1 Together at URW* *2.4.1.2 Training* *2.4.1.4 Compensation and benefits* *6.2.2.3 A. Recruitment, retention and succession plan*	• URW's Equal Opportunity statement included in formalised HR policies relating to Recruitment practices, Compensation and Benefits, Talent Review, and Learning and Development; • Group "Be You at URW" framework to embed the Group commitment to and improve employee engagement on Diversity and Inclusion; • "Be You at URW" networks represented in all regions raising awareness on Diversity and Inclusion; • Shared "Together at URW" corporate values supporting the ambition to become diversity change-makers; • Group-wide "Supporting Inclusion at URW" unconscious bias training rolled out to employees in all regions; • Development of international Group culture (e.g. international, mobility, cross-functional mobility, IGP programme); • Group Code of Ethics and whistleblowing procedure with a zero tolerance principle for discrimination or harassment; • Promotion of a European Diversity Charter to fight all forms of discrimination; • Disability awareness training offered to employees in some regions.	• Percentage of women in employee headcount; • Proportion of senior management level positions held by women; • Percentage of conversion of apprenticeships to permanent contracts.	**Diversify skills and competency profiles in the Company**

Themes	Risks	Summary of associated policies and actions plans	Associated main performance indicators (2020 results)	Opportunities
Local acceptability	• **Slowing local economic development and affecting local jobs** References: *2.3.1 Promoting community resilience* *2.3.2.1 Socio-economic impact* *2.3.2.2 Support local entrepreneurship* *2.3.3 Engaging with local stakeholders*	• Extensive public consultations held for all development and extension projects; • Community resilience framework rolled-out and action plans designed in all assets; • Building long-term partnerships with local stakeholders (residents, public authorities and associations); • Measurement and enhancement of the direct and indirect socio-economic impact of the Group assets; • URW for Jobs programme supporting employment in all locations where the Group operates; • Empowering entrepreneurship, supporting business creation and retail innovation (e.g. space provision, exposure to customers, long-term partnerships, financial support, participation to entrepreneurship networks, mentorship, etc.).	• Percentage of assets with a Community Resilience action Plan; • Percentage of Flagship assets that support local entrepreneurship; • Number of people that integrated a job or a qualifying training certification through the URW for Jobs programme; • Total hosted jobs by the Group and its stakeholders (socio-economic footprint study); • Amount of local taxes and social contributions paid by the Group by region; • Percentage of Flagship assets that had a partnership with a charity or NGO for at least two years.	**Create local jobs** **Foster local economic development** **Create social link**
Environmental pollution	• **Water, soil and air pollution linked with the development and operation of assets** References: *2.2.3.7 Health & Safety, security and environmental risks and pollution* *2.2.2.1 Environmental Management System (EMS) - Sustainable construction*	• Soil decontamination when relevant during works on development and existing sites; • Group Considerate Construction Charter applicable to all new development, renovation and extension projects with requirements to minimise pollution for the contractors working on-site, the neighbouring area and the natural environment; • Inspection and continuous maintenance and improvement of existing buildings and technical equipment liable to have an impact on the environment or on personal safety (including air and water quality, soil and air pollution); • Annual third-party audits of Health, Safety and Environmental risks conducted at asset level on the European portfolio and associated action plans.	• Monetary value of fines for environmental breaches (operations) (€); • Total number of non-monetary sanctions for environmental breaches (operations); • Percentage of assets in operation that obtained an A or B annual score in their Health & Safety and Environmental third-party risk assessment.	**Contribute to optimising the exploitation of material flows in operations and developments**
	• **Not identifying/ controlling existing pollution in development projects (remediation costs and legal responsibility)** References: *2.2.2.1 Environmental Management System (EMS) - Pollution and environmental risk management* *2.2.2.1 Environmental Management System (EMS) - Pollution Prevention*	• Pre-acquisition due diligence process including environmental risks and soil pollution; • Soil decontamination for works on development and existing sites.	• Expenses in site decontamination (€) and volumes of soil concerned (m^3).	

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Themes	Risks	Summary of associated policies and actions plans	Associated main performance indicators (2020 results)	Opportunities
Energy and greenhouse gases	• **Limited availability and increase in prices of fossil fuels** References: *2.2.3.4 Energy management* *2.2.1.2 Carbon assessment - Focus on Scopes 1 and 2 emissions from the operation of buildings* *2.2.3.3 Green leases and tenant commitments* *2.2.3.1 Environmental Management System (EMS) - EMS for existing assets* *2.2.2.1 Environmental Management System (EMS) - Energy and carbon* *2.2.2.3 Construction materials*	• Energy efficiency targets and energy management action plans in all standing assets, involving daily energy optimisation actions as well as investments in energy efficient equipment; • Environmental management system to improve environmental performance of assets; • Shift towards electricity supply from renewable energy sources for all assets; • Development of on-site renewable energy production capacity; • Life cycle assessments of development projects to reduce amount of materials used and their carbon footprint; • Engaging with stakeholders to improve energy efficiency and source renewable energy: tenants and suppliers (e.g. Green leases, PPA contracts, and energy performance contracts with maintenance providers).	• Energy intensity per area or use (kWh/sqm and kWh/sqm DOCC); • Carbon intensity linked with energy consumption of standing assets (Scopes 1 & 2 emissions) per area or use ($kgCO_2eq$/sqm and gCO_2eq/sqm DOCC).	**Improve energy efficiency and develop renewable energy use**
	• **Increased regulation on building energy efficiency** References: *2.2.3.4 Energy management* *2.2.3.3 Green leases and tenant commitments* *2.2.3.1 Environmental Management System (EMS) - EMS for existing assets* *2.2.2.1 Environmental Management System (EMS) - Energy and carbon* *2.3.2.3 Supply chain management*	• Energy efficiency targets and energy management action plans in all standing assets, involving daily energy optimisation actions as well as investments in energy efficient equipment; • Environmental management system to improve environmental performance of assets; • Engaging with stakeholders to improve energy efficiency: tenants and service providers (e.g. green leases, and energy performance contracts with maintenance providers).	• Energy intensity per area or use (kWh/sqm and kWh/sqm DOCC); • Financial impact resulting from variations in energy consumption (€); • Percentage of Green leases signed among new leases and active leases.	**Increase operational efficiency through improved energy efficiency**
Governance	• **Lack of resources or ownership for managing CSR risks and CSR strategy** References: *2.4.3 Inspiring our people* *2.1.5 Governance of CSR* *2.1.4.4 External assurance* *2.2.2.2 Environmental certifications of buildings under development* *2.2.3.2 Environmental certifications of buildings during the operation phase*	• CSR agenda defined and overviewed at the highest governance levels: Group CEO, Management Board (MB) and Group Executive Committee, and the Supervisory Board (SB); • Integration of the CSR agenda in core business processes: due diligence process, environmental management system for both development projects and existing assets, CSR information integrated in asset budget reviews, CSR objectives set for all employees in the assessment process of individual performance and CSR training module rolled-out to all employees; • Alignment of initiatives, action plans and targets with the CSR programme in all departments (leasing, HR, development, operations, etc.); • Dedicated CSR team responsible for overseeing and supporting the implementation of the Group CSR strategy; • Specific Group CSR governance with committees involving top management and operational managers in all business lines; • Effective implementation verified through external audits and certification schemes.	• Percentage of Group employees with annual CSR individual objectives.	**Enhance our reputation as a trustful and responsible partner and seize CSR opportunities**

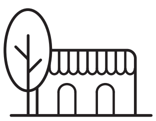
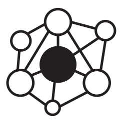
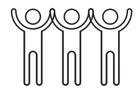
2.1.3 PRIORITIES OF THE GROUP CSR STRATEGY

2.1.3.1 BETTER PLACES 2030

Since 2007, Unibail-Rodamco-Westfield has defined an ambitious CSR strategy. Between 2006 and 2015, URW had already achieved a cumulative reduction of 33.8% of its energy intensity and 65.1% of its carbon intensity. In 2016, the Group took up a new long-term challenge, with its Better Places 2030 programme. In doing so, the Group was the first listed real estate company to incorporate CSR in its entire value chain and address the wide scope of indirect carbon emissions resulting from construction works, transportation of visitors and employees, and energy consumption by tenants.

In 2019, the Group's CSR strategy, Better Places 2030, was extended to the new regions of the Group. While URW's agenda on fighting climate change remains central, Better Places 2030 also onboarded new environmental challenges like responsible consumption and the circular economy, but also critical responsibilities on Diversity & Inclusion and employee well-being. Better Places 2030 relies on an efficient CSR governance structure allowing decision-making at the appropriate level within the organisation and covering all geographies (presented in Section 2.1.5.2 Governance of CSR and of the Better Places 2030 programme), and CSR-related risks are included into the Group Risk Management Framework. Better Places 2030 builds on the conclusions of the materiality analysis, market trends to 2030 and the analysis of CSR risks. It addresses the main challenges facing commercial real estate: moving towards a low-carbon economy and sustainable mobility, fully integrating the Group's business activities within local communities, and empowering teams on sustainability and diversity.

Better Places 2030 rests on three pillars as outlined below:

		
BETTERSPACES	**BETTERCOMMUNITIES**	**BETTERTOGETHER**
CUT CARBON EMISSIONS ACROSS OUR VALUE CHAIN BY -50%	BE A CATALYST FOR GROWTH WITHIN THE COMMUNITIES IN WHICH WE OPERATE	EMPOWER OUR PEOPLE TO BECOME SUSTAINABILITY & DIVERSITY CHANGE–MAKERS
-50%	**100%**	**100%**
CARBON EMISSIONS ACROSS OUR VALUE CHAIN BY 2030[1]	OF OWNED & MANAGED ASSETS WITH A COMMUNITY RESILIENCE ACTION PLAN BY 2020	GROUP EMPLOYEES WITH YEARLY INDIVIDUAL CSR OBJECTIVES BY 2020

(1) Baseline 2015.

In order to lead this transformation, Better Places 2030 is structured in a detailed and actionable set of sub-targets, detailed in the CSR section of URW's website[1]. The 2020 performance results linked with these targets are presented in Section 2.1.4.1 Summary of the Group's CSR performance. Better Places 2030 and its associated performance has been recognised by key non-financial rating agencies, which rank the Group among the most sustainable companies in commercial real estate (see Section 2.1.4.2 Results of non-financial ratings and indices).

(1) See Better Places 2030 Brochure at the following link: https://www.urw.com/en/csr/csr-documents

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Better Places 2030 contributes to the United Nations Sustainable Development Goals as outlined below:

CONTRIBUTION OF BETTER PLACES 2030 TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Pillars	Ambitions	SDGs
BETTER SPACES **Cut carbon emissions across our value chain by -50%**	**Design sustainable buildings** Minimise the environmental impact through innovative design and construction	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES; 13 CLIMATE ACTION
	Improve eco-efficiency Collaborate with our tenants and contractors for efficient resource use	7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION
	Develop connectivity and sustainable mobility Ensure access to public transport and sustainable mobility	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES
	Integrate nature and biodiversity Contribute to greener cities by protecting biodiversity	11 SUSTAINABLE CITIES AND COMMUNITIES; 15 LIFE ON LAND
BETTER COMMUNITIES **Be a catalyst for growth within the communities in which we operate**	**Expand local economies** Foster sustainable local economic development	8 DECENT WORK AND ECONOMIC GROWTH
	Engage with local stakeholders Support local partners	8 DECENT WORK AND ECONOMIC GROWTH
	Promote responsible consumption Promote healthier and more responsible consumption	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
BETTER TOGETHER **Empower our people to become sustainability & diversity change-makers**	**Bring together** Promote diversity and inclusion throughout the organisation	5 GENDER EQUALITY; 10 REDUCED INEQUALITIES
	Empower Develop and train talent	4 QUALITY EDUCATION
	Inspire Make CSR core to our corporate culture	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

2.1.3.2 BETTER EVENTS 2030 – VIPARIS CSR STRATEGY

Viparis is a real estate venues and services company owned jointly with the Chamber of Commerce and Industry of Paris Île-de-France (CCIR) and which is fully consolidated by URW. This activity is exclusively located in France and operates the Group's convention and exhibition venues.

With an average ten million visitors annually, 800 events and 9[1] sites, Viparis integrates sustainable development in its values and strategy. This commitment is acknowledged in its ISO 20121 certification, the leading international standard for the events sector, which is enforced at all its sites since 2014. In 2017, in line with the Better Places 2030 programme, Viparis decided to step up its CSR policy by launching its "Better Events Viparis 2030" strategic plan. This CSR policy outlines Viparis's major issues and commitments for the coming years and revolves around three key themes:

1. **A reduced environmental footprint:** with a target of cutting Viparis's carbon footprint by 50% compared to 2016, and boosting the accessibility of its sites via sustainable transport means and optimising the logistics flows related to its business;
2. **Sustainable partners:** Viparis teams up with all the players in its value chain to fully integrate its activities into the local communities;
3. **Collective involvement:** Viparis's CSR initiative engages all employees, as well as the visitors of its venues.

With this ambition, Viparis aims, as an industry leader, to play a key role in transforming industry practices to achieve greater sustainability. The Viparis CSR policy is set out in a dedicated document, available in Viparis' website's sustainable development section: www.viparis.com.

(1) Carrousel du Louvre is a mixed-use asset with both Convention & Exhibition and Retail areas, which reporting figures have all been reported under the retail category (see Section 2.6.1 Unibail-Rodamco-Westfield's reporting methodology).

2.1.4 SUMMARY OF THE GROUP'S CSR ACHIEVEMENTS

2.1.4.1 SUMMARY OF THE GROUP'S CSR PERFORMANCE – BETTER PLACES 2030

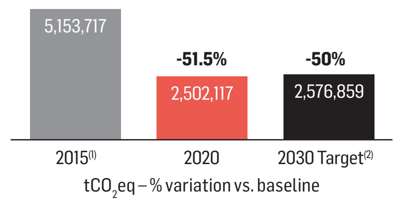
This paragraph only includes the main targets of Better Places 2030. The sub-targets tied to the operational roll-out and progress against them are described in the next sections (2.2 Better Spaces, 2.3 Better Communities and 2.4 Better Together).

Pillar 1 BETTERSPACES

KEY TARGET

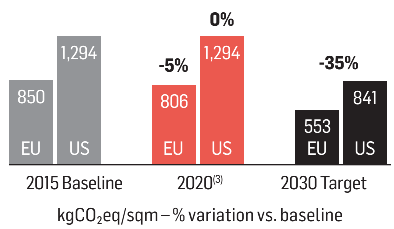
Cut carbon emissions across our value chain by **-50% by 2030.**

PERFORMANCE



TARGET / **PERFORMANCE**

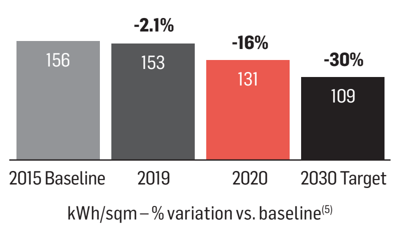
Reduce emissions from construction by **-35 % by 2030.**



100% development projects to include long-term climate risks, while minimising resource use and maintaining user comfort by **2025.**

The requirement for the study of climate risks faced by development projects has been added in the Group Sustainability Brief in 2020 and will be closely monitored moving forward.

Improve the energy efficiency of our assets by **30% by 2030.**

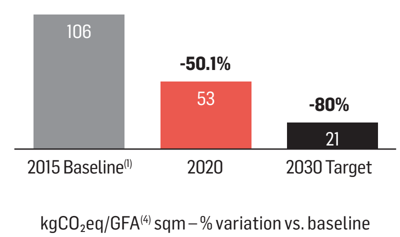


TARGET / **PERFORMANCE**

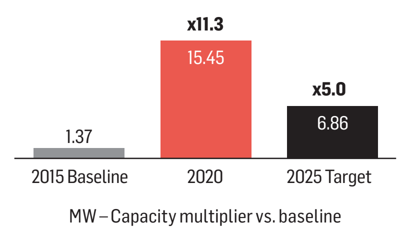
100% development projects to integrate a circular economy design solution by **2025.**

The Group circular economy framework has been developed in 2020, to support the development teams into the integration of circular economy solutions in their projects.

Reduce emissions from operations by **-80 % by 2030.**



Multiply the installed capacity of on-site renewable energy **fivefold by 2025.**



(1) In 2020, the total carbon emissions of 2015 baseline have been updated to include methodology improvements (for more details see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement).
(2) In 2020, this target has switched from a comparable activity based target to an absolute target (for more details see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement).
(3) Some development projects have been considered out of scope for the 2020 progress measurement due to their advanced development stage at the time the target was set: this is the case for the project Westfield Valley Fair (delivered in 2020).
(4) Total operated area.
(5) Corrections have been made to 2015 baseline, 2019 and 2030 target figures (for more details see Section 2.6.1.5 continuous improvement of definitions and data quality improvement).

Performance Progress

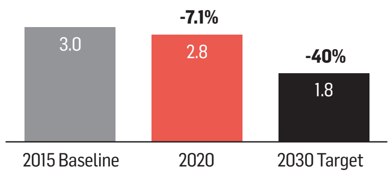
- Achieved
- In-progress
- Not-Achieved

TARGET | **PERFORMANCE**

100% of our assets to include a climate change risk plan by **2022.**

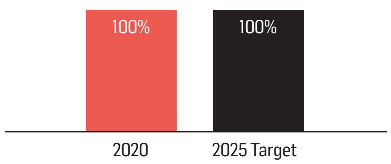
Based on the Group risk assessment of long-term climate change risks delivered in 2019, the Group is actively working on adaptation plans for its standing assets.

Reduce emissions from transport by **-40 % by 2030.**



kgCO$_2$eq/visit - % variation vs baseline

100% development projects significantly connected to public transport solutions by **2025.**



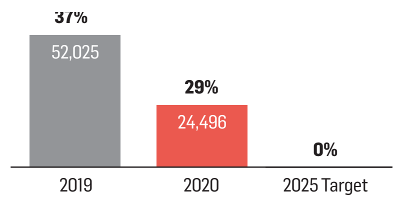
% of projects

100% standing assets with high biodiversity stakes to implement a biodiversity action plan by **2022**.

In 2020, the new Group Biodiversity Strategy brought details and operational guidance for this commitment on both "High biodiversity stakes" assets and action plans.

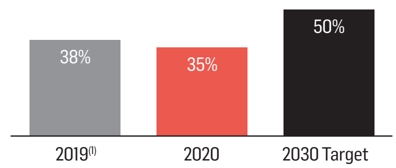
TARGET | **PERFORMANCE**

Aim to send **zero waste** to landfill by **2025.**



Metric tonnes - % of total waste

50% of visitors to access Group assets by sustainable means of transport by **2030.**



% of visitors

Develop a Group biodiversity strategy by **2020.**

The Group Biodiversity Strategy has been developed in 2020 with, in addition to the two existing commitments, a new one on having 100% new development projects to achieve a biodiversity net gain by 2022.

100% development projects to implement a biodiversity action plan by **2022.**

In 2020, the new Group Biodiversity Strategy brought details and operational guidance for this commitment, integrated into the Group Sustainability Brief for development projects.

(1) Electric vehicles are included in sustainable transport means only for the US (for more details see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement).

Pillar 2 BETTERCOMMUNITIES

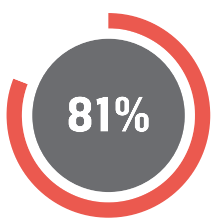
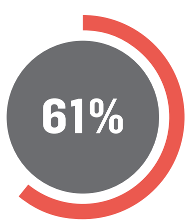
KEY TARGET

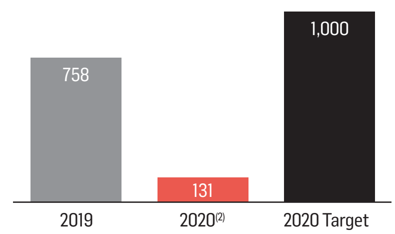
100% of owned & managed assets with a community resilience action plan by **2020**.

PERFORMANCE

NEW

2020 – % of assets

TARGET	PERFORMANCE
100% of Flagship assets to support local entrepreneurship through commercial partnerships and regional networks by **2020**.	NEW  2020[1] – % of Flagships
100% of Flagship assets to support at least one local charity or NGO-sponsored long-term project (>2 years) by **2022.**	 2020 – % of Flagships
100% of Flagship assets support and promote at least one sustainable consumption initiative by **2022.**	NEW  2020 – % of Flagships

TARGET	PERFORMANCE
1,000 people to integrate a job or a qualifying training certification through the URW for Jobs programme by **2020.**	 2020 – Number of people
Collaborate with tenants to increase transparency of brands on health and sustainability, and to expand healthy and sustainable alternatives in **100%** of Flagship assets by **2025.**	The Group pursued the integration of sustainable brands (brands integrating sustainability at the heart of their processes and products) in its portfolio to enrich its alternative sustainable offer. In parallel, concrete discussions took place with retailers to partner on sustainable products and practices in URW assets.

(1) Despite strong engagement towards local entrepreneurs and small businesses throughout the year to help them maintain their activities or grow, the lockdown and decrease of retail activity prevented the Group from achieving its 2020 target. The strategy towards local entrepreneurs will be pursued in 2021.
(2) In 2020, only 22 shopping centres delivered the URW for Jobs programme due to the COVID-19 pandemic (closures and cancelled job events in line with governmental health and safety restrictions; job market uncertainty impacting job vacancies; and reduced asset team resources).

Performance Progress

- Achieved
- In-progress
- Not-Achieved

Pillar 3 BETTER TOGETHER

KEY TARGET	PERFORMANCE
100% of Group employees with yearly individual CSR objectives by **2020.**	98% 2020[1] - % of employees

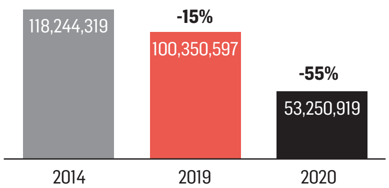
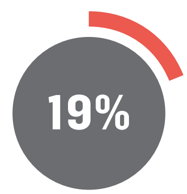
TARGET	PERFORMANCE
Ensure full equal opportunities (e.g. gender, nationality, sexual orientation) in HR processes in **2019.**	100% 2020 – % of regions ensuring full equal opportunities
Develop and roll-out Group-wide leadership & management programmes integrating CSR by **2022.**	In 2020, a specialist provider was selected to co-design the Group senior leadership programme integrating CSR, to be delivered in 2021.
100% of Group employees take part in the URW Volunteering Programme annually by **2020.**	27% 2020[2] – % of employees

TARGET	PERFORMANCE
Improve employee engagement on Diversity & Inclusion.	In 2020, a new Diversity & Inclusion Framework - "Be You at URW" - was rolled out to the Group. Inclusive "Be You at URW" Networks are active in 100% of URW Regions and 927 employees have participated in Unconscious Bias training.
100% of Group employees to have participated in CSR training by **2022.**	In 2020, a Group-wide CSR e-Learning was designed to be delivered to employees in 2021. Additionally, dedicated technical training was offered to relevant teams, including carbon footprint assessment methodology for Development projects and Sustainable Consumption training for the Leasing Department.
100% of our countries to implement Work Greener and employee Well-being programmes by **2020.**	100% 2020 – % of countries

(1) Under 2% of employees were unable to set a CSR objective in time before the end of the performance assessment period.
(2) The COVID-19 crisis and associated closures and lockdown periods prevented the Group from reaching its objective. At the end of 2020, the Group employees contributed more than 2,861 volunteering hours. With teams working remotely, the assets demonstrated new ways to support their communities, fighting and preventing the spread of the virus, strengthening local cohesion and protecting the most vulnerable.

– BETTER EVENTS 2030

ENVIRONMENTAL FOOTPRINT

TARGET	PERFORMANCE
Energy Efficiency **25%** reduction in energy intensity in 2020 compared to 2014[1].	 kWh – % variation vs. baseline
Compliance by 100% of our sites with Viparis biodiversity charter Assessment and action plans definition at asset level; No use of phytosanitary products.	 2020 – % sites
Fight against food waste **0** food waste by 2020.	 2020 – % catering partners and food outlet concessionaires with a solution to redistribute consumable food products  2020 – % of contracts that include biowaste management
80% of visitors arriving via sustainable transport means.	N.A.[3]
Environmental Performance of New Development Projects **-35%** in the carbon footprint for the construction of new development projects in 2030 compared to 2016.	Baseline: Pavilion 6 at Paris Expo Porte de Versailles **3,076** $kgCO_2eq/sqm$ Hall 3 Paris Le Bourget: **-70%** compared to baseline
Waste recovery rate **70%** recycling rate in 2030 on the perimeter managed by Viparis.	 2020[2] – % recycled
100% of sites accessible by sustainable transport means.	Development of a mobility road map (prioritisation of actions) following the performance diagnosis made for 100% of the venues.
Customers provided with sustainable logistical plans.	Ongoing pilot project at Palais des Congrès de Paris: transport flow optimisation and pooling. An analysis of the results is planned for a broader roll-out.

(1) The energy consumption KPI is more relevant considering the 2020 low level of activity induced by the health crisis distorting the energy intensity ratio indicator.
(2) Rate not representative considering the 2020 context, due to the low tonnage treated (329 T versus 2,339 T in 2019), preventing sufficient higher volume (massification) to optimise the transfer to the treatment centres.
(3) The figure is not available due the absence of visitor surveys in 2020 because of COVID-19 closures.

SUSTAINABLE PARTNERS

TARGET	PERFORMANCE
Responsible purchasing policy **100%** of tenders from the Purchasing Department include CSR criteria.	100% 2020 – % of tenders with CSR criteria
100% of suppliers are externally assessed on CSR criteria by **2021.**	The COVID-19 situation in 2020 prevented the supplier evaluation campaign initially planned to be carried out (as a reminder, 65% of the suppliers evaluated in 2019). In 2020, 40 suppliers were evaluated by Ecovadis, with 11 in progress.
100% of our sites engaged in a partnership with a value-creating non-profit organisation and in an environmentally-friendly innovation.	2 partnerships with associations, schools, artists, etc., across all venues in 2020.[1]
100% of clients are incited to adopt an eco-responsible approach in their event.	☑ Legal feasibility study on the implementation of an exclusive cleaning and waste management service for trade shows and exhibitions. ☑ Development of the eco-responsible Event Guide for the Palais des Congrès de Paris.

COLLECTIVE INVOLVEMENT

TARGET	PERFORMANCE
100% of new employees follow sustainable development training.	96% 2020 – % of employees
100% of employees involved in a culture of trust, evolution and sharing.	Create an environment encouraging the development of each individual's talent and in which each employee can find himself or herself, by promoting diversity, ethics, well-being and parity (objective under definition).
Foster public inclusion and engagement.	NEW New objective aimed at better integrating the public (visitors and local residents) into Viparis' CSR actions by raising awareness and involvement.

(1) The COVID-19 context in 2020 did not allow for the deployment of associative partnerships or the innovations initially planned. However, two partnerships took place during the crisis.

2.1.4.2 RESULTS OF NON-FINANCIAL RATINGS AND INDICES

Unibail-Rodamco-Westfield again features in recognised extra-financial (ESG) performance indices. The Group's strong ESG ratings and assessments confirm and strengthen its position as an ESG leader in the industry in 2020.

– NON-FINANCIAL EVALUATIONS

The Group's ESG assessments by extra-financial rating agencies were updated in 2020:

- **GRESB** (***Global Real Estate Sustainability Benchmark***): in 2020, the Group received a "5 Star" rating for the tenth year in a row, which recognises entities with the highest performance levels in the GRESB benchmark. URW ranked:
  - Second among all listed European retail real estate companies in the standing investment benchmark; and third among all listed retail real estate companies in the same benchmark;
  - First among all 605 European companies rated by GRESB for its Management score;
  - Global Listed Development Sector Leader for Diversified – Office/Retail portfolios among real estate companies worldwide in the development benchmark;
- **CDP:** URW was highlighted as a global leader on corporate climate action by global environmental impact non-profit CDP:
  - Achieving a place on the CDP Climate Change A List (score on a scale of A to D-) in 2020 for the third year in a row;
  - Being awarded a position on the 2020 Supplier Engagement Leaderboard recognising the Group as a global leader for engaging with its suppliers on climate change (more details in Section 2.3.2.3 Supply chain management);
- **MCSI ESG ratings:** In 2020, and for the seventh year in a row, URW obtained the highest rating of AAA (on a scale of AAA to CCC) in the MSCI ESG ratings assessment;
- **ISS ESG Corporate rating:** URW increased its score to a B rating in June 2020 and received again the Prime status awarded to companies with an ESG performance above the sector-specific Prime threshold. URW also conserved its leader position in the 1st decile rank comparing its performance relatively to its industry peers;
- **Sustainalytics:** In November 2020, URW received an ESG Risk Rating of 7.4 and was assessed by Sustainalytics to be at Negligible risk of experiencing material financial impacts from ESG factors. URW's ESG Risk Rating places it at the 4th rank and in the 1st percentile of the Real Estate Industry assessed by Sustainalytics, as well as at the 13th rank in the Global rated universe (12,000+ companies). URW's management score of ESG issues assessed by Sustainalytics is strong (71.5/100).
- **V.E (formerly Vigeo Eiris):** In 2020, URW was rated 69/100 for its global ESG performance, positioning the Group at an advanced performance level. URW was additionally ranked as "Top performer" for Europe in the 2019 *ESG Sector Report "Financial Service Real Estate"* available on www.vigeo-eiris.com;
- **Standard Ethics:** for the first time in 2019, URW was rated by Standard Ethics, an independent sustainability rating agency aiming to promote sustainability and governance standard principles from the European Union, the OECD and the United Nations, and obtained an EEE- "Excellent" grade (on a scale of EEE to F).

GRESB REAL ESTATE Sector Leader 2020

Corporate ESG Performance Prime RATED BY ISS ESG

CDP DISCLOSURE INSIGHT ACTION A LIST 2020 CLIMATE

– NON-FINANCIAL INDICES

In 2020, URW again features in a number of renowned ESG indices, including:

- **Euronext Vigeo indices:** World 120, Europe 120, Eurozone 120 and France 20 (since 2013, reconfirmed in 2020);
- The **FTSE4Good Index series** (since 2005, updated FTSE4Good Index Review in June 2020);
- The **Ethibel Sustainability Index (ESI) Excellence Europe** and the **Ethibel Sustainability Index (ESI) Excellence Global** (since 2011, and reconfirmed with effect from May 8, 2020);
- The list of **"Top 10 Performers" of the CAC 40® Governance index** (since the creation of the index in 2017, renewed in December 2020);
- **ECPI® indices:** ECPI World ESG Equity, ECPI Euro ESG Equity and ECPI EMU Ethical Equity (reconfirmed as of December 2020).

EURONEXT vigeo eiris INDICES

FTSE4Good

Included in ETHIBEL SUSTAINABILITY INDEX

2.1.4.3 ALIGNMENT WITH CSR REPORTING STANDARDS AND FRAMEWORKS

Since 2018, the Group issues its Non-financial statement (French *Déclaration de Performance extra-financière*, DPEF), in compliance with the transposition into French law (via decree no. 2017-1265 of August 9, 2017) of the European directive of October 22, 2014, related to the disclosure of non-financial information.

Unibail-Rodamco-Westfield's 2020 Non-financial statement consists mainly of the present Chapter 2 "Corporate Social Responsibility" of the Group's 2020 Universal Registration Document, completed with elements in Chapters 1 and 6 (business model and business ethics policies). Detailed components of the Non-financial statement as required by the regulation are presented in a correspondence table in Section 8.6.3 Cross-reference table of the management report.

Since 2018, the Group ensures its alignment with the new industry guidelines for reporting non-financial information, updated by the French National Council of Shopping Centres (CNCC) the same year to ensure that the reporting done by commercial real estate companies complies with the new regulatory requirements on non-financial disclosure and is comparable from one company to another.

The 2020 Unibail-Rodamco-Westfield Universal Registration Document also complies with the Best Practices Recommendations on Sustainability Reporting (sBPR) established by EPRA (European Public Real Estate Association). For the ninth time in a row, URW received the EPRA Gold Award in 2020 for completing its 2019 reporting in accordance with the EPRA Sustainability BPR.

EPRA sBPR GOLD

Since 2013, URW follows the GRI (Global Reporting Initiative) guidelines. The 2020 Universal Registration Document has been prepared in accordance with the GRI Standards: Core option.

The 2020 Group's non-financial statement is also in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). URW has become an official supporter of the Financial Stability Board's (FSB) TCFD in 2020, recognising the importance of increasing transparency of climate-related risks and opportunities, promoting more informed financial decision-marking and building a more resilient financial system.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Cross-references tables of the Group's 2020 CSR reporting with EPRA and GRI indicators as well as with the TCFD's core elements of climate-related financial disclosures are available in the CSR section of the Group's website (www.urw.com/csr/csr-documents). A correspondence table of the Group's reporting with the SASB real estate industry standard is also provided online in that same section, for information.

The Group's Better Places 2030 CSR strategy is furthermore aligned with the United Nations Sustainable Development Goals: its contributions to the SDGs are detailed in Section 2.1.3 Priorities of the Group CSR strategy.

2.1.4.4 EXTERNAL ASSURANCE

In compliance with the applicable regulation on the disclosure of non-financial information (see Section 2.1.4.3 Alignment with CSR reporting standards and frameworks), the data and key performance indicators of the Group's non-financial statement are audited by an independent third party verifier: see assurance report in Section 2.6.2 Independent third party's report on consolidated non-financial statement.

In 2020, the audit included a comprehensive review of the data reported by a sample of eight assets representative of the Group's portfolio: Westfield Les 4 Temps, Centrum Cerny Most, CentrO, Westfield London, Shopping City Süd, Westfield UTC, Westfield Valencia and Parquesur. The indicators were audited with a limited level of assurance. A list of the indicators audited can be found in the auditor's report (Section 2.6.2 Independent third-party's report on consolidated non-financial statement).

The third-party verifier was also commissioned to carry out an audit on the annual reporting for the Green Bonds issued by the Group. This audit consists of verifying the compliance of funded assets with the set of eligibility criteria, concerning both their development and operation phases, which are defined in the Green Bonds Use of Proceeds (see Section 2.5.2 Green Bonds). The detailed reporting and assurance report are disclosed in Section 2.5.2 Green Bonds.

2.1.5 GOVERNANCE OF CSR

2.1.5.1 ETHICS AND INTEGRITY

Unibail-Rodamco-Westfield's corporate governance, ethical conduct and risk management policies provide the necessary stability and reliability required for sustainable growth and performance. As a signatory to the UN Global Compact since 2004, the goal of which is to promote corporate social responsibility, the Group is committed to adopting, upholding and enacting within its sphere of influence the ten universally recognised principles relating to human rights, labour laws, environmental protection and anti-corruption. URW's governance structure is presented in Chapter 3 Corporate governance and remuneration. The URW's Compliance policy, Code of Ethics and Anti-corruption programme are presented in Section 3.4.1 Ethics and Compliance within the URW Group.

2.1.5.2 GOVERNANCE OF CSR AND OF THE BETTER PLACES 2030 PROGRAMME

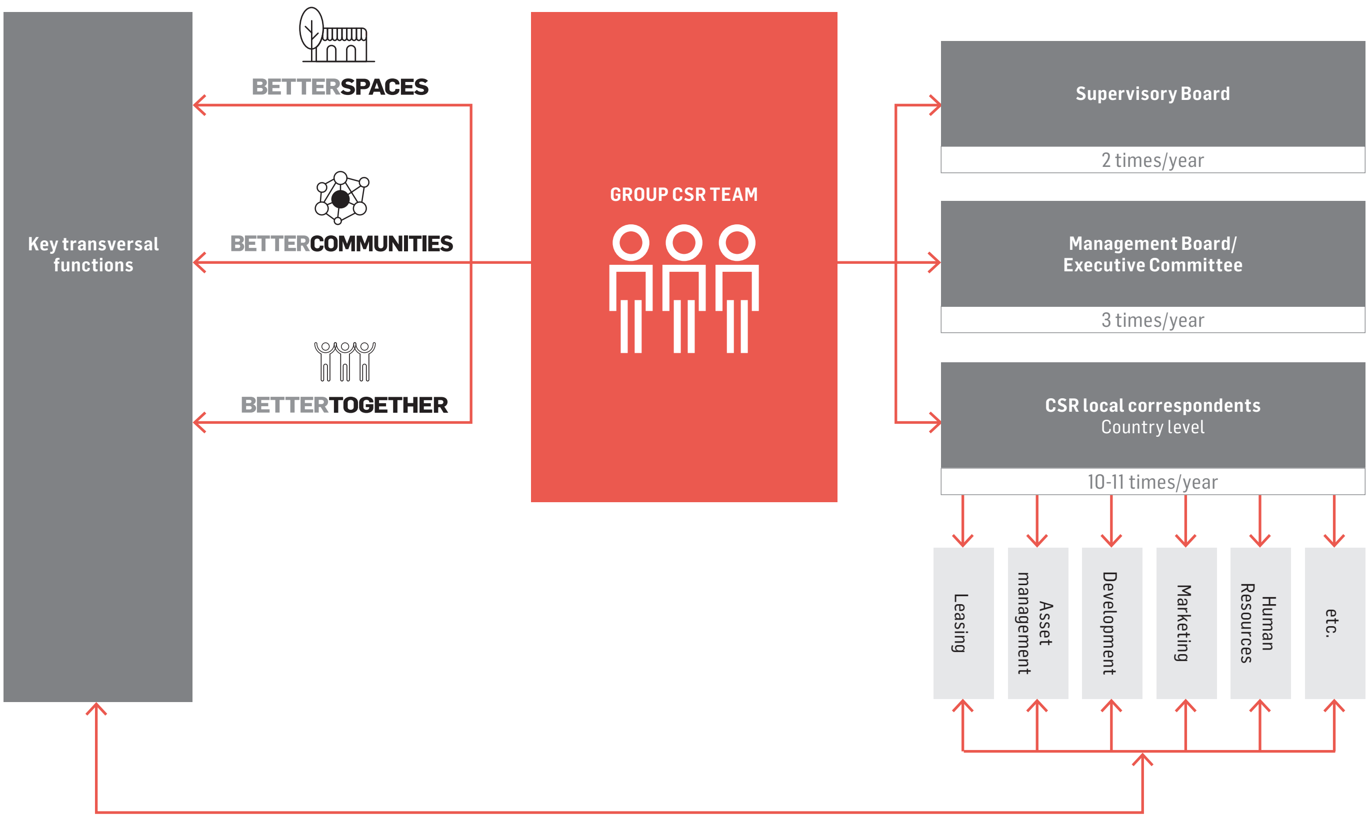
Since January 7, 2021, the CSR governance has been updated, along with the new Group organisation, announced on the same date.

The CSR governance and the Better Places 2030 programme is built around two priorities:

- Monitoring CSR performance by ensuring that the objectives of the Better Places 2030 programme are fully integrated into the Group's business and decision-making processes;
- Engaging all stakeholders and employees of the Group in order to collectively achieve the objectives of the Better Places 2030 programme.

As a key topic of Better Places 2030, climate change is fully integrated in the CSR governance described hereafter.

OVERVIEW OF UNIBAIL-RODAMCO-WESTFIELD CSR GOVERNANCE IN 2021



Starting in 2021, the CSR governance is structured around the following bodies:

The Supervisory Board (SB), including its two committees (the Audit Committee, the Governance, Nomination and Remuneration Committee) oversees the CSR programme as part of its regular business reviews and discusses the CSR strategy during its strategy sessions. In addition, the Audit Committee monitors CSR as part of the Group risk management approach, as a non-financial risk factor (see Section 6.1.2 Group risk management (ERM) framework).

The Management Board (MB) and the Executive Committee (EC) act as the Group CSR Steering Committee by defining the strategy and key Group policies, and by monitoring the implementation of the CSR programme. They report on progress and results to the Supervisory Board. The MB and EC are chaired by the CEO.

A dedicated CSR team is responsible for overseeing and supporting the implementation of the Group's CSR strategy across the organisation. This team develops tools and methodologies, supports and trains Corporate and EU teams as well as the country/ regional teams. It shares best practices and measures CSR performance to regularly report on results and progress achieved. The team is led by Clément Jeannin, Group Director of CSR, and overseen by Astrid Panosyan[1], member of Management Board and Group Chief Resources Officer. The CSR team leverages two key components of the Group organisation to deliver its mission:

- **The Chief Operating Officers (COOs)** of each region, in charge of coordinating the implementation of Better Places 2030 at regional level. COOs rely on **CSR local correspondents** in each country to help following country CSR performance and coordinate with the Group CSR team;

(1) Reports directly to the CEO.

- **Key transversal functions**, in charge of providing relevant guidelines and functional support to regions and countries to implement areas of the CSR programme, like the Risk Management and Compliance team.

During the course of 2020, the CSR governance remained identical to 2019. For reference, the key differences with the updated CSR governance presented above were:
- The (former) Senior Management Team (SMT) acting as the Group CSR Steering Committee;
- CSR workstreams were organised around the key functions in the organisation:
  - Sustainable Building Development US and EU workstreams, gathering key decision makers from the Design, Development and Construction teams in each continental platform;
  - Sustainable Operations US and EU workstreams, gathering key decision makers for standing assets such as Shopping Centre Management, Leasing, Marketing, and Technical Teams in each continental platform;
  - Sustainable Workplace and Culture workstream, involving key HR decision makers at Group level.

  The CSR workstreams addressed the relevant Better Places 2030 targets in their scope of work to ensure operational implementation of the programme. The CSR workstreams were chaired by Directors in charge of the departments involved to ensure efficient decision making and transcription into actions.
- The role of the CSR local correspondents in charge of coordinating the implementation of Better Places 2030 at country level, in collaboration with the CSR workstreams and the SMT, sharing local best practices, following country CSR performance and updating country management team.

2.1.5.3 INTEGRATION WITHIN CORE PROCESSES

The CSR approach is fully embedded into the key processes of Unibail-Rodamco-Westfield, in line with the Group's strategic priorities and operational concerns. Relevant management processes have been set up at each stage of the business cycle, along with appropriate key performance indicators. For example:
- The URW due diligence process for asset acquisitions includes a complete audit of technical, regulatory, environmental and health and safety risks, including soil contamination;
- The Group Enterprise Risk Management framework (ERM) includes climate change and CSR risks: identified among the main risk factors, they are integrated in the risk management programme overviewed by the Group Risk Committee, which reports regularly to the Management Board and Supervisory Board (see Section 6.1.2 Group Risk Management (ERM) Framework for more details);
- Development projects are regularly reviewed in light of Better Places 2030 targets;
- Managed assets have an environmental action plan, with annual performance reviews;
- The Internal Audit Department conducts regular assessments of the management and compliance processes in accordance with the rules set by Unibail-Rodamco-Westfield within each business unit;
- HR processes ensure the promotion of diversity and inclusion and consider employee well-being as well as employee learning and development opportunities;
- The training path of new joiners as well as specific functions includes relevant CSR content;
- Individual objectives of Group employees include CSR objectives (see Section 2.4.3 Inspiring our people for more details);
- The Short-Term Incentive plan of the Senior Management Team (as at December 31, 2020), top management teams and management teams of all the regions in which URW operates, as well as the Long Term Incentive plan of all eligible Group employees, specifically integrate CSR-related performance (see Section 2.4.3.1 Employee commitments and CSR for more details);
- Since 2017, standing assets and development projects five-year business plans integrate CSR components that are reviewed each year to ensure alignment with Better Places 2030 targets.

2.1.5.4 RELATIONS WITH INVESTORS AND PROFESSIONAL ORGANISATIONS

– RELATIONS WITH INVESTORS

Unibail-Rodamco-Westfield reports to investors on its Environmental, Social and Governance (ESG) strategy and achievements via regular publications to investors (annual results, periodical publications and news), via written answers to direct information requests and interaction with ESG rating and raking providers, and by holding and taking part in dedicated meetings. These meetings also enable URW to learn more on key areas of interest for investors on ESG topics. The Group's position in the various ESG indices and evaluations is outlined in Section 2.1.4.2 Results of non-financial ratings and indices.

– RELATIONS WITH PROFESSIONAL ORGANISATIONS

As one of the leading listed commercial real estate companies worldwide, URW has the responsibility to encourage the industry as a whole to adopt more sustainable practices. Within the European Public Real Estate Association (EPRA), Unibail-Rodamco-Westfield is a member of the EPRA Sustainability Committee. The mission of the EPRA Sustainability Committee is to "support the publicly listed real estate sector, through the EPRA platform, in playing its part in the global transition to an environmentally, socially and economically sustainable economy". As the new Group CEO, Jean-Marie Tritant replaced Christophe Cuvillier as a member of the EPRA Board of Directors in January 2021. URW is also a member of the PropTech and Innovation, Investor Relations, Reporting & Accounting, as well as Regulatory & Taxation Committees. At Group level, Unibail-Rodamco-Westfield is a founding member of the European Council of Shopping Places (ECSP) in 2020 and a member of its Sustainability working group.

At regional or country level, the Group is a member of professional organisations such as, in France, the French Council of Shopping Centres (CNCC) and its sustainability group. Unibail-Rodamco-Westfield is also a member of the French Association of Private Businesses (AFEP), and of the Sustainable Development Committee of the French federation of real estate companies FSIF (*Fédération des Sociétés Immobilières et Foncières*).

2.2 BETTER SPACES

2.2.1 ADDRESS CLIMATE CHANGE

2.2.1.1 CLIMATE CHANGE STRATEGY

As part of its CSR strategy, Better Places 2030, the Group commits to cutting carbon emissions across its value chain by -50% between 2015 and 2030. This strong commitment marked a first in the listed commercial property industry by covering, in addition to its Scopes 1 & 2 emissions, the Group's Scope 3 emissions, including:

- Greenhouse gas (GHG) emissions generated in the construction of its development projects;
- GHG emissions due to the private energy consumption of its tenants; and
- Emissions due to transport of building occupants and especially visitors to the Group shopping centres.

In total, in 2015, the Scope 3 emissions represented 96.9% of the Group's emissions according to the market-based method (see Section 2.2.1.2 Carbon assessment).

The Group's carbon reduction target between 2015 and 2030 breaks down into the following three complementary objectives:

- Reduce emissions from construction by -35% by 2030;
- Reduce emissions from operations by -80% by 2030;
- Reduce emissions from transport by -40% by 2030.

The carbon reduction targets of the Group cover all of its activities (except airports and exhibition centres), worldwide, including in the UK and the US.

In 2020, all the Group's reduction targets (except the one for construction which has not been submitted) have been approved by the Science Based Targets initiative (SBTi) as consistent with levels required to meet the goals of the Paris Agreement:

- The targets covering GHG emissions from the Group's operations (Scopes 1 and 2) are consistent with reductions required to limit warming to 1.5°C, the most ambitious goal of the Paris Agreement;
- The targets for the emissions from the Group's value chain (Scope 3) meet the SBTi's criteria for ambitious value chain goals, meaning they are in line with current best practices.

Science-based targets are emissions reduction targets in line with what the latest climate science says is needed to meet the goals of the Paris Agreement: to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.

The Group also elevated its commitment of cutting carbon emissions across its value chain by -50% between 2015 and 2030, by switching to an absolute target that uses contraction of absolute emissions, instead of the "comparable value" approach used until 2019 (see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement).

Achieving these objectives involves the active participation of all the Group's employees within their areas of responsibility and the contribution of the Group's stakeholders in driving change, mainly tenants, suppliers and service providers. It also relies on strong partnerships with large corporates and start-ups in order to accelerate the pace of transformation, particularly in the fields of low-carbon construction and new sustainable mobility solutions.

Changes in carbon performance with regard to the targets is presented in Section 2.1.4.1 Summary of the Group's CSR performance.

– REDUCE EMISSIONS FROM CONSTRUCTION BY -35% BY 2030

Unibail-Rodamco-Westfield was the first company in commercial real estate to commit to significantly reducing its carbon emissions from construction on a broad scope. In concrete terms, reducing its carbon intensity by -35% between 2015 and 2030 means dropping from an average:

- In Europe (including the UK), of 850 kg CO_2eq/sqm[1] constructed in 2015 to 552.5 kg CO_2eq/sqm on average by the end of 2030. The 2015 baseline has been built on the carbon intensity of greenfield/brownfield projects under construction or delivered between 2012 and 2015: Trinity (France), Wroclavia (Poland), Aéroville (France), Majunga (France), Westfield Mall of Scandinavia (Sweden), 3 Pays (France) and Minto (Germany);
- In the US, of 1,294 kg CO_2eq/sqm constructed in 2015 to 841 kg CO_2eq/sqm on average by the end of 2030. This baseline for the US has been calculated in 2019 following the carbon assessments conducted on the following projects: Westfield UTC, Westfield Valley Fair, Westfield Topanga and Westfield Valencia.

The main levers to achieve the Group's low carbon target on construction are the following:

- A "lean building" approach from the design phase using fewer materials, through optimised design choices: structure, fixtures and fittings, façades, suspended ceilings, reduced number of parking spaces, etc.;
- Using new solutions for construction and choosing alternative and low-carbon materials, such as low-carbon concrete and cement, wood and recycled products, as well as selecting suppliers and products based on their location and place of manufacture, respectively;
- Developing targeted partnerships with construction firms and manufacturers of building materials for the implementation of innovative solutions.

(1) Square metres constructed correspond to gross floor area (excluding gross floor area of car parks).

In order to secure the Better Places 2030 commitments regarding construction activities, the Group has created the CSR Guidelines for development projects, to guide the development teams from the very beginning of the design phase to the delivery of their development projects. The document is split into two parts:

- The Group Sustainability Brief, gathering all the specific requirements for development projects (brownfield, greenfield, refurbishments, renovations and extensions) to be in line with Better Places 2030; and
- The ten Golden Rules for sustainable construction, which give the right mindset to the development teams to integrate CSR topics in their projects.

The CSR Guidelines for development projects, approved in 2019, have been rolled out in 2020 throughout the Group. The CSR performance of the development projects is closely monitored during key project reviews thanks to a dedicated assessment tool also created in 2020, based on the requirements of the Sustainability Brief.

URW carbon performance with regard to the construction target is presented in Section 2.1.4.1 Summary of the Group's CSR performance.

– REDUCE EMISSIONS FROM OPERATIONS BY -80% BY 2030

When it comes to standing assets, the carbon footprint consists mainly of GHG emissions from energy consumed as part of the operation of the buildings. Achieving its ambitious target of reducing carbon emissions from operations by 80% between 2015 and 2030 draws on two levers simultaneously:

- Improving energy efficiency both in common and private areas of the Group's assets. The Group pursues the objective of improving by 30% the energy efficiency of its assets (in kWh/sqm) between 2015 and 2030. To reach this ambitious target, all of the Group's assets are to design and implement an energy efficiency action plan (see Section 2.2.3.4 Energy management);
- Completing a fast transition to renewable energies. URW is committed to using 100% electricity from renewable energy sources ("green electricity") for the consumption of the common areas of its assets (including shared facilities) and push for an equivalent transition for the private electricity consumption of its tenants.

Achieving this target, which has been approved by the SBTi in 2020, requires strong involvement of tenants: in 2020, 83.6% of the carbon footprint from energy consumption of asset operations were from tenant areas. To accomplish this, the two levers of improving energy efficiency and transitioning to low-carbon energy sources are also implemented in the private areas of the assets, in cooperation with the tenants: specific green terms are added in lease contracts and sustainability committees are organised at asset level (see Section 2.2.3.3 Green leases and tenant commitments).

URW's carbon performance with regard to the operations target is presented in Section 2.1.4.1 Summary of the Group's CSR performance.

– REDUCE EMISSIONS FROM TRANSPORT BY -40% BY 2030

The Group's GHG emissions from the transportation of visitors or occupants are significantly higher than emissions from the operation of the buildings themselves. They represent over two thirds of the Group total carbon footprint (see Section 2.2.1.2 Carbon assessment). URW is committed to improving sustainable mobility and has set itself an ambitious target, that has been approved by the Science Based Targets initiative in 2020, to cut its carbon footprint from visitor transport by -40% between 2015 and 2030.

This reduction target is supported by the availability and promotion of sustainable mobility solutions for users of standing assets and the requirement for greenfield/brownfield projects under development to have good public transport connections. Overall, the Group targets a maximum car modal share (non-electric vehicles) of 50% for both its standing assets and development projects (see Section 2.2.4 Develop connectivity and sustainable mobility).

URW's carbon performance with regard to the transport target is presented in Section 2.1.4.1 Summary of the Group's CSR performance.

– REDUCE SCOPES 1 & 2 EMISSIONS BY -65% BY 2030

As part of its work with the SBTi in 2020, the Group has also set a target covering GHGemissions from the operations under the Group's direct control (Scopes 1 and 2). In addition to its existing Better Places 2030 carbon reduction targets, the Group commits to reduce absolute emissions from Scopes 1 & 2 by -65% between 2015 and 2030.

This new target has been approved by the SBTi, in connection with the target to reduce absolute Scopes 1, 2 and 3 GHG emissions by -50% by 2030 from a 2015 base year, with a 1.5°C pathway alignment, the most ambitious goal of the Paris Agreement (minimum 4.2% linear annual reduction from 2015 to 2030).

The levers identified to reach our carbon reduction target from operations (reduce emissions from operations by -80% by 2030) will actively participate in the achievement of this new target.

URW's carbon performance with regard to the Scopes 1 & 2 target is presented in Section 2.2.1.2 Carbon assessment.

2.2.1.2 CARBON ASSESSMENT

– METHODOLOGY

The method used for quantifying Group emissions is in line with the ISO 14064-1 standard, the GHG Protocol guidelines and the Bilan Carbone® methodology of ADEME (*Agence de l'Environnement et de la Maîtrise de l'Énergie*, or French Environment and Energy Management Agency), and is subject to specific methodological guidelines (see Section 2.6.1 Unibail-Rodamco-Westfield's reporting methodology).

The sources of emissions included in the Group's total carbon footprint are broken down per Scope and entity in the table hereafter. The Group calculates its carbon footprint on an extended Scope 3 basis which is outlined in the table hereafter, measuring the major indirect emissions across its entire value chain. To reflect the Group's business activities in the most accurate manner, including the interactions between the Company and its stakeholders, Scope 3 has been further broken down into two categories:

- Scope 3 managed: Under Unibail-Rodamco-Westfield's operational control;
- Scope 3 related: Responsibility of stakeholders that Unibail-Rodamco-Westfield can influence but does not control directly.

SCOPES 1 &2

Scope 1	Direct emissions from stationary combustion: gas and fuel consumption in common areas
	Direct emissions from mobile combustion: fuel used for company vehicles
	Direct fugitive emissions: leaks of refrigerant gas
Scope 2	Indirect emissions linked to electricity consumption in common areas (production included, transportation and upstream excluded)
	Indirect emissions from cold or hot steam consumption (centralised cooling and heating provided by district heating and cooling networks)

SCOPE 3

Scope 3 managed URW's operational control	Emissions from energy production not included in Scopes 1 and 2 (extraction, production and transport of fuel, electricity, hot and cold steam): transport and upstream distribution of energy consumed by common areas
	Purchased products and services: expenses for daily operation of sites, such as cleaning, maintenance, security, waste management, energy and fluid provision, marketing expenses (OPEX) and office supplies (headquarters)
	Capital equipment: IT equipment on-site, company vehicles
	Waste: on-site waste management
	Employee commuting: URW employees' transportation from home to work
	Business travel: URW employees' business travel by plane, train and taxi
	Investments: Expenses related to development projects
Scope 3 related Stakeholders' responsibility	Visitor and customer transport: upstream and downstream travel of visitors, customers and/or occupants to the Group's shopping centres and offices
	Downstream leased assets: electricity consumption of private areas (production, transportation and distribution)

The following items are excluded from the carbon footprint, either because they do not apply to the Group's business, or because the Group cannot influence them significantly: direct emissions from processes excluding energy; biomass emissions (soil and forests); upstream transport of goods (emissions included for Viparis only); upstream leased assets; downstream transport of goods; use of sold products; end of life of sold products; downstream franchised assets; and other indirect emissions.

– RESULTS: GROUP CARBON FOOTPRINT EXCLUDING VIPARIS

GHG emissions are preferably expressed according to the "Market-Based" approach (suppliers' emissions factors) in order to highlight the efforts made in selecting the Group's energy suppliers.

However, to take into account the expectations of various stakeholders, results are also expressed according to the "Location-Based" approach (countries' emissions factors) in this section. Further in the document, all results related to GHG emissions are presented according to the "Market-Based" method, unless explicitly stated otherwise.

The carbon footprint for 2015 is the baseline for tracking the carbon-related objectives of the Better Places 2030 strategy. The 2015 Group carbon footprint baseline and the Group carbon footprint evolution in 2019 and 2020 are presented hereafter. Measured results for 2020 reflect the exceptional impact of the COVID-19 health crisis, which resulted in restrictions affecting most of the year and an average closure period for the Group's assets of 93 days (the Group was only able to operate at full capacity for 70 days in 2020).

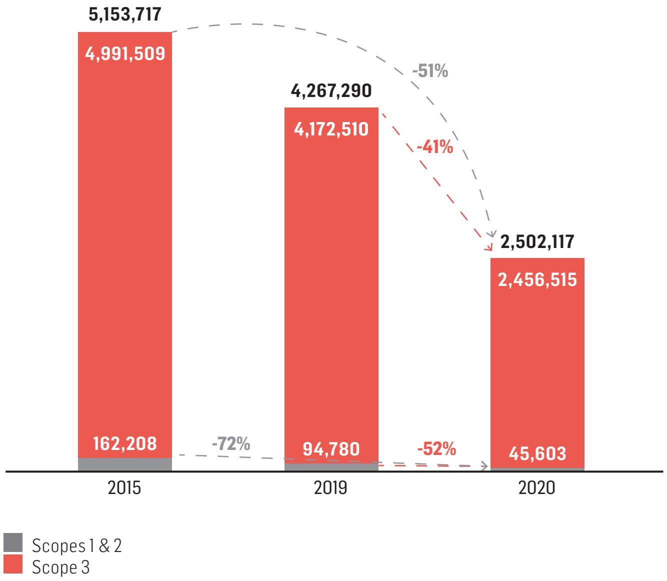
2015, 2019 AND 2020 GROUP CARBON FOOTPRINT FOLLOWING "MARKET-BASED" AND "LOCATION-BASED" METHODS

	Carbon footprint (TCO_2eq)	
	"Market-Based" method	"Location-Based" method
2015 - Scope 1	26,868	26,868
2015 - Scope 2	135,340	169,218
Sub-total 2015 - Scopes 1 and 2	**162,208**	**196,086**
2015 - Scope 3[(1)]	4,991,509	4,891,760
TOTAL 2015 (baseline)	**5,153,717**	**5,087,846**
2019 - Scope 1	24,095	24,095
2019 - Scope 2	70,685	163,761
Sub-total 2019 - Scopes 1 and 2	**94,780**	**187,856**
2019 - Scope 3[(1)]	4,172,510	4,128,912
TOTAL 2019	**4,267,290**	**4,316,768**
2020 - Scope 1	21,236	21,236
2020 - Scope 2	24,367	120,946
Sub-total 2020 - Scopes 1 and 2	**45,603**	**142,182**
2020 - Scope 3	2,456,515	2,525,401
of which Scope 3 managed	*417,000*	*424,875*
of which Scope 3 related	*2,039,514*	*2,100,526*
TOTAL 2020	**2,502,117**	**2,667,583**
2020/2015 CHANGE (%)[(2)]	**-51%**	**-48%**

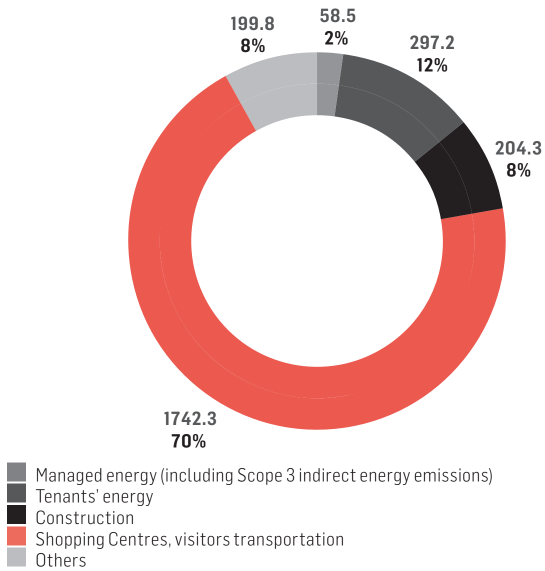
(1) 2015 and 2019 Scope 3 data were updated in 2020, to take into account more accurate data sources regarding tenants private energy consumption (see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement).
(2) In 2020, the "absolute variation" in global Scopes 1, 2 and 3 emissions calculation methodology has replaced the "comparable value" approach that was used until 2019 (see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement).

Corporate Social Responsibility
Better Spaces

GROUP CARBON FOOTPRINT EVOLUTION – MARKET BASED (TCO_2EQ)



BREAKDOWN OF THE 2020 GROUP CARBON FOOTPRINT BY ACTIVITY (THOUSANDS TCO_2EQ/%)



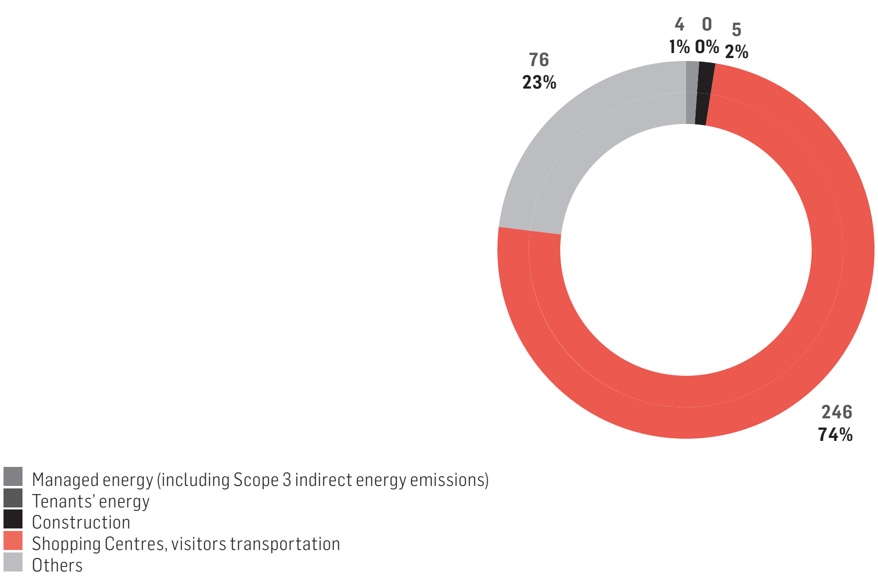
– RESULTS: VIPARIS CARBON FOOTPRINT

The carbon footprint of Viparis is presented below on Scopes 1, 2 and 3 following the "Market-Based" and "Location-Based" methods.

2020 VIPARIS CARBON FOOTPRINT FOLLOWING "MARKET-BASED" AND "LOCATION-BASED" METHODS

	Carbon footprint (TCO_2eq)	
	"Market-Based" method	"Location-Based" method
2020 - Scope 1	1,500	1,500
2020 - Scope 2	1,100	2,221
2020 - Scope 3	327,728	327,728
TOTAL 2020	**330,328**	**331,449**

BREAKDOWN OF THE 2020 VIPARIS CARBON FOOTPRINT BY ACTIVITY (THOUSANDS TCO_2EQ/ %)



– FOCUS ON SCOPES 1 AND 2 EMISSIONS FROM THE OPERATION OF BUILDINGS

As part of its proactive policy on efficient building operation, capitalising on its long-standing commitments in this field and in line with its Better Places 2030 strategy, in which the Group targets to improve by 30% the energy efficiency of its standing assets between 2015 and 2030, the Group is monitoring GHG emissions from the energy consumption of the operations of its owned and managed buildings (common areas and common equipment). This contributes to the Group target of reducing GHG emissions from its operations by 80% between 2015 and 2030.

To manage the carbon performance of its operational activities, the Group has set indicators to measure the intensity of GHG emissions per areas (sqm) for each of its operated shopping centres and offices, and per areas occupied per days of occupancy (sqm DOCC) for its operated convention and exhibition venues. This makes it possible to analyse a building's overall carbon efficiency on a comparable basis, depending on its purpose and scope.

GREENHOUSE GAS EMISSIONS FROM ENERGY CONSUMPTION OF STANDING ASSETS (SCOPES 1 & 2) (TONNES OF CO_2EQ)[1]

Greenhouse gas emissions (CO_2, CH_4, N_2O, etc.) converted into CO_2 equivalent ("CO_2eq") generated by the energy purchased and managed by the site manager over the year (Scope 1: natural gas, Scope 2: electricity, district heating and cooling networks).

	Retail	Office	Convention & Exhibition
2020 Total	**35,881**	**585**	**2,330**
of which direct emissions - Scope 1	*11,908*	*190*	*1,230*
of which indirect emissions - Scope 2	*23,973*	*394*	*1,100*
2019 Like-for-like	78,689	452	3,652
2020 Like-for-like	35,487	441	2,330
2020/2019 CHANGE (%)	**-55%**	**-2%**	**-36%**

The Group policy regarding renewable electricity purchase enables it to reduce its operations' carbon footprint year on year. It also allows the Group to encourage producers to invest in the development of clean technologies by increasing market demand for these energy sources.

CARBON INTENSITY LINKED TO THE ENERGY CONSUMPTION OF STANDING ASSETS (SCOPES 1 & 2) BY AREA FOR SHOPPING CENTRES AND OFFICES (kgCO_2EQ/SQM/YEAR), AND BY USAGE FOR CONVENTION & EXHIBITION VENUES (gCO_2EQ/SQM DOCC[2]/YEAR)

	Retail *(kgCO_2eq/sqm)*	Office *(kgCO_2eq/sqm)*	Convention & Exhibition *(gCO_2eq/sqm DOCC)*
2020 TOTAL	**8.3**	**7.1**	**304.3**
2019 Like-for-like	17.3	6.7	57.2
2020 Like-for-like	8.4	6.7	160.0
2020/2019 CHANGE (%)	**-52%**	**0%**	**179%**[(a)]

(a) The high increase in carbon intensity of convention & exhibition venues between 2019 and 2020 is due to the drop in the denominator representing the usage of these assets in 2020, caused by their COVID-19 related administrative closures (most events cancelled from March 9, 2020).

Other than GHG emissions from the energy consumption of its buildings, the main item of the Group's direct GHG emissions related to the operation of its buildings is from the leak of refrigerants from cooling appliances maintained by the property manager of sites owned and managed by the Group.

(1) These emissions are expressed based on emission factors for each source of energy using the "market-based" method of the GHG protocol, according to which these factors depend on the type of energy consumed (electricity, natural gas, etc.), the country, the supplier and the nature of the energy product (energy from fossil fuels or renewable sources). These are specific factors associated with the contractual commitments between the supplier and property manager which do not necessarily reflect emissions from energy delivered by the grid but valorise and focus on the production and purchase of energy that is certified as generated from renewable sources.
(2) Areas occupied per days of occupancy.

GREENHOUSE GAS EMISSIONS GENERATED BY LEAKS OF REFRIGERANT FLUIDS (TONNES OF CO_2EQ)

	Total (all assets)
2020 GHG emissions linked with refrigerants leaks	8,938

In 2020, the carbon intensity linked to the energy consumption (Scopes 1 and 2) of the Group's shopping centre portfolio (CO_2eq/sqm) decreased: -52% compared to 2019 on a like-for-like basis. This strong performance was due to:

- The accomplished transition towards electricity from renewable sources under the Better Places 2030 programme, which largely contributed to this reduction: in 2020, shopping centres, offices and convention and exhibition centres in Europe are 100% powered by electricity from renewable sources. In the US, in 2020, shopping centres are now 81% powered by electricity from renewable sources and will transition toward 100% in 2021 (see Section 2.2.3.4 Energy management);
- A continued improvement in the energy efficiency level of the owned and managed shopping centres portfolio between 2019 and 2020: -18% in energy consumption on a like-for-like basis from 2019 to 2020;
- The impact of the COVID-19 health crisis, which resulted in restrictions affecting most of the year and an average closure period for the Group's assets of 93 days (the Group was only able to operate at full capacity for 70 days in 2020).

2.2.1.3 CLIMATE RISK MANAGEMENT AND ADAPTATION TO CLIMATE CHANGE

The Group's Risk Management framework is presented in Chapter 6 "Risk factors and internal control". CSR risks were analysed at Group level (see Section 2.1.2.2 CSR risks and opportunities); this section presents a detailed analysis of the climate change risks for the Group.

On top of addressing climate change mitigation (see Section 2.2.1.1 Climate change strategy), Better Places 2030 also addresses climate change adaptation through the resilience of its assets to climate change: the Group targets for 100% of its development projects to include long-term climate risks, while minimising resource use and maintaining user comfort by 2025, and for 100% of its standing assets to include a climate change risk plan by 2022.

The effects of climate change on Unibail-Rodamco-Westfield's portfolio will vary depending on the region and the asset. The scale and severity of changes will determine the extent of the impact, as will factors such as age, location, construction methods, asset operational efficiency, local infrastructure quality and capacity.

In 2019, the Group commissioned a climate change risk assessment study covering all standing assets as well as the development pipeline. In line with TCFD recommendations, this study covered both transitional (policy and legal, technology, market) and physical risks (chronic ones: precipitation, temperature, drought and sea level rise) and was based upon IPCC scenarios RCP4.5 and RCP8.5, with different time horizons: Short term 2030, Medium term 2050 and Long term 2100. The methodology for physical risks was based on assessing each existing asset with exposure, sensitivity and adaptive capacity grades to end up with a final physical vulnerability score. The methodology for transition risks was based on local surveys and data collection from specific asset locations.

The climate change risk assessment enabled URW to have a clear global view on the future risks of climate change for its portfolio, which will help the Group to design relevant climate change adaptation plans for standing assets in 2022, as the Group committed in Better Places 2030. In addition, URW performed its first CRREM study (Carbon Risk Real Estate Monitor) in 2020 to analyse stranding risks across its portfolio. The analysis was done on the European portfolio, only for shopping centres and offices; the United States and exhibition centres are not yet available in the tool. Results are encouraging, as with 2019 portfolio, less than 5% of assets (in gross floor area) are considered as stranded assets in 2030 and less than 30% in 2050 (using the market-based approach and common-areas energy consumptions). It must be noted that this is a purely theoretical approach that does not integrate any further reduction measures that are planned in the next ten to 30 years and that is based on 2019 energy consumptions.

Furthermore and on a shorter time horizon, the Group complies with regulatory requirements in each region with regard to flooding risks, water management, and drainage systems for exceptionally heavy rainfall.

Regarding our development projects, specific requirements including the realisation of a study on adaptation to climate change covering physical risks, comfort and energy efficiency topics are already integrated in our Sustainability Brief (see Section 2.2.2.1 Environmental Management System (EMS)).

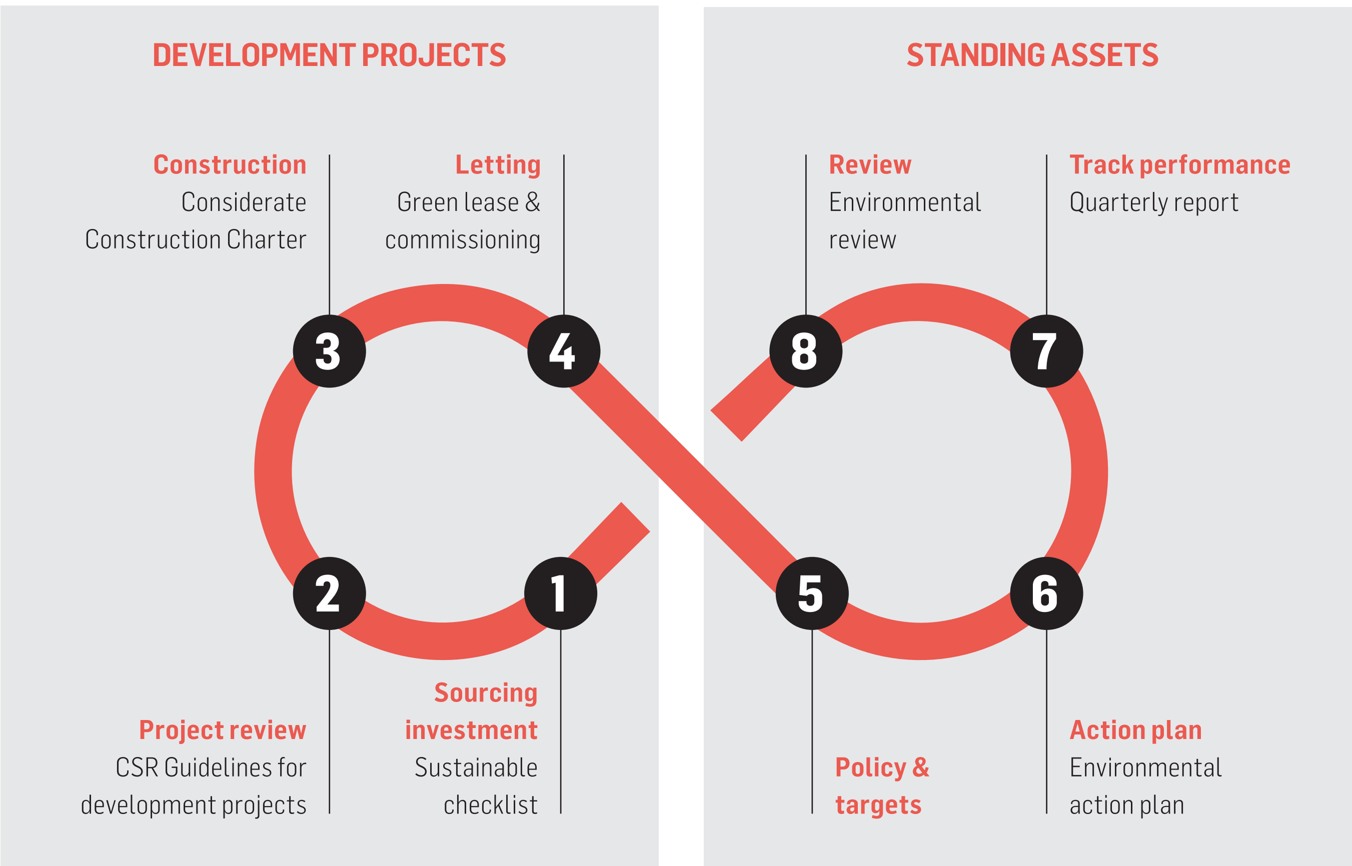
URW's due diligence process for acquisitions and greenfield/brownfield development projects covers the analysis of risks and opportunities related to financial and operational issues. For example, the process includes a complete audit of technical, regulatory, environmental and health & safety performance. The potential financial impact of identified risks is taken into account during the due diligence phase. Issues covered include risks associated with climate change, soil pollution, protection of wetlands, asbestos, legionella and electromagnetic radiation.

2.2.2 DESIGN SUSTAINABLE BUILDINGS

2.2.2.1 ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

The Group's environmental strategy relies on an Environmental Management System (EMS), aiming at reducing the environmental impacts of its assets at every stage in their life cycle, from initial design through to daily operation.

GROUP ENVIRONMENTAL MANAGEMENT SYSTEM



The Group has defined and monitors several indicators to manage the environmental performance of its standing assets and development projects, in line with the objectives of its CSR strategy. Some of them are incorporated into five-year budget review processes for standing assets and development projects to ensure alignment between CSR objectives and business decisions.

– EMS FOR DEVELOPMENT PROJECTS

The EMS ensures that all development projects, whatever their size or type, are designed in the most sustainable way in the long-term and in accordance with the Group CSR strategy in order to minimise their environmental impact. For each project, the EMS covers all four stages in the development process and involves several departments, notably Development, Security, Technical, Operations, Leasing and on-site Shopping Centre Management teams:

- **Acquisition audit:** Sustainability and risks related to climate change are analysed and evaluated during the Group's due diligence process;
- **Project reviews:** At key milestones during the design of the project, the latter is assessed using the Group's Sustainability Brief to ensure compliance with the Group CSR strategy;
- **Construction:** The project contractor agrees to abide by the Group's Considerate Construction Charter, which is designed to limit the social and environmental effects of the construction process;
- **Commissioning:** A commissioning process is followed to ensure that buildings' technical installations perform efficiently (settings and operating instructions), and that maintenance suppliers in charge of operations and running technical installations as well as Shopping Centre Management teams are properly trained.

As part of the EMS, a Group-wide community of “CSR champions” in the development teams was created in 2019 to ensure best practice sharing across countries. The community is led by the Group corporate CSR team (see Section 2.1.5.2 Governance of CSR and of the Better Places 2030 programme). In 2020, the community shared experiences and good practices regarding the CSR performance of their development projects, reviewed and validated the Group’s new guidelines (CSR Guidelines for development projects, Biodiversity strategy and Circular economy framework) and presented to the others the best environmental innovations they implemented in their respective projects. The animation around CSR objectives is key in progress towards the 2030 objectives.

– PROJECT DESIGN AND REVIEW STAGE

In 2019, the Sustainability Brief has been developed in collaboration with the Development teams to operationally translate the Better Places 2030 objectives for development projects. The Sustainability Brief applies to new developments and extension & renovation projects Group-wide. It sets minimum requirements applicable to all projects and additional specific requirements for large projects[(1)].

Requirements for all projects include, among others:

- Zero waste to landfill for future operation;
- 100% of timber with FSC (Forest Stewardship Council) or PEFC certification (Program for the Endorsement of Forest Certification) for both works and the building itself;
- Divert demolition, strip-out and construction waste from landfill with at least a 70% waste recovery rate (target raised since 2019).

Requirements for large projects include, among others:

- Minimum environmental certification level to obtain: BREEAM "Excellent" for projects in Europe or LEED Gold in the US;
- Passive and/or renewable energy solutions to be studied (technical-economic study) in order to cover a minimum 10% reduction in conventional energy consumption or carbon reduction on the project;
- Undertake a feasibility assessment of bio-sourced materials for structural elements;
- Undertake a long-term climate risks analysis, while minimising resource use and maintaining user comfort;
- Integrate at least two circular economy “concepts” from the Group Circular economy framework created in 2020, based on a technical-economic study.

During key milestones in the design phase of the project, CSR reviews are made:

- To ensure that all the minimum requirements of the Sustainability Brief are included in the project brief;
- To study variants to improve the environmental performance of the project in line with Better Places 2030 objectives.

A specific assessment tool has been created in 2020 and more than ten full assessments have already been performed among the Group’s major development projects to ensure that specific requirements are handled by project teams at the project phase.

Circular economy

As part of its Better Places 2030 strategy, the Group commits to having 100% of its development projects to integrate a circular economy design solution by 2025.

In answer to this commitment, a specific requirement to “integrate at least two circular economy “concepts” from the Group Circular economy framework, based on a technical-economic study” has been added in the Group’s Sustainability Brief in 2020 and is now closely monitored during project reviews among other topics.

In 2020, the Group launched its Circular economy framework to guide the Development teams in the incorporation of circular economy design solutions in their projects. This practical framework allows the teams to better understand and apply the right circular economy solution for their projects. The development project Michelet (France) is considered as a pilot for the Group to test its Circular economy framework. This project has undertaken a resource audit prior to its refurbishment to identify the materials that could be reused on-site or off-site, and some of them have been sold online for a second life. Thanks to the reuse of materials in the Michelet project, 30 tonnes of equivalent CO_2 emissions and 21 tonnes of waste were saved. The adaptability and flexibility of the Triangle project (Paris region) will allow the tower to change its use from office to residential or hotel in order to match with future needs.

Energy & carbon

Unibail-Rodamco-Westfield was the first commercial real estate company to commit to wide-scale reduction of its carbon footprint, including development projects. As part of its Better Places 2030 strategy, from 2017, the Group systematised the assessment of the carbon footprint of its large development projects from the design phase via a dynamic approach, based on a Life Cycle Assessment (LCA) combined with the thermal simulations that have historically been performed on the projects. This is also fully incorporated in the Group’s Sustainability Brief as a requirement for large projects to perform a LCA at early design stage and update it until delivery. Due to the lack of specific worldwide guidelines, with the assistance of an independent expert, the Group created a customised methodology and tools to assess the carbon footprint of its development projects that was based on existing standards and adapted to correspond to the specific attributes of the shopping centres and offices developed by the Group.

Since 2017, the Group Development teams have received trainings in using this methodology and applying these targets in order to ensure that the carbon performance of projects is fully taken into account at design stage. In 2020, two more sessions with both Europe and US employees have been organised. These trainings helped towards levelling the knowledge of the US teams up to the same level as the European teams regarding embodied carbon and brought them to run an LCA on two additional projects in 2020.

In this respect, 63% of development projects[(2)] had conducted a Life Cycle Assessment analysis in the concept design stage or the feasibility phase (equivalent RIBA stage 2) as at 2020 year end.

(1) Europe retail: Total investment cost (TIC) > €50 Mn or GLA > 10,000 sqm; US retail: TIC > $100 Mn or GLA > 20,000 sqm; Others: TIC >$/€40 Mn.
(2) Committed development projects as at January 1, 2020 over Compliance Book area and investment cost thresholds.

This comprehensive approach to assessing projects throughout their entire life cycle (construction and operation) supports the policy of reducing the carbon footprint of the Group's projects and helps in making the best construction, technical and energy choices through a multi-criteria approach (capital expenditures, costs, carbon emissions in construction and in operation, aesthetics and sustainability).

As an illustration, the Sisters project (France) fully embodies the Group's ambitious environmental performance goals, guaranteed by "Exceptional" HQE, "Outstanding" BREEAM, and Effinergie + certifications and labels. This project has also been selected by ADEME to participate in the E+C- (Energy + Carbon -) pilot study to provide credible answers to the question of how high-rise buildings can transition to carbon neutrality. The E+C- framework is a precursor to future energy and carbon regulation in France.

Water and Waste

The Group's development projects are built in line with the Sustainability Brief, the Considerate Construction Charter and the BREEAM and LEED certifications water and waste management requirements.

In particular, these recommendations include:

- Good practice and clear technical steps on how to achieve water efficiency right from the design stage, in particular, in the choice of equipment installed (toilets, urinals, fire extinguishers, sprinkler systems, cooling systems, etc.);
- Integration of zero waste to landfill requirements for future operations, mandatory by 2025 as per Better Places 2030;
- A feasibility study at early stage for on-site treatment of waste needs to be undertaken (e.g. through composting).

Pollution and environmental risk management

The Group complies with all applicable environmental legislation across all its activities. The Group's acquisitions and developments are covered by the policy of risk management and subject to health & safety and environmental risk analysis.

As such, the Group's acquisition process incorporates an assessment of technical, regulatory, health and safety and environmental risks, including soil pollution, wetland protection and climate change, as part of its pre-acquisition due diligence. For greenfield/brownfield projects, the Group complies with all applicable regulation regarding health, safety and environmental matters. An assessment of the environmental impact of each project is carried out at a very early stage.

There is no provision for environmental risk in the Group's accounting in 2020.

– SUSTAINABLE CONSTRUCTION

Since 2011, the Group Considerate Construction Charter is applied to all greenfield/brownfield construction, renovation and extension projects in Continental Europe. It describes the Group's requirements and recommendations intended to optimise its worksites' environmental quality whilst minimising pollution for the contractors working on-site, the neighbouring area and the natural environment. The application of the Charter to all construction contractors is a specific requirement of the Sustainability Brief since 2020, and is therefore enforced throughout the Group.

The Considerate Construction Charter includes the following requirements:

- Using 100% of timber for development, extension and renovation projects from certified, sustainably managed forests with FSC or PEFC certification, including for works;
- Providing information to people living nearby and limiting traffic disruptions;
- Training and informing employees of construction companies;
- Ensuring proper management of risk and of hazardous product handling;
- Ensuring at least 70% of waste recycling (material recovery) by weight, and clear traceability of all waste managed;
- Managing and limiting noise and visual pollution, as well as the risk of soil, water and air pollution;
- Monitoring resources in order to reduce resource consumption.

NUMBER AND SHARE OF DEVELOPMENT PROJECTS THAT IMPLEMENT A CONSIDERATE CONSTRUCTION CHARTER

	2020
Number of development projects that implement a Considerate Construction Charter	6
Share of development projects that implement a Considerate Construction Charter	75%

Pollution prevention

Moreover, the Group ensures that the action plans and preventative measures are implemented by contractors during construction.

SOIL POLLUTION AND SITE REMEDIATION

Annual monetary expenses for soil decontamination/site remediation and volumes that have been detoxified.

	2020
Monetary expenses in soil decontamination (*k€*)	0
Volumes concerned (*m^3*)	0

Health and Safety on work sites

The construction contractors overseen by the Construction Management Contractor are contractually required to make the necessary provisions for site safety and comply with the relevant health and safety legislation.

The Management Contractor's teams develop the technical requirements provided to contractors within the tendering process. These include specific safety requirements, as well as the applicable health and safety standard a successful bidder must comply with. Tender submissions that do not comply with the technical requirements and the applicable health and safety standards are disqualified from the tendering process.

During the construction phase, site health, safety and security is continuously monitored by the Management Contractor's teams.

Health and Safety Coordinators are appointed in various countries where the Group is active. They are employed by the Construction Manager, with a principal function to coordinate health and safety matters between the various stakeholders.

2.2.2.2 ENVIRONMENTAL CERTIFICATIONS OF BUILDINGS UNDER DEVELOPMENT

Unibail-Rodamco-Westfield, as part of its strategy for development projects set up in the Sustainability Brief, targets an environmental certification for all of its large new greenfield/brownfield construction, refurbishment and extension projects: BREEAM in Europe and LEED in the US. URW aims to achieve a minimum level of "Excellent" (BREEAM) or "Gold" (LEED) for its large development projects.

Other environmental certifications are obtained, when relevant to the real estate leasing or investment markets, such as HQE certification in France (High Environmental Quality, the French standard certification scheme for sustainable constructions) or DGNB (*Deutsche Gesellschaft für Nachhaltiges Bauen*) in Germany for the Offices portfolio.

The Docks 76 project was the first shopping centre in Europe to receive the BREEAM certification. Since then, the Group has continued to set the benchmark within the sector in Europe. In 2020 notably, the Group confirmed its leading position in terms of environmental certification by obtaining the BREEAM design stage certificate for La-Part-Dieu extension & renovation project with a level of "Excellent".

In addition to securing the "Excellent"/"Gold" level under BREEAM/LEED respectively, all large projects need to undertake a technical and economic feasibility study to reach the BREEAM "Outstanding" or LEED "Platinum" level, as applicable, as mentioned in the Sustainability Brief.

SHARE OF DEVELOPMENT PROJECTS THAT ARE IN AN ENVIRONMENTAL BUILDING CERTIFICATION PROCESS

Among committed projects.

	2020
Share of development projects that are in an environmental building certification process	88%

NUMBER OF DEVELOPMENT PROJECTS THAT OBTAINED A DESIGN STAGE ENVIRONMENTAL CERTIFICATE

Among committed projects.

	2020
Number of development projects that obtained a design stage BREEAM/LEED certificate	7
Share of development projects that obtained a design stage BREEAM/LEED certificate	88%

All the "committed" development projects are part of an environmental certification process and have already received their design stage certificate with the exception of the Westfield Valley Fair project, delivered in March 2020, which was too far advanced at the time of the launch of Better Places 2030. Regarding the convention & exhibition assets (Viparis), the new hotels of Paris Porte de Versailles have obtained a BREEAM International New Construction Design Stage certificate and a HQE "Excellent" certificate.

2.2.2.3 CONSTRUCTION MATERIALS

– REDUCING CARBON IMPACT OF CONSTRUCTION MATERIALS

As part of its pioneering commitment to reducing its construction carbon footprint by -35% between 2015 and 2030, the Group focusses on the choice and use of the materials for its development projects. Specifically, it involves:

- Adopting a "lean material construction" approach right from the design phase (structure, façade, false ceilings, fixtures and fittings, etc.);
- Using new solutions and optimised low-carbon materials (low-carbon cement and concrete, bio-sourced materials, recycled materials, etc.);
- Asking subcontractors to put forward alternative solutions with low-carbon content;
- Adopting a purchasing policy that includes criteria for the carbon content of products and construction materials (requiring environmental and health and safety certification – Environmental Product Declarations and "*Fiches de Déclaration Environnementale et Sanitaire*" in France).

In 2019, the Group also developed guidelines on low-carbon interior design to help from the very beginning the interior architect design teams to choose the best material options for interior design of shopping centres based on their carbon performance.

The Group's priority is to work towards reducing the carbon impact of the most significant items, beginning with the structure and foundations of the building. The Group studies the use of low-carbon cements for all development projects. Projects like Sisters or Westfield Hamburg are all studying the use of or already using low-carbon cement to optimise their carbon footprint.

On the mixed-use project Ateliers Gaîté, Unibail-Rodamco-Westfield is working closely with Hoffman Green Cement Technologies to incorporate an innovative cement which has a carbon footprint reduction of more than 75% compared with traditional cement. The project also includes a residential property using timber construction and using bio-sourced materials to reduce indirect construction-related emissions.

The Group also works on reducing indirect (Scope 3) carbon emissions generated by construction activities: the project Westfield Hamburg focused on reducing the use of trucks during the construction phase. For this purpose, a concrete mixing plant was installed on-site and ships were used to evacuate 20% of the excavated soil.

Circular economy solutions can also lead to carbon savings, through material reuse for example (see Section Circular Economy in 2.2.2.1 Environmental Management System (EMS)).

– A RESPONSIBLE SUPPLY CHAIN

URW is committed to ensuring responsibility in its upstream supply chain (development activities).

The Sustainability Brief and the Considerate Construction Charter specify that 100% of timber used in development, extension and renovation projects must be from certified, sustainably managed forests with FSC or PEFC certification. Besides, as part of the certification process (prerequisite for BREEAM and optional for LEED), the sourcing of wood used during construction is verified and validated. The Group aims to obtain "post-construction" final certification according to the BREEAM or LEED standards for as many projects as possible.

The Sustainability Brief requirements are specified in tender documents for construction projects and all contractors are asked to abide by its terms. Also, in all of its European contracts, the Group requires from the contractors to do their best efforts to reduce the carbon footprint of the project and the design project managers are asked to pay closer attention to this contractual requirement.

2.2.2.4 COMFORT, HEALTH, WELL-BEING AND PRODUCTIVITY FOR USERS OF OUR BUILDINGS

Comfort and well-being issues are a determining factor in the Group's technical and architectural choices for development, refurbishment and extension projects (e.g. façades, glass roofs, interior finishes, heating, ventilation and air-conditioning equipment, lighting, occupant control methods, etc.). The Group's technical specifications for new developments, renovation and extension projects provide clear steps on how to achieve comfortable and safe spaces, based on thermal comfort, visual comfort, acoustic comfort and interior air quality.

In new development projects, façades are designed to achieve a balance between thermal performance rating (insulation value, solar factor), carbon performance and visual comfort (daylight illumination, glare control).

The acoustics of our spaces are also designed to provide the best solutions to reduce technical equipment noise levels, to reduce noise levels passing through façades, and to improve interior sound absorption and insulation between premises. Interior surfaces are selected on the basis of their volatile organic compound emissions thresholds, as set by BREEAM or LEED certifications which require the use of construction products that abide by the best practices in each country, (for example, A and A+ labelling in France). These recommendations also appear in the specifications for developing stores in shopping centres.

Moreover, during the design phase of new large development projects, comfort and well-being are evaluated using dynamic thermal simulation to ensure best levels of comfort during operation. In order to assess the climate change resilience of projects, the same simulations are also done using future climate change scenarios. Projects must be adapted (or explain how they can easily adapt) to the expected levels of comfort.

The Group works in close cooperation with tenants to provide comfortable and safe spaces. Green leases and Sustainable Development Committees set up with tenants raise awareness of issues amongst the various stakeholders, and set out tenants' responsibilities for the final fitting-out of the spaces provided by the landlord.

2.2.3 IMPROVE ECO-EFFICIENCY

2.2.3.1 ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

– EMS FOR EXISTING ASSETS

The Environmental Management System (EMS) is implemented across the whole owned and managed portfolio. This pragmatic and dynamic EMS, based on an environmental continuous improvement approach (ISO 14001) ensures that the Group is able to meet its annual and long-term targets and supports Unibail-Rodamco-Westfield's continuous improvement for each area covered by the Group's CSR policy, including climate change and resource use. It completes the development projects' EMS, as part of the overall policy of managing the environmental quality of the Group's assets throughout their life cycle (see Section 2.2.2.1 Environmental Management System (EMS) – EMS for development projects).

The EMS system is based on four steps of the environmental performance management process: target setting, establishing an environmental action plan, measuring results and reviewing the performance:

- **Group policy and Targets:** Targets are set each year for each owned and managed asset in line with the Group's long-term targets and with the specific characteristics of each individual site;
- **Environmental action plan:** An action plan covering key topics such as energy, GHG emissions, water, waste, transport and stakeholders is implemented and challenged for each managed site. On a daily basis, asset technical managers ensure the environmental performance and monitoring of operations and implement the roll-out of the asset environmental action plans. Additional external technical reviews commissioned by technical teams may also be conducted at asset level when a specific expertise is required, for example, waste or energy audits;
- **Quarterly report and Registration Document:** Performance is measured and assessed on a quarterly basis at the site, region and Group levels. A corrective action plan is implemented in case of deviation;
- **Review:** At asset level, the Group conducts internal environmental performance reviews. These reviews are conducted at least on an annual basis by the teams in charge of environmental sustainability at platform levels and with the Group CSR team. Achievements against targets are reviewed on these occasions.

The Group sets itself ambitious targets in terms of asset certification under the BREEAM In-Use standard (see Section 2.2.3.2 Environmental certifications of buildings during the operation phase). This international standard was applied to the Group's assets in 2011 to promote the quality of their environmental management and related performances for visitors, tenants and local communities.

Additionally, two of the Group's shopping centres in the UK, Westfield Stratford City and Westfield London, have been certified under the ISO 14001 environmental management standard since 2013 and 2015, respectively.

Regarding convention & exhibition venues, the Viparis subsidiary is ISO 20121 certified, recognising its Social and Environmental Responsibility management system, specific to events businesses. Viparis' ISO 20121 certification, obtained for the first time in 2014 for all of its sites and all of its business activities, illustrates the Group's trailblazing and proactive CSR commitment: Viparis became one of the first global players in the events industry to win this stringent certification, which constitutes a distinctive competitive advantage, ensuring transparent and improved business practices. In January 2021, Viparis' ISO 20121 certification was renewed by Bureau Veritas for another three years.

2.2.3.2 ENVIRONMENTAL CERTIFICATIONS OF BUILDINGS DURING THE OPERATION PHASE

Unibail-Rodamco-Westfield aims to obtain operational environmental building certifications for 100% of its owned and managed shopping centres and offices worldwide, and maintain the high level of the certifications obtained.

At the end of the year 2020, the Group had 56 assets BREEAM In-Use certified for Building Management (Part 2), of which 53 shopping centres and three office buildings, accounting for a total certified area of over 4 million sqm. This represents a share of 65% of the Group's standing portfolio in number of assets (retail and office assets), and a coverage of 68% in surface area.

– RETAIL

In 2020, 23 shopping centres obtained a BREEAM In-Use re-certification in Europe (assets certified in 2017 for which the certificate has been renewed three years later), among which included, Shopping City Süd, Centrum Cerny Most, Westfield Forum des Halles and Westfield Mall of Scandinavia.

In the US, the Group started to roll-out the BREEAM In-Use certification in its shopping centres with two assets certified in 2020: Westfield Valley Fair and Westfield Century City.

The Group's performance in terms of environmental certification is again very high, establishing local market benchmarks in a number of countries. Seven out of the 25 centres newly certified or re-certified in 2020 have achieved an "Outstanding" rating for Building Management (Part 2), which is the highest level of BREEAM In-Use certification. Of these, 4 assets also obtained an "Outstanding" grade for Asset Performance (Part 1).

As at December 31, 2020, the Group had 53 owned and managed shopping centres certified under BREEAM In-Use, of which 19 were rated "Outstanding" for Building Management (Part 2).

Certified shopping centres account for **over 4.1 million sqm consolidated GLA** and correspond to **65%** of the Group owned and managed Shopping Centres portfolio in number of buildings, and to a **71%** BREEAM In-Use certification coverage in surface area. In 2020, **94% of the Group's continental European shopping centres and 7% of the Group's US shopping centres are certified**, in number of buildings.

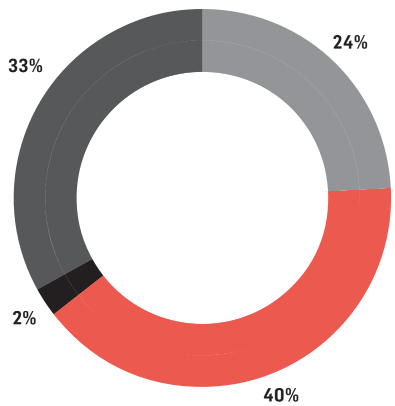
In terms of European comparison, **92%** of the BREEAM In-Use certificates awarded to the Group's shopping centres in Europe achieved the "Excellent" or "Outstanding" level for Building Management (Part 2), compared to an average of just **28%** for the European Retail Real Estate market[(1)], confirming the superior environmental performance of the Group's assets despite the diversity of the portfolio in terms of size, age and location.

(1) Source: BRE Global "BREEAM In-Use" data – Retail assets certified under Part 2 under BRE Global (International), ITG (Spain), NGBC (Netherlands) & TUV (Austria and Germany), as at December 31, 2020 – 600 retail assets certified under BREEAM In-Use International 2015 (Part 2).

COVERAGE OF BREEAM IN-USE ENVIRONMENTAL CERTIFICATION OF THE GROUP'S STANDING ASSETS IN NUMBER OF ASSETS AND FLOOR AREA – SHOPPING CENTRES

2020	Number of assets certified	Surface area certified (sqm GLA)	Certification coverage % (in number)	Certification coverage % (in sqm GLA)
Total certified Retail assets	53	4,140,600	65%	71%
of which "Outstanding" (Part 2)	*19*	*1,423,600*	*36%*	*34%*
of which "Excellent" (Part 2)	*28*	*2,099,600*	*53%*	*51%*

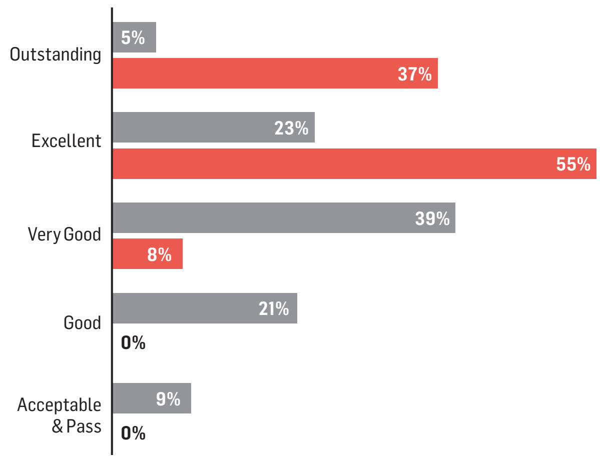
COVERAGE OF ENVIRONMENTAL CERTIFICATIONS IN OPERATION AND DEVELOPMENT WITHIN THE TOTAL GROUP STANDING SHOPPING CENTRE PORTFOLIO (IN NUMBER) (%)



Assets both certified in development (BREEAM, DGNB or LEED) and operation (BREEAM In-Use[1])
Assets certified in operation only (BREEAM In-Use[1])
Assets certified in development only (BREEAM, DGNB or LEED)
Non-certified assets

(1) Building Management (Part 2).

BREAKDOWN OF GROUP SHOPPING CENTRE'S BREEAM IN-USE CERTIFICATIONS BY LEVEL (IN NUMBER OF ASSETS) IN COMPARISON WITH THE EUROPEAN RETAIL REAL ESTATE SECTOR[2]



European Real Estate sector (including the UK)
Unibail-Rodamco-Westfield (Europe)

(2) Source: BRE Global "BREEAM In-Use" data - Retail assets certified under Part 2 under BRE Global (International), ITG (Spain), NGBC (Netherlands) & TUV (Austria and Germany), as at December 31, 2020 - 600 retail assets certified under BREEAM In-Use International 2015 (Part 2).

– OFFICES

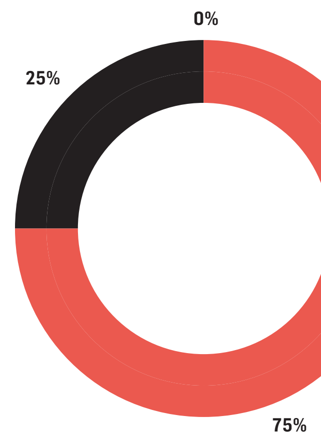
In 2020, the office buildings 7 Adenauer and Les Villages de l'Arche were re-certified under BREEAM In-Use International scheme. They both achieved a "Very Good" rating for both Asset Performance (Part 1), and for Building Management (Part 2).

As at December 31, 2020, **75%** of the owned and managed Office portfolio was certified.

COVERAGE OF BREEAM IN-USE ENVIRONMENTAL CERTIFICATION OF THE GROUP'S STANDING ASSETS IN NUMBER OF ASSETS AND FLOOR AREA – OFFICES

2020	Number of assets certified	Surface area certified (sqm)	Certification coverage % (in number)	Certification coverage % (in sqm)
Total certified Office assets	3	65,900	75%	80%
of which "Excellent" or above (Part 2)	*1*	*13,300*	*33%*	*20%*

COVERAGE OF ENVIRONMENTAL CERTIFICATIONS IN OPERATION AND DEVELOPMENT WITHIN THE TOTAL GROUP STANDING OFFICE PORTFOLIO (IN NUMBER) (%)



Assets both certified in development (BREEAM, DGNB or LEED) and operation (BREEAM In-Use[1])
Assets certified in operation only (BREEAM In-Use[1])
Assets certified in development only (BREEAM, DGNB or LEED)
Non certified assets

(1) Building Management (Part 2).

– CONVENTION & EXHIBITION VENUES

Regarding convention & exhibition venues, apart from the current ISO 20121 certification of all 9 of the Group's convention & exhibition assets (see Section 2.2.3.1 Environmental Management System (EMS)), no new operational environmental certification was registered in 2020.

2.2.3.3 GREEN LEASES AND TENANT COMMITMENTS

Since 2009, the Group has been committed to an active policy of promoting "Green leases". Green leases aim at improving tenants' CSR performance during the operation phase through a set of requirements, including fit-out, operation and reporting requirements.

This approach, based on dialogue, information, and sharing of best practices, encourages the tenants to play a role in the environmental performance of the assets which they occupy. As well as contributing to lower common and private service charges through decreasing energy and utilities consumption and improving waste management, this change in behaviours is helping the Group and its stakeholders to prepare for increased constraints on resource management (regulation, availability, etc.).

In that respect, since 2010 and ahead of all existing regulations, all new leases and renewals signed with Retail and Office tenants have had environmental clauses. These first versions of Green leases cover those aspects that are most relevant to improve tenants' environmental behaviours and performances, such as commitment to sharing energy consumption data, technical specifications for fitting-out tenant spaces (especially maximum power for private lighting), and various measures to save energy and water and sort waste.

As part of the Better Places 2030 commitments, this environmental appendix on leases was strengthened in 2017 to reflect the Group's new ambitions in terms of environmental performance and contributions to the community. Indeed, meeting the Group's reduction target of its carbon footprint from operations requires strong involvement of tenants, given the scale of their electricity use (see Section 2.2.1.2 Carbon assessment). To accomplish this, the two Group levers of improving energy efficiency and transitioning to renewable energy sources are also implemented in the private areas of the assets, in cooperation with the tenants. Clauses have been added to the first version of Green leases and include, in particular, the obligation to install LED lighting solutions for any new fit-out works performed in private tenant spaces and the obligation to sign a supply contract guaranteeing that electricity is procured from renewable sources. To support the Group's engagement with its communities, a clause has also been added to invite the tenants to participate in initiatives organised by the Group to promote local employment. This constitutes the second version of the Group's Green lease ("Green Lease Version 2").

Following the acquisition of Westfield in June 2018, the Group has been working on a new Green lease template applicable to the US and to the UK as well. In 2020, the Green lease contents have been added to the existing UK and US templates and are ready for deployment starting in 2021 (initial timeline has been postponed due to the global COVID-19 pandemic).

The tables hereafter show the penetration rates of the latest applicable Green lease version across the Group assets, both for standing assets and pipeline projects. In shopping centres, the penetration rate of Green leases signed in 2020 is **57% Group-wide**, which breaks down into a penetration rate of up to **87% in continental Europe** and of 0% in the US and in the UK (implementation yet to start in 2021). Regarding offices, Version 2 green leases were implemented since the start of 2018 and reached a penetration rate of **100%** of green leases signed in 2020.

2020 NUMBER AND PERCENTAGE OF GREEN LEASES AMONG IN-YEAR SIGNED LEASES AND ACTIVE LEASES (SHOPPING CENTRES AND OFFICES)

	Retail			Office
	Total	Continental Europe	US and UK	Total
Number of green leases signed during the year	1,002	1,002	0	7
% of green leases signed among leases signed during the year	57%	87%	0%	100%
% of green leases among total active leases at year end	26%	40%	0%	51%

In continental Europe, to support tenant adoption of energy efficient lighting technologies and electricity from renewable sources, Memorandums of Understanding covering LED and green electricity topics have been signed until 2019, these topics now being covered by the Green Lease Version 2.

Tenants are also being onboarded on the topic of responsible resource consumption through the organisation of periodic on-site Sustainability Committees, during which environmental performances of an asset are presented and discussed with the tenants, in order to raise awareness and encourage behavioural changes as well as the implementation of operational improvements.

2.2.3.4 ENERGY MANAGEMENT

The Group targets, in its Better Places 2030 strategy, to improve the energy efficiency of its shopping centres by 30% (KWh/sqm) by 2030 compared to a 2015 baseline. As part of its Better Events strategy for Viparis, the Group also targets to reduce the energy intensity of its convention & exhibition venues by 25% (kWh/sqm DOCC) by 2030 compared with 2014 levels.

As part of its operational management process of environmental performance, the Group measures improvements in its energy efficiency by asset type against these targets: progress and results are disclosed in Section 2.1.4.1 Summary of the Group's CSR performance.

To reach its ambitious targets in terms of energy efficiency, the Group has formalised a dedicated Energy Management Policy, whereby assets are required to define their energy management action plan, setting the operational path towards reaching the objective, with levers identified at asset level to improve energy efficiency, their associated budget, and their gradual implementation schedule. This policy also underlines energy optimisation best practices, and sets the approach to define renewable energies action plans as well as sets requirements on green electricity purchasing.

In the US, the Energy Management Policy has been adopted in 2020 with the same content as in Europe. Comprehensive energy efficiency action plans at asset level will be rolled out in 2021 (postponed due to COVID-19) in order to identify appropriate levers to reach the Group's energy efficiency objectives.

– ENERGY CONSUMPTION

Energy efficiency is embedded in all existing processes relating to the technical management of each asset, by gradually ensuring:
- Daily optimisation of the operation and supervision of technical equipment;
- Technical improvements of equipment's efficiency through non-recurring annual maintenance works;
- Intrinsic building structural works, synchronised with the Group's long-term value creation strategy (large works).

A GRADUAL AND PRAGMATIC APPROACH TO ENERGY SAVINGS

	OPERATION	REFURBISHMENT	LARGE WORKS
	Optimisation	Improvement of technical equipment	Improvement of buildings
Energy savings	20%	20-40%	> 40%
Costs/Capital expenditure	x €10 K	x €100 K	x €1,000 K
	• Running hours • Free cooling • Natural ventilation • Natural daylight • Sub-metering	• LED • New HVAC systems • Building Management System • Cooling towers replacement • Vertical transportations	• Building insulation • Façade • New glazing • New HVAC systems • Renewable energies

Optimisation

In order to get the best return on energy efficiency solutions, the Group sets daily energy optimisation as its priority. Actions to optimise operations in order to improve energy efficiency are being undertaken in all the assets owned and managed by the Group thanks to the strong commitment of the Group's on-site teams, tenants and maintenance suppliers.

Standard practices include: daily monitoring of each asset's energy consumption; identification of factors that affect energy consumption; optimisation of the running hours for each piece of equipment; seasonal action plans to adjust temperatures in line with weather conditions; strong focus on behavioural changes (for example turning out lights and using natural ventilation); and regular checks to ensure that technical equipment is working properly.

As an example, shopping centre night audits of tenant and common area energy-use are conducted Group-wide by operational teams to identify potential energy savings during the night shift and rationalise the functioning of energy-consumptive equipment to a minimum when the assets are closed to the public. In the US, night audits identified 1,300 MWh worth of energy-use reduction opportunities in 2019 but were not performed in 2020 due to COVID-19 reasons. However, the US Shopping Centre Management, together with Security Operations, monitored lights shut off in leased areas during pandemic-related store closures. In Europe, night audits were still conducted in 2020, as part of the energy management procedure.

To identify quick-wins in terms of energy efficiency, the Group also relies on external experts. In 2020, results-based energy audits had already been conducted on the bulk of the portfolio in Europe. In the UK, a programme to curtail energy consumption, reducing electricity consumption at peak times and making cost savings has been introduced since 2015.

At December 31, 2020, five assets (CNIT, Lyon Confluence, So Ouest, Carrousel du Louvre and Forum des Halles) owned and managed by the Group in Europe had an Energy Performance Contract (EPC). These EPCs are contractual agreements between Unibail-Rodamco-Westfield and the maintenance contractor under which the latter commits to improve the energy efficiency of an asset. These contracts, underpinned by bonus-malus incentive clauses, encourage the supplier to contribute to the Group objective of reducing on-site energy consumption and manage the associated costs.

In addition to building management systems in its assets, the Group also partnered with the start-up Deepki since 2018 to roll out energy consumption monitoring in its European shopping centres and convention and exhibition venues. At December 31, 2020, Deepki is now operational in all assets in France and The Netherlands, and currently in deployment in Czech Republic, Germany and Spain. During the French lockdown due to COVID-19, the Group has been able to increase the reduction of the energy consumption of its French assets by 50% with regular analysis and dashboards provided by Deepki to the operations teams. These encouraging figures show how important it is for the Group to keep working and accelerating on the energy savings topic with smart management solutions.

Improvement of technical equipment

With regard to technical equipment, the Group is systematically outfitting its assets with Building Management Systems (BMS), which are regularly upgraded, so on-site teams can easily monitor and manage energy performance. Energy efficiency is also a crucial factor when it comes to replacing technical equipment, especially in the context of regular maintenance works related to lighting, heating, cooling and ventilation: low-consumption energy-effective alternatives are systematically considered in the multi-annual planning process.

When refurbishing old equipment, the Group's assets are to comply with minimal energy efficiency standards, such as replacing fixed speed units with variable speed units, implementing sensor-regulated equipment and introducing systems with energy recovery or limiting energy losses, such as shifting to LED light bulbs.

Particularly, as part of its Better Places 2030 strategy, URW aims to systematically implement LED lighting solutions in the common areas of its owned and managed shopping centres. At the end of the year 2020, **54%** of the Group's shopping centres were equipped with full LED lighting in their common areas.

The Group implements LED lighting technology across its standing portfolio (common and private areas) through two levers:

- The planning and roll-out of LED refurbishment projects through the identification of specific budgets lines in the Group assets' five year budget plans supporting the gradual replacement of existing light sources with LED equipment;
- The onboarding of retailers in the Group's LED installation programme, through green leases provisions requiring the setup of LED lighting when refurbishing or opening stores (see Section 2.2.3.3 Green leases and tenant commitments).

In the US, LED refurbishment projects completed between 2013 and 2019 have already saved 77,700 MWh. The LED refurbishment projects implemented in 2019 enable an additional 9,700 MWh annual energy savings, corresponding to $1.2 Mn annual cost savings. All 2020 LED projects were postponed due to COVID-19 constraints. In Europe (including the UK), as of December 31, 2020, 33% of lighting fixtures in common areas of the Group shopping centres are based on LED technology, compared to 93% in the US.

Improvement of buildings

The main improvements in the core building efficiency (e.g. thermal insulation, light shafts, etc.) are synchronised with major extension and renovation development projects, for which the Group targets an environmental certification of the highest level (see Section 2.2.2 Design sustainable buildings).

Results

In 2020, shopping centres owned and managed by the Group achieved a -13% reduction in energy intensity (kWh/sqm) on a like-for-like basis[1], compared with 2019. Regarding the office assets, the energy intensity reduction reached -3%. Convention & exhibition venues also reduced their energy consumption by -38% over the same period.

2015 to 2020 evolution results against strategic targets are disclosed in Section 2.1.4.1 Summary of the Group's CSR performance.

This strong reduction is mainly driven by the impact of the COVID-19 health crisis, which resulted in restrictions affecting most of the year and an average closure period for the Group's shopping centres of 93 days (the Group was only able to operate at full capacity for 70 days in 2020).

ENERGY CONSUMPTION (MWh)

Final energy consumed by the assets in common areas and by common equipment, and provided to tenants for heating and/or cooling. Individual tenant energy consumption is not included. Energy consumption includes both energy purchased from the grid (produced off-site) and energy produced on-site and self-consumed by the Group's assets.

	Retail[a]	Office	Convention & Exhibition
2020 TOTAL	**578,616**	**9,699**	**40,754**
of which natural gas (Scope 1)	*57,938*	*926*	*5,983*
of which electricity (Scope 2)	*383,973*	*4,853*	*28,030*
of which district heating & cooling (Scope 2)	*136,705*	*3,920*	*6,740*
of which on-site production (%)	*2%*	*0%*	*0%*
of which off-site purchase (%)	*98%*	*100%*	*100%*

(a) Reported consumption excludes the share of energy consumption sold to third parties produced by the cogeneration plant of Parquesur shopping centre (Spain).

(1) In 2020, due to an error identified on the "area served with energy" denominator, corrections have been performed on the Group shopping centre and office energy intensity figures reported in the 2019 Universal Registration Document (see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement for more details).

LIKE-FOR-LIKE EVOLUTION IN ENERGY CONSUMPTION (MWh AND %)

	Retail	Office	Convention & Exhibition
2020 Like-for-like (MWh)	**572,100**	**7,732**	**40,754**
of which natural gas (Scope 1)	*56,022*	*926*	*5,983*
of which electricity (Scope 2)	*379,374*	*3,662*	*28,030*
of which district heating & cooling (Scope 2)	*136,705*	*3,144*	*6,740*
2019 Like-for-like (MWh)[(a)]	697,193	8,121	65,285
of which natural gas (Scope 1)	*74,279*	*1,203*	*11,311*
of which electricity (Scope 2)	*452,484*	*3,933*	*41,627*
of which district heating & cooling (Scope 2)	*170,430*	*2,986*	*12,347*
2020/2019 CHANGE (%)	**-18%**	**-5%**	**-38%**
of which natural gas (Scope 1)	*-25%*	*-23%*	*-47%*
of which electricity (Scope 2)	*-16%*	*7%*	*-33%*
of which district heating & cooling (Scope 2)	*-20%*	*5%*	*-45%*

(a) In 2020, due to an error identified on the "area served with energy" denominator, corrections have been performed on the Group shopping centre and office energy intensity figures reported in the 2019 Universal Registration Document (see Section 2.6.1.5 Continuous improvement of definitions and data quality improvement for more details).

FINANCIAL IMPACT RESULTING FROM VARIATIONS IN ENERGY CONSUMPTION (€)

Total cost saved due to the reduction of energy consumption, estimated on a like-for-like basis.

	Retail
2020/2019 change in energy consumption (MWh)	-125,093
Estimated financial savings 2020/2019 (€)	7,709,656

ENERGY EFFICIENCY OF STANDING ASSETS, PER AREA FOR SHOPPING CENTRES AND OFFICES (kWh/SQM) AND PER USAGE FOR CONVENTION & EXHIBITION VENUES (kWh/SQM DOCC[(1)])

Energy efficiency is calculated on the scope of final energy purchased from the grid. Energy self-consumed from on-site production is excluded.

	Retail (kWh/sqm)	Office (kWh/sqm)	Convention & Exhibition (kWh/sqm DOCC)
2020 TOTAL	**131**	**118**	**2.80**
2019 Like-for-like	152	120	1.02
2020 Like-for-like	133	117	2.80
2020/2019 CHANGE (%)	**-13%**	**-3%**	**173%**[(a)]

(a) The high increase in energy efficiency of convention & exhibition venues between 2019 and 2020 is due to the drop in the denominator representing the usage of these assets in 2020, caused by their COVID-19 related administrative closures (most events cancelled from March 9, 2020).

– ENERGY MIX

URW works at reducing the environmental impact of the energy it consumes by purchasing renewable energy from suppliers and generating low-carbon or renewable energy on-site. As such, the Group targets, as part of its Better Places 2030 strategy, to:

- Multiply its installed capacity of on-site renewable energy fivefold by 2025, compared to 2015 (see results in Section 2.1.4.1 Summary of the Group's CSR performance);
- Source 100% electricity from renewable sources for its owned and managed assets.

Purchasing of renewable energy

In this context, the Group has accelerated its transition towards sourcing electricity derived from renewable sources ("green electricity"). In Europe, the Group started to sign green electricity contracts with energy suppliers since 2009, and 100% of assets (shopping centres, offices and convention & exhibition centres) have been running entirely on green electricity since 2018 already. This green electricity is covered by mechanisms of Guaranty of Origin as defined by the 2009/28/EC European Directive. In the US, URW is committed to rolling out an equivalent green electricity certificate mechanism for its portfolio and in 2020, 81% of the US annual electricity consumption was covered by Renewable Energy Certificates.

(1) Areas occupied per days of occupancy.

The Group also purchases renewable electricity directly from renewable energy production plants in the form of Power Purchase Agreements (PPA). A PPA (15 years contract with a 132 kW system) covers the supply of Westfield Culver City (US) and the Group started a larger PPA in 2020, covering approximately 20% (100 MWh) of the French portfolio's annual electricity consumption. The electricity generated under this PPA is coming from wind turbines.

Beyond the purchase of certified green electricity, the energy mix of the Group's assets is a key focus. For example, the Group chooses district systems rather than natural gas to heat its buildings wherever possible. In Minto (Germany) and in Spain, the natural gas suppliers of the Group's shopping centres are committed to compensate the GHG emissions linked to this energy supply to the Group.

The Group's policy of purchasing renewable energy from its suppliers offers two key benefits. First, it reduces the carbon intensity of the Group's operations. Second, it encourages producers to invest in "green" power-generation technologies by contributing to build market demand for renewable energies.

The Group is committed to extend this measure to shopping centre tenants as well, through a contractual requirement to source green electricity in private areas (see Section 2.2.3.3 Green leases and tenant commitments).

Production of renewable energy

For many years now, the Group has been rolling out a solar photovoltaic installation programme across its portfolio to generate electricity on-site. The installed capacity of the Group's systems has increased continuously. Three new renewable energy projects were completed at Westfield UTC, Westfield Garden State Plaza and Westfield Valley Fair in 2020 for an additional 3.75 MW installed capacity. In total, there are eight solar panel installations across the Group's US assets, 18 across the Group's Europe assets (in France, Spain, Austria, Poland and The Netherlands), and a wind turbine installed in Westfield Carré Sénart shopping centre (France). In France, Aéroville shopping centre also uses geothermal energy to meet its heating and cooling needs. A solid pipeline of future projects is maintained throughout the Group.

The total installed renewable energy capacity of the Group's assets in 2020 is **15.4 MW.**

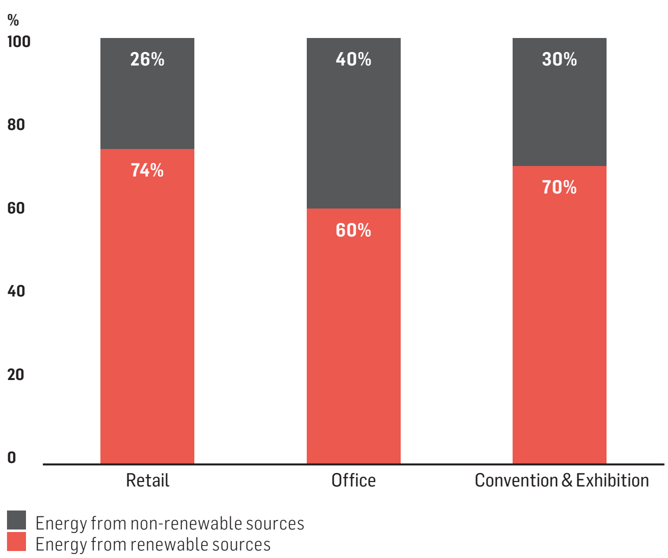
The renewable electricity produced by the Group is either self-consumed to meet an asset's energy needs, or sold to the grid. The total on-site production of renewable electricity at the Group's assets and breakdown between energy sold and self-consumed is as follows:

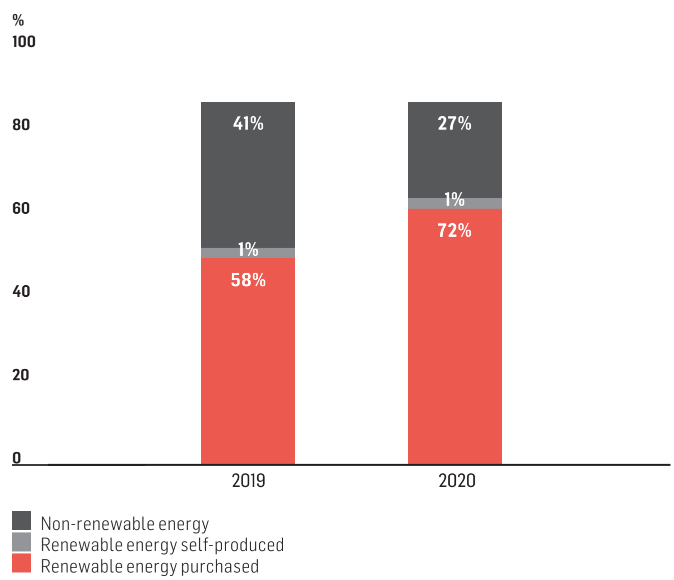
2020 RENEWABLE ELECTRICITY PRODUCED ON-SITE (MWh), WITH BREAKDOWN BETWEEN SALES AND SELF-CONSUMPTION (%)

	Retail	Office	Convention & Exhibition
Total renewable electricity produced on-site (MWh)	9,073	0	0
of which self-consumed (%)	**97%**	-	-
of which sold (%)	**3%**	-	-

Results

2020 ENERGY MIX AND ITS EVOLUTION (ALL OWNED AND MANAGED ASSETS)





The Group's energy mix varies from country to country and is mainly influenced by the Group's voluntary low-carbon energy production and renewable energy purchasing policy, which increased the share of renewable energy in the final energy mix consumed by the assets owned and managed by the Group to reach **73%** in 2020.

SHARE OF TOTAL ENERGY CONSUMPTION DERIVED FROM RENEWABLE SOURCES PER ENERGY SOURCE: ELECTRICITY, DISTRICT HEATING AND COOLING, AND DIRECT ENERGY CONSUMPTION (%)

	Retail	Office	Convention & Exhibition
2020 Total electricity consumption (MWh)	383,973	4,853	28,030
of which green electricity (%)	**95%**	**100%**	**100%**
2020 Total district heating & cooling consumption (*MWh*)	136,705	3,920	6,740
of which renewable energy (%)	**46%**	**25%**	**9%**
2020 Total direct energy consumption (MWh)	57,938	926	5,983
of which renewable energy (%)	**0%**	**0%**	**0%**

2.2.3.5 WATER MANAGEMENT

The non-financial risk assessment pointed out that water is not a key environmental issue for Unibail-Rodamco-Westfield. Indeed, the assets of the Group's portfolio are not considered as being significant water consumers. Moreover, the exposure of the Group's portfolio to the water scarcity risk has been reassessed in 2019 based on asset location and climate scenarios and is deemed very low.

However, as part of its resource efficiency policy, reducing water consumption is still an operational target at all sites and continues to be closely tracked and managed at asset and Group levels. Based on environmental best practice, the Group is taking active steps to limit water consumption, reduce water waste and maintain water quality. Special efforts are made to install water-efficient equipment, optimise operating practices, and ensure that leaks are detected and repaired rapidly. For example, a cloud based real-time monitoring system of water consumption has been implemented in several assets in the US to improve water management and effectively detect leaks, with an alert mechanism. As a result, a number of leaks from pipes, valves and sanitary equipment were identified and repaired and significant water and cost savings were achieved. In The Netherlands, the "*Smartvatten*" leakage detection system is used to detect quickly any leakage in the shopping centres.

To optimise water use and leverage associated cost savings, the Group also prioritises the use of non-drinkable or reused water over drinkable water wherever possible. In 2020, ten shopping centres collected 172,098 m^3 of rainwater and groundwater on-site, which were used for cleaning and for watering green spaces. Projects are also currently under study in some of the Group's assets to use underground water for cooling towers or to extend roof rainwater harvesting systems for landscape areas.

Closed-circuit systems are being favoured to reuse water during the testing of sprinkler equipment. Also, shopping centres across the Group collect and reuse water from regulatory sprinkler tests. Besides, Westfield Century City's Facilities Department identified opportunities to decrease water consumption by redirecting the property's groundwater discharge to the cistern and cooling towers in order to reduce the overall water usage and associated cost. Phase one of this project has been completed and the centre is now redirecting an average of 246 m^3 per month (this value will vary based on outside temperature and time of year). In 2020, the amount of grey water reused on-site for a second purpose totalled 192,859 m^3.

At existing assets, the Group relies on a close cooperation with tenants to reduce water consumption. Green leases (see Section 2.2.3.3 Green leases and tenant commitments) and tenants' on-site Sustainability Committees are used to help raise awareness among tenants about water use and to get them on board with water management.

In terms of preventing environmental pollution, run-off water collected from car parks is treated before being disposed of through municipal wastewater networks.

In 2020, water consumption at owned and managed shopping centres decreased by 25% compared with 2019 on a like-for-like basis. This strong reduction was mainly due to the impact of the COVID-19 health crisis, which resulted in restrictions affecting most of the year and an average closure period for the Group's assets of 93 days. The distribution of hydroalcoholic gel in common areas also contributed to the reduction in water consumption.

WATER CONSUMPTION (M^3) BROKEN DOWN BY SOURCE (%)

Water purchased from the district network (municipal water) and water withdrawals from other sources for use in common and private areas of standing assets.

	Retail	Office	Convention & Exhibition[a]
2020 TOTAL WATER CONSUMPTION	**5,784,241**	**22,145**	**194,476**
of which municipal water (%)	*93%*	*100%*	*100%*
of which rainwater (%)	*3%*	*0%*	*0%*
of which groundwater (%)	*0%*	*0%*	*0%*
of which surface water (%)	*0%*	*0%*	*0%*
of which wastewater from another organisation (grey water) (%)	*4%*	*0%*	*0%*
2019 Like-for-like	7,694,929	21,707	408,390
2020 Like-for-like	5,784,241	17,814	194,476
2020/2019 CHANGE (%)	**-25%**	**-18%**	**-52%**

(a) Hôtel Salomon de Rothschild is excluded from water consumption data in 2019 and 2020.

WATER INTENSITY OF STANDING ASSETS PER USAGE FOR SHOPPING CENTRES (LITRE/VISIT/YEAR), FOR OFFICES (LITRE/OCCUPANT/YEAR), AND FOR CONVENTION & EXHIBITION CENTRES (LITRE/SQM DOCC[1]/YEAR)

	Retail[a] *(Litre/visit)*	Offices *(Litre/occupant)*	Convention & Exhibition *(Litre/sqm DOCC)*
2020 Total	**9.69**	**4,356**	**13.43**
2019 Like-for-like	7.19	7,386	6.40
2020 Like-for-like	9.69	4,407	13.35
2020/2019 CHANGE (%)	**35%[b]**	**-40%**	**109%[c]**

(a) Mall of the Netherlands is excluded from water intensity data in 2019 and 2020.
(b) The increase in water intensity of shopping centres between 2019 and 2020 is due to the decrease in the denominator representing the number of visits (usage of these assets) in 2020, caused by their COVID-19 related administrative closures (the Group was only able to operate at full capacity for 70 days in 2020).
(c) The high increase in water intensity of convention & exhibition venues between 2019 and 2020 is due to the drop in the denominator representing the usage of these assets in 2020, caused by their COVID-19 related administrative closures (most events cancelled from March 9, 2020).

2.2.3.6 WASTE MANAGEMENT

The Group has set itself the target of sending no waste to landfill by 2025 in its Better Places 2030 strategy (see progress in Section 2.1.4.1 Summary of the Group's CSR performance). Unibail-Rodamco-Westfield's waste management approach is consequently designed to maximise recycling and minimise disposal to landfill.

The total volume of waste generated in a building, whatever its usage, is mostly dependent on the level of activity of the tenants, i.e. sales for shopping centres and occupancy for office buildings. This means that the Group has a limited impact on the total volume of waste generated on-site. Nevertheless, the Group is committed to waste management efficiency measures, such as increasing waste sorting, raising awareness of tenants as well as incentivising them to reduce the amount of waste disposed, and implementing innovative waste management solutions.

– IMPROVING WASTE SORTING IN COLLABORATION WITH TENANTS AND WASTE SERVICE PROVIDERS

Suitable waste segregation facilities are in place in all assets and most assets are equipped with specific sorting facilities and treatment solutions for organic waste, which represents a significant share of the total amount of waste generated by the Group.

Tenants are regularly informed and made aware of local on-site waste management policies and processes and of the importance of sorting waste, via for example tenants' on-site Sustainability Committees, and the development of site-level waste sorting guidelines reminding tenants of what to do with different types of waste. Both supplier purchasing contracts and tenant Green leases establish the minimum requirements to be met for waste sorting and recycling. Waste management service providers must monitor and submit a monthly progress report with details of tonnages collected by type of waste and recycling percentages achieved. Furthermore, they are asked to regularly submit a waste management improvement plan or propose available opportunities such as upgrades in material recovery facilities, or modified equipment when the tenant mix changes to site management teams, to ensure the efficient management of each location's waste streams. Shopping centre technical managers meet with waste management service providers on a frequent basis to monitor progress and performance. The waste solution providers' remits however extend beyond just management and reporting, also focusing heavily on tenant engagement and communications.

(1) Areas occupied per days of occupancy.

Tenant education includes delivering tenant-level waste sorting guidelines to the retailers' teams, updating and adding signage on waste bins, sharing best practices, highlighting the importance of properly sorting material, and outlining the legal requirements associated with the waste management programme. For example, in the UK, educational sessions with retailers are held regularly via the waste contractor's "Green Academy" programme. In the US, assets with organic-waste food-service programmes are provided additional assistance for the set up and ongoing management of diverting pre-consumer food waste. All the Group's shopping centres also hold yearly meetings with their stakeholders (tenants and waste treatment providers) with a detailed account of the site's waste management outcomes. In the US, additional education is provided to tenants when and where there are opportunities to improve performance and virtual tenant education was implemented in response to COVID-19 in 2020.

Tenants are also being incentivised through the implementation of individual reinvoicing of waste charges. An increasing number of shopping centres are equipped with an advanced waste management system which consists of weighing the waste of each tenant separately in order to invoice them on the actual tonnage they generate. This encourages better waste sorting, enabling tenants to reduce the tonnage of residual waste for which the final disposal is more expensive. This system contributes efficiently to improving the asset's recycling rate.

– DEVELOPING INNOVATIVE WASTE MANAGEMENT SOLUTIONS

On-site innovative waste treatment solutions are also installed in several of the Group's assets to increase the amount of valorised waste and reduce waste management costs, such as eco-digesters turning organic waste into inert greywater which can then be flushed into a standard drain, composters producing fertiliser for green spaces out of organic waste, and a plastic waste-to-plastic filament conversion facility associated with a 3D-printer to recycle plastic waste into new objects like plastic cups in Metropole Zlicin (Czech Republic).

To continually increase its waste recycling rate, and as part of its innovation programme, the Group has developed successful corporate partnerships with two start-ups:

The first partnership, initiated in 2017 with Phénix, introduced two pilot projects to identify and create new recovery streams for waste destined for disposal: a full waste management audit of a shopping centre was performed to identify recycling levers and a partnership with retailers was introduced to recycle organic waste. Following on from the success of these pilot projects, Phénix was selected, via a tender process, as the new waste management provider for Westfield Rosny 2 shopping centre (France) from early 2019. This partnership aims at promoting circular economy principles in waste management with the objective of having 100% of waste reused or recycled by the end of 2025 in Westfield Rosny 2. In 2020, this centre reached 47% of waste reused or recycled.

The Group launched the second partnership in April 2018 with the start-up Too Good To Go. The solution helps retailers prevent wastage of unsold food at the end of the day, by putting them in touch with consumers through an application offering baskets of unsold products at a discount price. After the success of an initial pilot project launched at the Westfield Euralille shopping centre (France), the Group launched in early 2019 the large-scale roll-out of this partnership across all of its French shopping centres. The initial objective of saving 50,000 meals in 2019 was exceeded with more than 126,000 meals saved during the year in the Group's French portfolio. In 2020, the Group expanded the partnership with Too Good To Go across Europe and 226,000 meals were saved, despite the closure of Food and Beverage activities in its shopping centres during the COVID-19 lockdown periods.

As part of its Better Events 2030 strategy, Viparis has created a new dynamic in the events industry by focusing on circular economy and initiating joint discussions with various stakeholders: event operators, event organisers, standholders and cleaning services, which led to three tests at three different-sized exhibitions at the Paris Nord Villepinte convention site. The initial results of these tests were encouraging, with up to 65% waste sorting for one of the exhibitions tested. In addition to waste flow management and figures, issues relating to waste valorisation streams and eco-design were discussed. This circular economy work will give rise to new common goals among the stakeholders of the French Union of the event industry (UNIMEV): a "Green Growth Commitment" (French ECV), will be signed between the industry stakeholders and four Ministries of the French Government to find practical solutions to tackle the waste issue and reach concrete recycling objectives. In addition, a sectoral waste management technical and economic study was initiated in 2020 by UNIMEV, in partnership with the eco-organisation Valdelia.

– RESULTS

In 2020, **29%** of the waste generated by the Group's owned and managed shopping centres was sent to landfill, of which **18%** valorised with energy recovery. **44%** of waste was recycled (including reuse, material and bio-waste recycling), compared to 40% in 2019 (on a non-like-for-like scope). In total, **76%** of waste was valorised in 2020, through recycling or energy recovery. Already two of the Group's shopping centres in the UK and 12 in France have achieved zero waste to landfill.

The Group continued to improve its global recycling rate in 2020, despite the COVID-19 health crisis. Almost every European and US asset have improved their recycle rate, by both upgrading their sorting equipment and multiplying tenants trainings regarding waste.

TOTAL WASTE GENERATED (METRIC TONNES), AND BREAKDOWN BY DISPOSAL ROUTES (%)

Total waste[1] collected on-site, generated from shopping centre operations (common areas and tenants) and associated waste treatment streams.

	Retail
2020 Total waste (metric tonnes)	**83,482**
of which recycled waste (%)	*44%*
of which recovered waste: waste-to-energy (%)	*32%*
of which not recovered (%)	*24%*
2019 Like-for-like (metric tonnes)	139,280
of which recycled waste (%)	*40%*
of which recovered waste: waste-to-energy (%)	*29%*
of which not recovered (%)	*32%*
2020 Like-for-like (metric tonnes)	83,482
of which recycled waste (%)	*44%*
of which recovered waste: waste-to-energy (%)	*32%*
of which not recovered (%)	*24%*
2020/2019 CHANGE (%)	**-40%**

2.2.3.7 HEALTH & SAFETY, SECURITY AND ENVIRONMENTAL RISKS AND POLLUTION

The prevention of health, safety and security risks for people (employees, customers, tenants, suppliers, subcontractors and local communities) and of environmental risks linked with the operation of its assets forms an integral part of the Group's risk management policy. The Group complies with all applicable legislation in this regard and often exceeds minimum standards required by laws to ensure a higher standard of health, safety and security at its assets.

The Health, Safety and Environment (HSE) and Security management systems enable the Group to monitor and assess its performance regarding risk prevention on a day-to-day basis, and maintain a strong risk management culture embedded within operating and management teams.

– HEALTH, SAFETY AND ENVIRONMENT (HSE) RISK MANAGEMENT

The Group has drawn up an appropriate HSE risk management policy which includes rules and guiding principles at Group level, supplemented at a local level by procedures that comply with local regulations. The main areas covered by the Group's HSE risk management policy are air and water quality, asbestos, air pollution, legionnaires' disease, technical and safety installations, and fire extinguishing and alarm systems. In the context of the COVID-19 global health crisis, the Group has reinforced these risk management topics with a focus on pandemic risk in 2020, implementing strong sanitation and hygiene standards at all of its venues.

This Group policy includes, in particular, an annual review of HSE risks at standing assets for both European and US platforms by the Group Risk Committee, and the inspection and continuous improvement of these buildings and their technical equipment liable to have an impact on the environment or on personal safety. Technical documentation on regulatory maintenance and testing is also kept up-to-date and made available at each site. Policy monitoring is conducted by on-site teams and checked every year by external auditors or internal management.

Unibail-Rodamco-Westfield has worked with Bureau Veritas, one of the world's most distinguished leaders in testing, inspection, and certification services, since 2012 to attest to the implementation of very strict standards regarding health and safety within its assets. In Europe, an independent third-party audit was thus carried out in 2020, as it is every year, to assess HSE risks for building visitors and occupants at all of the Group's assets (shopping centres, offices, convention & exhibition centres) in all countries in which the Group operates, based on a framework that incorporates both external regulations and Group policies. This audit awards the site one of four overall scores which reflect the extent to which HSE risks are being controlled:

A. Satisfactory risk management and control;
B. Satisfactory risk management and control, with improvements still needed for certain indicators;
C. Records of areas of non-compliance requiring the implementation of corrective actions;
D. Unsatisfactory risk management and control.

(1) Waste for which URW has the legal management responsibility. The Group's waste management responsibilities and reporting scopes are guided by specific national requirements. At some assets, local authorities are responsible for waste management: in this case the Group does not control the final destination of the waste produced at these assets. The disposal of hazardous waste falls outside of the Group's legal responsibility as it is managed directly by the maintenance contractors who are responsible for it, using the appropriate disposal route. Offices & Others and Convention & Exhibition business units are excluded from the scope of waste indicators. At Convention & Exhibition venues (business operated by the Viparis subsidiary), waste is indeed managed by exhibition planners. At Office assets, waste collection services, whether ensured by a private company or the local authority, are shared with other buildings and owners. Therefore, separate data tracking for the Group is not available.

A personalised action plan, monitored on a daily basis by operational teams, is systematically updated following each assessment in order to improve the quality of risk control as part of a process of continuous improvement. If a D rating is given, a second assessment is carried out in the month following the audit to check that all corrective actions identified have been implemented.

The Group's target is to obtain at least a "B" ranking for all its European owned and managed assets for the assessment of these risks. In 2020, 65% assets were audited Group-wide: 92% in Europe and none in the US. 100% of audited sites obtained an "A" or "B" rating level, no asset obtained a "C" rating. No "D" rating has been given for the last nine years.

ANNUAL HEALTH, SAFETY AND ENVIRONMENTAL RISK MANAGEMENT ASSESSMENT

	Group total	Retail	Office	Convention & Exhibition
2020 HSE EXTERNAL ASSESSMENT COVERAGE (%)	**65%**	**60%**	**100%**	**100%**
of which audited sites obtaining an A or B annual score (%)	100%	100%	100%	100%

Internal reviews are also being held Group-wide, at asset level, to ensure the enforcement of HSE regulations and procedures, identifying actions that have been rolled-out, new action plans to be implemented and associated budget. For example, in order to reduce its exposure to the risk of legionnaires' disease, the Group is progressively replacing "open" cooling towers with systems permanently eradicating this risk on the sites in question.

One of the keystones of the Group's risk prevention approach is staff training. As such, local teams get the necessary HSE training under the supervision of regional technical teams according to their needs, and all new employees of relevant departments attend an introductory course to review HSE policies, encompassing risk control policies and tools. On-site teams are trained in first aid techniques and maintain close relationships with local emergency services (fire brigade, paramedics and police) as well as with the relevant administrative departments. For more details, see Section 6.2.2.4 Security, Health and Safety risks – B. Health & safety (H&S) (including pandemic and natural disasters).

In 2020, the Group reinforced its HSE practices through the implementation of a new third-party label in partnership with Bureau Veritas to certify its shopping centre practices based on the latest recommendations of health authorities: the Group's guide to Hygiene, Safety and Environment practices has been updated with a team of experts and epidemiologists. As a result of this work, 100% of the Group's Westfield branded European shopping centres have been granted the "Safe & Healthy Places" label, issued by Bureau Veritas to attest to the excellence of their hygiene, safety and environmental practices in compliance with the latest safety recommendations.

Following the certification of European centres, Bureau Veritas conducted a review and audit of URW's COVID-19-related health and safety practices, policies and procedures in the US: all 28 of URW's US shopping centres that participated in the programme are now certified with the industry-leading hygiene and safety excellence label, SafeGuard™, including Flagship destinations such as Westfield Century City, Westfield Topanga, Westfield San Francisco Centre, Westfield Valley Fair, Westfield Garden State Plaza and Westfield Montgomery. The Bureau Veritas' SafeGuard™ "Hygiene Excellence and Safety Certification" designates a facility that has met stringent requirements to minimise the on-site risk of virus spread and is adhering to best-in-class hygiene and safety protocols.

The progressive reopening of shopping centres has also been accompanied with the creation of a charter emphasising common efforts between URW and its retailers and service providers to ensure health and safety in the assets and inform visitors of operational measures. Co-signed by all these stakeholders, this charter demonstrates the collective readiness to welcome visitors in the best possible way, around the following commitments:

- To ensure our customers and partners are well informed;
- To ensure everyone is protected;
- To ensure compliance with the most strict hygiene rules;
- To ensure compliance with social distancing rules.

The full Working Together charter is publicly available on the Group's website[1]. For more information on the welcoming of visitors and the collaborative work with retailers, please refer to Section 2.3.3.2 Open dialogue with tenants and visitors.

Regarding convention and exhibition venues, Viparis has drawn up health and safety guidelines for event venues as a top priority for employees, event organisers, exhibitors, service providers and visitors alike. Every point of contact between Viparis and its stakeholders has been identified to define a fully comprehensive safety protocol, which Bureau Veritas has validated based on the latest recommendations of health authorities. The Hygiene Security Environment label developed, entitled "SAFE V", encompasses general and venue-specific measures, as well as measures for employees, service providers and organisers. The "SAFE V" label has been attributed to all convention & exhibition venues in 2020 except for one, in compliance with this full audit grid developed by Viparis and Bureau Veritas.

(1) https://www.urw.com/en/press-room/press-news/our-commitment-to-you

COMPLIANCE WITH HEALTH AND SAFETY REGULATION

Penalties for non-compliance related to building health and safety.

	2020
2020 Number of sanctions for non-compliance related to building health and safety	0
2020 Monetary value of associated fines (€)	0

COMPLIANCE WITH ENVIRONMENTAL REGULATION

Penalties for non-compliance with environmental legislation and regulations.

	2020
2020 Monetary value of fines for environmental breaches (€)	4,496
2020 Total number of non-monetary sanctions for environmental breaches	8

– SECURITY & CRISIS MANAGEMENT

Mastering the security risk is key for the Group's portfolio, comprising public places welcoming a high number of visitors. In 2019, a complete department was created to cover terrorism threat, criminal activities and cyber-protection of the assets.

Monitored and managed through a Group Security Committee, the Security policy and strategy are overseen at Management Board level for the whole portfolio. A regional Security Action Plan, challenged by corporate teams, assesses the security threats and directs the security measures to align them with local specificities. A security audit is performed to check the minimum required protection level is achieved and to monitor the continuous enhancement of the Group's assets. All Group employees have also been invited to complete a complementary e-learning session on the Group Security Policy.

In addition to the prevention of security related situations, the Group finalised in 2019 the implementation of the crisis management framework and the related crisis training organisation (see Section 6.2.2.4 Security, Health and Safety risks – A. Terrorism and major security incident).

Finally, the critical risk of terrorist attacks faced by several countries has prompted the Group to develop a resolute, responsible policy for providing protection and preventing the risk of attacks, with the chief aim being to reassure the tenants' and service providers' employees who work at sites managed by the Group as well as providing a safe environment for customers and visitors. These plans, worked out in close cooperation with local authorities and the enforcement authorities, combine surveillance and detection equipment, heightened security measures, information-sharing and the training of tenants' staff in order to increase the vigilance of all site personnel and to react effectively in case of a threat.

URW's crisis management framework ensures consistently high standards of preparedness and response to emergency incidents across all of its regions with comprehensive policies, procedures and training programmes in place.

2.2.4 DEVELOP CONNECTIVITY AND SUSTAINABLE MOBILITY

As part of its Better Places 2030 programme, Unibail-Rodamco-Westfield aims at ensuring access to public transport and sustainable mobility to the visitors of its assets. The Group is committed to reduce by -40% its Scope 3 carbon emissions linked with visitor transportation from a 2015 baseline (see Section 2.2.1 Address climate change) and to achieve the target of having 50% of visitors accessing Group assets by sustainable means of transport by 2030. This engagement cascades down through the Group's development pipeline, in which the Group aims at 100% development projects significantly connected to public transport solutions by 2025. See Section 2.1.4.1 Summary of the Group's CSR performance for a summary of the Group results against these strategic targets.

By taking these commitments, the Group is setting a long-term view on the evolution of mobility trends by working both on asset attractivity and actively encouraging new sustainable transport solutions and behaviours.

In order to achieve these objectives, URW has been working in 2020 with mobility experts to facilitate the implementation of green mobility solutions adapted to shopping centres. This work has led to a book of detailed solutions provided to the Shopping Centre Managers in order to help them select initiatives they can implement to create better conditions for greener mobilities. This book comes with a tool that will enable them to take investment decisions based on the relevance of each action for their centre, the expected annual carbon savings, as well as the cost and time of implementation. The Group also partners with key players in the transport sector to accelerate the development of innovative and sustainable transport solutions for visitors.

2.2.4.1 CONNECTIVITY TO TRANSPORTATION

The Group is focusing on assets that are well connected to public transport networks and are located within major cities. The Group's selection, investment and development processes look at connected projects and sustainable mobility solutions which have a strong positive impact on the surrounding territories. Indicators such as number of electric vehicle charging spaces, bicycle spaces, connection to public transport and projected car modal share are being assessed for each project in the Group pipeline. In particular, the Group has set minimal requirements regarding these mobility indicators for all of its development projects in its Sustainability Brief for development projects. These requirements are to be reviewed at each key milestone of a project's development.

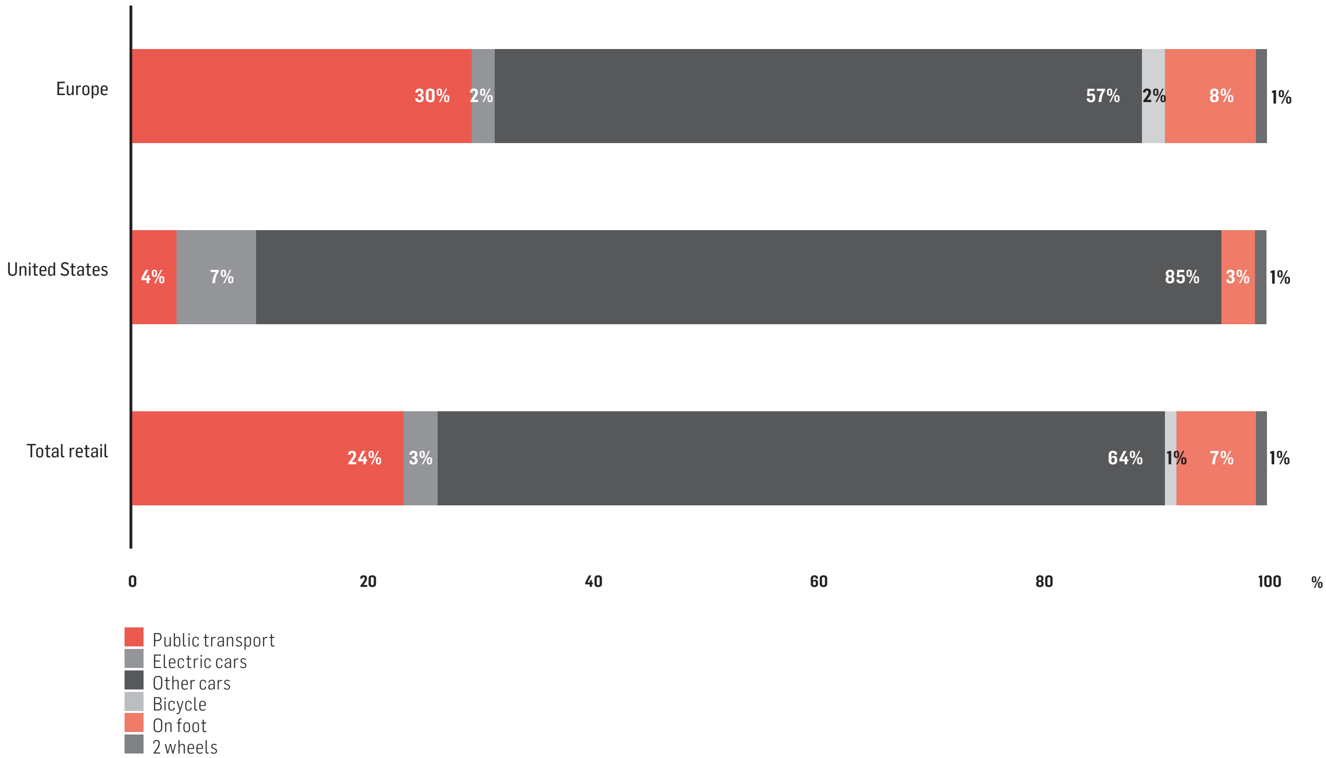
At 2020 year end, **100%** of the Group's development projects are connected to significant public transport solutions.

For standing assets, Unibail-Rodamco-Westfield is committed to systematically providing its visitors, retailers and employees with an extended offer of sustainable transportation, such as short-distance carpooling, car-sharing solutions, charging stations for electric vehicles, adapted bicycle infrastructures and innovative autonomous electric transportation when available. A number of the Group's shopping centres are continuously working on improving on-site bicycle facilities, in the frame of the "Come by Bike" project: increasing the size of bicycle parks, installing electric bicycle chargers, creating dedicated lanes, etc.

Assets are also working in close conjunction with local authorities to improve their connectivity with public transport services. For example, in 2020, the bus network was reshaped and expanded around Ruhr Park shopping centre (Germany) and a new multi-modal connection hub was delivered by the office building of Versailles Chantiers (France).

As a result, **35%** of visitors travelled by sustainable means of transport (public transport, bicycle, on foot and electric vehicles) to the Group's shopping centres in 2020.

BREAKDOWN OF GROUP SHOPPING CENTRES' VISITS BY TRANSPORT MEANS AND BY REGION (%)



– MOBILITY ACTION PLANS (MOBAPs)

In order to improve every aspect of its customers' mobility experience (time taken, cost, environmental impact, etc.) and to reach the ambitious mobility targets of its Better Places 2030 strategy, the Group has developed an internal tool: the Mobility Action Plan (MOBAP). This 360° tool starts with a diagnosis of transport methods offered by a shopping centre and used by its visitors, and leads to the design of an action plan with a two-fold objective:

1. Improve the centre's connectivity;
2. Deploy "soft" transport solutions to reduce the carbon footprint of visitors.

Some short-/medium-term actions that can be directly implemented are identified as part of MOBAPs, such as adding dynamic signage on shopping centre approaches to improve traffic management, as well as more long-term measures involving relations and partnerships with local authorities, such as developing shopping centres connectivity with planned bicycle lanes or public transport.

After a pilot phase in 2017, this tool was widely rolled-out across the European assets. The COVID-19 crisis hampered the complete roll-out initially planned in 2020. As at year-end 2020, **55%** of the shopping centres owned and managed by the Group had successfully implemented their own MOBAP, among which 82% shopping centres in Europe.

2.2.4.2 INNOVATIVE SUSTAINABLE TRANSPORT SOLUTIONS

– PROMOTION OF ELECTRIC TRANSPORT

As part of its commitment to foster sustainable mobility, the Group is encouraging the use of electric vehicles by installing charging stations at its assets. The Group launched in 2018 a three-year plan to introduce electric vehicle (EV) semi-fast charging stations in its European shopping centres: nearly 200 charging stations were installed or modernised in continental Europe in 2018. In 2019 and 2020, additional EV charging points were created Group-wide and the European EV-charging strategy was updated. In the US, a partnership with the EV charging operator Electrify America is being implemented and started with the installation of 3 charging stations in Westfield Century City in 2020. The primary benefits are that EA has the capacity to charge all electric vehicles (including Tesla). Additionally, EA has signed partnerships with a number of EV manufacturers (such as Audi, Porsche, Ford, Fisker, Byton, Harley-Davidson and Lucid) to provide special rates or bundle costs of charging (with EA only) into the vehicle purchase price.

In addition to the EV semi-fast charging points, discussions are currently ongoing regarding fast charging installations with different providers. In particular, some local partnerships with Tesla led to the installation of their specific fast charging solution called "Tesla Superchargers" in some assets throughout the Group. For example, these chargers are already available in Westfield Parly 2 (France), Westfield London (England), Pasing Arcaden (Germany) and Westfield Culver City (US).

As a result, EV charging is well embedded in the Group's asset operations: in 2020, 85% of the Group's assets were equipped with EV charging facilities in Europe, and 64% in the US.

PROPORTION OF STANDING ASSETS EQUIPPED WITH CHARGING FACILITIES FOR ELECTRIC VEHICLES

Charging facilities for electric vehicles include EV charging areas (semi-fast or fast), stations and car park spaces that are accessible to all visitors (operators allowing for interoperability).

	Group total	Retail	Office	Convention & Exhibition
2020 Share of assets equipped with charging facilities for electric vehicles	**79%**	86%	50%	25%
2020 associated number of car park spaces with EV charging points	**1,352**	1,279	48	25

– LOGISTICS SOLUTIONS FOR RETAILERS

Even though it is considered outside of its Scope 3 GHG emissions, Unibail-Rodamco-Westfield is aiming to reduce the impact of deliveries to retailers in urban centres by developing pooled logistics, optimising the load factor of delivery vehicles, reducing the number of round trips and using low-emission vehicles.

During the public enquiry for the Gaîté Montparnasse project, the Group was involved in devising solutions to reduce the impact of traffic related to future deliveries to the centre and the hotel. To this end, the Group worked in 2020 on the creation of an urban logistic area of over 500 sqm integrated in the project. This infrastructure should eventually mutualise all the deliveries of the site and cover 10% of the "last mile" deliveries in the neighbourhood, done by cargo bike. The operator, which is under contracting, should commit to use "green" vehicles and respect the *Certibruit* charter of the city of Paris on noise limitation. Moreover, its digitalised management of delivery flows should enable it to lower traffic congestion created by delivery vehicles around the site.

2.2.5 PROTECT AND IMPROVE BIODIVERSITY

As part of its Better Places 2030 strategy, the Group developed its Group biodiversity strategy in 2020 in collaboration with a specialised consulting firm. In this process, 21 key internal stakeholders from different departments of the Group were individually interviewed in order to collect information on biodiversity and their expectations for the new Group strategy. A complete study of the impacts and dependences of the Group against biodiversity was also led in order to focus the Group strategy on appropriate actions. As a consequence, the Group biodiversity strategy lays now in the three following commitments:

- 100% new development projects to achieve a biodiversity net gain by 2022;
- 100% development projects to implement a biodiversity action plan by 2022;
- 100% standing assets with high biodiversity stakes to implement a biodiversity action plan by 2022.

Each commitment is detailed in the following sections.

– 100% NEW DEVELOPMENT PROJECTS TO ACHIEVE A BIODIVERSITY NET GAIN BY 2022

The preliminary studies of the Group biodiversity strategy showed that one of the main drivers of biodiversity loss according to the 2019 Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) report was the change in land use. It also showed that real estate companies play a major role in this driver due to the artificialisation, degradation and fragmentation of land operated in greenfield projects. In the context of its biodiversity strategy, Unibail-Rodamco-Westfield decided to commit in fighting these impacts by aiming at achieving a biodiversity net gain between the state of the site before and after the construction in all large projects[(1)].

In order to reach this target, all concerned projects will have to use the methodology “Biodiversity Metric 2.0”, created by the Department for Environment, Food and Rural Affairs in the UK (DEFRA). This methodology was created to “calculate a biodiversity baseline and to forecast biodiversity losses and gains (on-site or off-site) resulting from development or land management changes”, DEFRA claims.

The Biodiversity Metric 2.0 uses simple calculations to model the biodiversity state of the site, taking into account each habitat location, size and ecological condition, as well as their connections with other nearby green spaces. For each habitat of a site, the user needs to enter the value of each parameter before and after the project. As a result, the tool provides an amount of “Biodiversity Units” present on-site before and after modification. This methodology has been used by several real-estate companies in the past, it is recognised as reliable and was chosen by the Group for its scientific relevance and its scalability to all the countries of the Group.

With its biodiversity net gain target, URW commits to reach more Biodiversity Units at project delivery than there were before the transformation of the site. In case of loss of Biodiversity Units, the Group will have the possibility to finance compensation projects creating enough Biodiversity Units off-site to raise the project’s balance to a biodiversity net gain.

– 100% DEVELOPMENT PROJECTS TO IMPLEMENT A BIODIVERSITY ACTION PLAN BY 2022

In addition to the biodiversity net gain target, all large development projects need to implement a biodiversity action plan by 2022. This action plan should be made by a qualified ecologist after the assessment of the characteristics of the local biodiversity. The purpose of this document is to first avoid and reduce all impacts of the project on the local nature, and second to implement on each project a list of Group recommendations like the use of environmentally certified aggregates for the concrete or bird-friendly designs for the façades.

The new commitments and recommendations for the integration of biodiversity in development projects were integrated in the Group’s design process through the Sustainability Brief (see Section Project design and review stage in 2.2.2 Design sustainable buildings).

Some projects also do an Environmental Impact Assessment, which includes an environmental/biodiversity component, as it is a pre-requisite for obtaining a building permit and commercial planning permission in some countries like France. A public consultation may also be carried out as part of this process.

Biodiversity is also addressed by the development projects through the “Land Use and Ecology” section in the BREEAM certification. For example, the project Westfield Mall of Scandinavia (Sweden) inaugurated in 2015 achieved 70% of the credits of that section, just like Westfield Carré Sénart, while Westfield Chodov reached 90% of the credits.

Some outstanding initiatives for biodiversity can also be noted in the projects of the Group’s pipeline such as a biological trail devoted to education purposes outside of Garbera extension (Spain) or the creation of 3.5 hectares of green landscapes in the project Mall of Europe (Belgium).

– 100% STANDING ASSETS WITH HIGH BIODIVERSITY STAKES TO IMPLEMENT A BIODIVERSITY ACTION PLAN BY 2022

The Group applies a pragmatic approach on biodiversity to its standing assets. Even though the very dense urban locations of most assets severely limit the potential to enhance biodiversity, the Group’s sites are committed to retaining and improving local biodiversity. This translates in the new biodiversity strategy in the implementation by 2022 of biodiversity action plans in all High Biodiversity Stake (HBS) assets. Assets are considered HBS if located within 1.5 km from a protected area. These areas are composed of all the IUCN (management categories I to VI) and Bird Life International (Key Biodiversity Areas) protection areas. As it is required for the creation of the biodiversity action plans of development projects, these standing assets have to appoint a qualified ecologist to assess the on-site biodiversity and propose an adapted action plan to preserve and improve the state of local nature. A list of recommendations has also been written by the Group as part of the biodiversity strategy and suggests actions like turning off building enhancement lights outside of opening hours or creating urban meadows in the assets green spaces.

In addition to the biodiversity action plan, all HBS assets are encouraged to raise awareness about biodiversity towards tenants and visitors.

(1) Europe retail: Total investment cost (TIC) > €50 Mn or GLA > 10,000 sqm; US retail: TIC > $100 Mn or GLA > 20,000 sqm; Others: TIC > $/€40 Mn.

When possible, URW also focuses on creating "green" spaces, such as green roofs, green walls and green parking lots. For example, the two UK centres, Westfield London and Westfield Stratford City, exhibit over 1,500 sqm of living walls containing close to 50,000 individual plants of over 20 varying species. Westfield London planted 73 mature and semi -mature trees across the estate, as well as 27,000 mixed bulbs across the external shrub land. Westfield Stratford City installed 15 insect hotels to promote diverse ecology of the plant beds, and also erected internal plant displays to improve the inside air quality and add to the environment for the general public.

The Group's BREEAM In-Use certification policy (see Section 2.2.3.2 Environmental certifications of buildings during the operation phase) ensures that biodiversity issues are well addressed and promoted to achieve high standards. Once a project has been built and delivered, the Group's operating management team, particularly the on-site teams that manage each asset, are responsible for maintaining and monitoring biodiversity. The CSR team monitors the application of the Group's biodiversity policy and provides operating teams with the necessary support.

As part of its CSR strategy, Better Events 2030, Viparis has also carried out concrete actions in 2020 to preserve biodiversity, such as greening the terrace of Palais des Congrès d'Issy-les-Moulineaux, eco-grazing at the Paris Nord Villepinte exhibition centre, installing composters at the Hôtel Solomon de Rothschild and the Palais des Congrès d'Issy-les-Moulineaux, and banning the use of phytosanitary products for the maintenance of green spaces at all of its sites.

– URBAN FARMING AT URW

In keeping with its commitment to turn its assets into better places, the Group has begun research and development into urban agriculture and beekeeping projects at a number of its assets. Other than the benefits incurred from diversifying surface usage and influencing food consumption trends, this type of project also has a positive impact on promoting biodiversity in cities.

In 2019, the urban farm that had opened in 2018 on the roof of So Ouest in Levallois-Perret (France), was extended by 300 m². This project, developed in partnership with the start-up Sous Les Fraises, revolves around vertically cultivating fruit, vegetables and flowers, as well as welcoming small groups for educational workshops, generating a positive impact on the environment and the local communities. In 2019, the Group also opened its first Urban Farm in partnership with the start-up Peas & Love on an outdoor terrace space in Westfield Parly two shopping centre (France), which offers cultivated plots of land for rent to the local residents, who can come on a regular basis to collect the fruit and vegetables yielded and enjoy thematic workshops. Since 2020, this urban farm proposes a new online service called "*Le marché Peas & Love*" where any client can buy local food, including crops from the farm.

In June 2020, the Group opened "*Nature Urbaine*", the biggest Urban Farm in Europe (14,000 sqm) on the roof of Pavillon 6 in Paris Expo Porte de Versailles convention venue (France), in partnership with Agripolis and Cultures en Ville. On this farm, more than 20 market gardeners will produce during the season over 1,000 fruit and vegetables per day, of 20 different species, using no pesticides, with the ambition to become a global model of sustainable production, increasing environmental and economic resilience of the cities of tomorrow. Additional services are offered with this urban farm space to the neighbouring communities: vegetable garden plots for rent offered to residents, educational visits and discovery workshops around urban farming.

These three projects contribute to the City of Paris target to revegetate 100 hectares in Paris by 2020, including 1/3 surfaces dedicated to urban farming, formalised in an engagement Charter "*Objectif 100 hectares*" which URW and Viparis have signed in 2016.

Moreover, a number of the Group's shopping centres host beehives on their premises and produce their own honey. One such example is the shopping centre Shopping City Süd in Austria which hosts ten beehives on its roofs with over 500,000 bees producing 120 kilograms of honey each year. Another is Westfield Arkadia in Poland which uses beehives installed on the roof of the shopping centre to organise sensibilisation workshops with children about the importance of pollinators for the environment.

2.3 BETTER COMMUNITIES

As part of its CSR strategy, the Group commits to be a catalyst for growth within the communities in which it operates.

The Group's economic success is based on the strength of its relationships with stakeholders: tenants, customers, investors, local communities, suppliers and contractors, as well as employees. The need to develop and operate assets that meet stakeholders' expectations in all respects is core to the Group's operations. Unibail-Rodamco-Westfield is aware of the leading economic importance of its real estate properties: in addition to being an urban planner, providing public facilities and building unique, iconic and well connected places, URW plays a key role in the local ecosystem as:

- Economic driver: offering direct employment through construction and operational spending, indirect employment by tenants' sales and activities, suppliers' activities and local taxes;
- Social integrator: services offered to visitors, charities, employment promotion initiatives, partnerships with local communities and non-profits, places for unique experiences (events, entertainment, shopping, etc.).

The COVID-19 crisis emphasised the importance of this social and economic mission. In times when being together had become difficult, if not impossible, the assets demonstrated new ways to support their communities, fighting and preventing the spread of the virus, strengthening local cohesion or protecting the most vulnerable (see Section 2.3.3.1 Supporting the community).

In 2020, as part of Better Places 2030, the Group's key commitment towards local communities to ensure 100% of its owned and managed assets have a Community Resilience Action Plan was achieved. This new tool aims at enhancing the resilience of the communities in which the Group operates thanks to a structured "glocal" approach, ensuring the implementation of the most relevant strategies according to the needs of local areas.

As part of this overarching commitment, the Group is also pursuing its engagements to:

- Fostering local economic development: from 2020, 100% of the Group Flagship assets support local entrepreneurship through commercial partnership and regional networks;
- Supporting local partners:
  - The URW for Jobs programme aims at facilitating the recruitment of people cut off from the job market. Through this programme, the Group committed to have 1,000 people per year integrating a job or a qualifying training programme by 2020;
  - Local partners are also supported through locally tailored initiatives or events. Since 2018, almost 100% of the Group assets organise at least one event each year with a non-profit organisation. To reinforce these partnerships, the Group commits to have 100% of its Flagship assets support at least one charity or NGO-sponsored long-term project by 2022.

Given the high number of visitors coming each year in its assets, URW is aware of its responsibility to support more responsible consumption patterns and the development of desirable sustainable consumption alternatives. Therefore, the Group committed to support and promote at least one sustainable consumption initiative in all its Flagship assets by 2022 and collaborate with tenants to increase transparency of brands on health and sustainability, while expanding healthy and sustainable alternatives in 100% of its Flagship assets by 2025.

A summary of the results achieved against these Group strategic targets is presented in the 2020 performance dashboard (see Section 2.1.4.1 Summary of the Group's CSR performance).

2.3.1 PROMOTING COMMUNITY RESILIENCE

"Community resilience" is the ability for a community (made up of people, private businesses, government and non-profit organisations) to uphold a favourable socio-economic climate, anticipating incidents and unplanned events, as well as contributing to generate positive impact on the local area. It is based on building strong and long-term local relationships to understand challenges faced by the communities the assets belong to and coordinate common answers. By generating social capital and reducing risks in and from the community, resilience is a part of the business performance and essential for the long-term growth of the assets in their local areas.

The Community Resilience Action Plan is the yearly action plan arising from the long-term social strategy designed at asset level to contribute to the long-term development of the community and thus, the asset itself.

In 2020, **100%** of owned and managed shopping centres have designed their first Community Resilience Action Plan. Within the same framework, each asset management team conducted an in-depth analysis of the key issues faced by their local community. They identified key stakeholders to work or partner with on these issues and exchanged with them on their vision and strategies to tackle local community issues. The output of this analysis was formalised for each asset into a long-term strategy and translated into short-term co-constructed projects specifically tailored to the community's strengths and vulnerabilities.

In addition to reinforcing the dialogue with local stakeholders, this new process enables the Group and each asset to improve the monitoring of its local involvement and hence to enhance its socio-economic impact.

Each Community Resilience Action Plan was reviewed and validated in formal meetings involving relevant members of the Country Management Team, to align and empower all internal teams for a successful implementation.

The consolidation of the Community Resilience Action Plans of the entire portfolio highlighted commonalities on which a Group-wide approach will be designed. It also brought to light a number of local innovative practices which will be extended for a greater impact.

Concrete examples of existing Community Resilience projects:

- Westfield Forum des Halles teamed up with the non-profit CASP (*Centre d'Action Sociale Protestant*) to find relevant and long-term solutions for marginalised people (people experiencing homelessness, individuals struggling with addiction, etc.) in the area. Through strong relationships with the social workers of the non-profit and dedicated training of the security provider, individuals are identified by the security providers, and accompanied by the non-profit to the right external supporting structure (medical support, social housing, etc.) towards autonomy and psychological well-being.
- To support youth integration in the working life while enhancing dynamics around innovation and sustainability towards local young people, the shopping centre Aupark partnered with several Universities to provide field work and real case studies for students. With the *Slovensk Technick Univerzita*, the students of the Building Information Modeling module were offered the opportunity to put their skills into practice by measuring the centre units. In the meantime, the centre empowered students from the *Prodovedeck Fakulta Univerzity Komenskho* to measure the temperature of the underground water, of which the decreasing level is a rising issue in the city. This last study comes together with current discussion with the municipality of Bratislava on the implementation of a water retention project.
- To fight the increase of crime in the city, Westfield Mall of Scandinavia and Solna centres support a local volunteer group made up of residents who are patrolling the streets of Solna during night time to exchange with young people spending time in the street to ensure that they have someone to turn to if they are in trouble. Both centres support the group, by providing spaces and facilitating exchanges with the police to find ways to build a long-term solution for the community.
- At Westfield Chodov, in the Czech Republic, the centre joined efforts with several non-profits and the TV station OCKO to create the *Óbejvak* project; a dedicated space for kids and youngsters to engage in several activities and games under supervision. This space compensates the lack of infrastructure in the local areas, thus avoiding youth disenfranchisement. It comes together with a long-term partnership with two social agencies, Proxima Sociale and YMCA, which provide advice to young people in a contact point in the centre, while exchanging regularly with the shopping centre management teams to monitor more efficiently the issues related with young children in the community.
- In the US centres, URW employees contribute to accelerate the recovery of the local communities after the occurrence of a natural disaster by engaging with the authorities to reopen public spaces. This is made possible by securing the corresponding certification of URW architects.

The relevancy of working on resilience was confirmed during the COVID-19 crisis. The multiple, strong and trustful relationships of the centres with local partners resulted in meaningful collaborations to prevent risks and strengthened the ability of the community to react and recover (See Section 2.3.3.1 Supporting the community).

URW is convinced that the locally tailored and co-constructed approach of the Community Resilience Action Plans will drive mutual flourishing of both communities and its assets. From 2020, Community Resilience Action Plans will be updated on a yearly basis.

2.3.2 EXPAND LOCAL ECONOMIES

Be it at a local or global level, having a clear understanding of the economic and social impact induced by its activities is key for the Group.

Unibail-Rodamco-Westfield assesses the social and economic impact of each development project, which includes both the temporary impacts of the construction phase, as well as the long-term contribution of the asset's operations to the prosperity of local communities. Throughout the development, the Group not only generates construction-related jobs, but also contributes to the development of transportation infrastructure and public realm, dynamising the communities in which it operates. Once completed, projects serve as catalysers of local employment (directly and indirectly), economic activity and tax income. The Group's developments play a key role in revitalising and regenerating areas, attracting additional investment and projects, and unlocking their growth potential. The assessment and enhancement of the socio-economic impact of development projects supports a constructive dialogue and collaboration with the local authorities.

Once assets are in operation, the consideration of the socio-economic impact is fully integrated as part of the decision-making procedures; social and economic criteria are systematically considered and addressed when entering into relationships with stakeholders, particularly with the supply chain during the purchasing process. On top of this, the Group and its assets design and implement relevant community programmes to be a catalyst for growth within the communities in which it operates.

2.3.2.1 SOCIO-ECONOMIC IMPACT – BOOSTING OUR SOCIO-ECONOMIC FOOTPRINT

The Group started to work on quantifying the socio-economic footprint of its assets in 2013 by assessing the contribution of French owned and managed shopping centres to the French economy. In subsequent years the Group progressively expanded the scope of this review to encompass all the shopping centres in Continental Europe. The last available study was performed in 2018. It encompasses 55 centres, based on a detailed study on the Westfield Carré Sénart Shopping Centre. The 2018 study, performed by external experts, enabled the Group to measure the following economic impacts[1]:

- **Local impacts (ranging from the city to the region level):** by estimating the total paid out salaries which are tied to activities of the shopping centres, the number of jobs created, as well as local taxes paid in relation to operational activities;
- **National impact:** by estimating the Full Time Equivalents (FTEs) associated with all jobs provided by the shopping centres. This includes URW employees, tenant employees, and those of on-site service providers.

(1) For Continental Europe, employment, salaries and tax contribution figures were estimated using economic modelling techniques, data provided by URW and assessment methods and simulation based on national statistical databases. URW's total tax contribution was based on data provided by the Group. All results are expressed in terms of created or maintained jobs excluding "additional" effects; some jobs would have existed even in the absence of a shopping centre in the area.

In 2017, 62,266 hosted jobs were created or maintained within the Group's shopping centres in Continental Europe (including retail spaces within those shopping centres not owned by the Group). Tenants' employees accounted for 95.5% of the Group's footprint in terms of direct employment in Continental Europe, with suppliers and subcontractors accounting for 4% and on-site URW employees for 0.5%. France, Spain and Germany are the three main contributors to direct employment created or maintained by the Group in Continental Europe.

Two additional studies were conducted in the following years to evaluate the socio-economic impact of the Group activities over a period of ten years. The studies focused on specific geographical areas.

In 2018, the Group published the results of the socio-economic footprint of its two assets located in London[1]. During their ten years of operations, both Westfield London and Westfield Stratford City supported 25,000 jobs (FTE equivalent) in London, which account for approximately 12% of all jobs in two local boroughs: Hammersmith and Fulham, and Newham. In addition to encouraging local employment through several services to tenants, the study estimated that 24% of Westfield London employees were previously unemployed.

Over ten years, both assets have attracted 590 million visitors and generated over £16.7 Bn in sales. Through the creation of mixed-use developments which feature the best in retail, dining and leisure alongside offices, hotels and residential, the Group's centres have acted as catalysts to further inward investment and have contributed to placemaking in key areas of London. The report outlines URW's contributions including:

- Over £200 Mn on improving infrastructure and connectivity;
- Over £13.6 Mn in education and training;
- URW centres now support 32,000 jobs in the capital with over 12,000 being created through developments in Stratford and Croydon;
- Westfield London and Westfield Stratford City are estimated to directly generate £22 Bn to £30 Bn worth of gross economic activity (GVA) over the next 20 years;
- The two centres generate significant additional expenditures for the benefit of local businesses, including an estimated £18 Mn to £25 Mn annual spend by centre employees and an expected £16.5 Mn total spend by construction workers;
- The 4,000 new London homes are expected to generate £58.5 Mn in annual residential spend in local areas.

In 2020, the results of a similar study conducted on the socio-economic impact of the Group's activity in the Paris region (*Île-de-France*)[2] revealed that the Group's operations generated €9.5 Bn of direct economic benefits in the region in 2018:

- €4.1 Bn from the retail activity of the Group's 14 shopping centres, which steadily increased 3.2% per year on average over the previous ten years;
- €5.4 Bn from the Convention & Exhibition activities.

Over a ten-year period (2009-2018), the Group has invested every year an average of €310 Mn to develop ambitious projects to contribute to increase the region attractiveness and dynamism.

The study also confirmed the Group's major economic role in supporting employment; overall, in the Paris region, the activities of the Group support directly or indirectly over 60,000 jobs, of which 1,000 being directly provided by the Group. These jobs are of all levels and qualification, offering a wide range of opportunities:

- The retail activity accounts for 21,000 jobs supported. Retail jobs are by nature impossible to delocalise and offer opportunities for unqualified individuals; 78% of the sales staff in France have qualifications below baccalaureate level, or no qualifications at all;
- The offices activity supports approximately 12,000 jobs, attracting the best international talents to the region, a trend which is expected to continue given the size and quality of the Group's projects in major financial centres in the context of Brexit;
- Finally, the biggest driver of employment is the Group's Convention & Exhibition activity; 30,000 jobs are estimated to be supported by the events and tourism generated by Viparis' operations.

The results of these studies confirm the significant economic contribution of the Group, its retailers and its suppliers in the economy of each region both at local and national levels.

Employment and financial contribution to GDP through salaries and taxes are universal performance indicators followed by numerous companies to measure their socio-economic impact. However, the contribution of the Group activities to the development of local areas are not restricted to job creation or tax payment.

The ambition of the Group of being a catalyst for growth is translated in a wide range of additional initiatives towards the communities ranging from entrepreneurship projects to training programmes (see following sections). These additional engagements towards communities demonstrate the Group's commitment to not only contribute through the positive impact naturally induced by its activities, but to proactively create value for its community.

– TAX TRANSPARENCY

Tax transparency regimes

URW is a publicly traded Group dedicated to investing in commercial real estate across Europe and the US. Many countries have adopted laws on local tax transparency to encourage long-term investment in real estate. These regimes subject the Group to distribution obligations[3]. Based on the tax transparency regimes, the profits made are taxed at the shareholder level directly, instead of at the level of the Group. URW promotes the concept of a global real estate investment regime that would allow for mutual recognition and a fair share of tax revenues between the countries where the properties are located, through withholding tax payments, and the countries where shareholders are located, through income tax payments.

(1) *10 years in the Making - the socio-economic impact of Unibail-Rodamco-Westfield centres in London*, by Volterra, released in November 2018: https://www.urw.com/en/portfolio/standing-assets/standing-portfolio/shopping-centres//-/media/Corporate~o~Sites/Unibail-Rodamco-Corporate/Files/Homepage/Portfolio/Standing-Portfolio/Shopping-Centre/Westfield-London/URW-10_Years_in_the_Making.ashx

(2) *10 ans d'impact positifs en Ile de France - Unibail-Rodamco-Westfield au service de la transformation du territoire francilien*, published in 2020: https://cdn.urw.com/-/media/Corporate~o~Sites/Unibail-Rodamco-Corporate/Files/Homepage/PRESS-ROOM/Publication/20200817-URW-10-ans-d-impacts-positifs-en-ilede-france_onlyFR.ashx?la=fr-FR&revision=be4c894e-2847-4d24-b55d-66d9f5970e6e

(3) See the consolidated financial statements in Section 5.2 Notes to the consolidated financial statements and Section 8.1.3 Tax regimes, for an overview on these regimes.

URW also believes that the tax transparency regimes for real estate contribute to a responsible and sustainable approach to taxation by creating conditions for long-term investment and win-win partnerships between local communities and the real estate industry.

In the context of the COVID-19 pandemic, the Group limited the payment of a dividend in 2020 to 50% of the distribution initially proposed (€5.40 per share instead of €10.80), an amount in line with its SIIC distribution obligation. In 2021, no dividend will be paid for the fiscal year 2020.

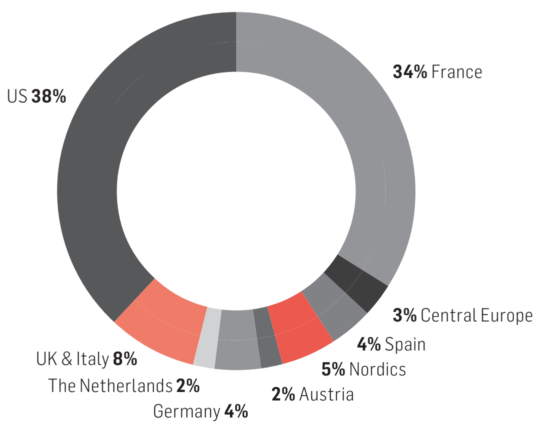
The tax position of URW reflects the geographical location of its activities. The Group declares profits and pays taxes where its activities are carried out. This translates into payments to local or national tax authorities of corporate income tax, business taxes and taxes withheld on dividend payments[1].

Taxes and social security contributions paid locally

Group's tax position mirrors the location of its investments. Considering its €56.3 Bn portfolio and the fact that holding real estate assets requires it to pay property taxes, URW pays significant amounts of taxes. Significant tax payments are also made to local authorities upon investment and divestment transactions, although this will vary as it depends on the number and size of transactions completed during a particular year. In addition, URW and its tenants in the Group's shopping centres employ many people locally who contribute significant amounts in taxes and social charges.

In 2020, on a proportionate basis, the subsidiaries of the URW Group paid €309 Mn of local taxes and social contributions. The below geographic breakdown does not include income taxes which are reported in note 8.2 in Section 5.2 Notes to the consolidated financial statements.

GEOGRAPHIC BREAKDOWN OF TAXES AND SOCIAL CONTRIBUTIONS PAID IN 2020



Furthermore, the €747 Mn dividend payment made by the Group in 2020 gave rise to an immediate payment of withholding tax, the cost of which is borne by shareholders, with an estimated amount of €88 Mn paid to French tax authorities.

Combatting tax evasion

The business strategy of URW consists of creating value with its real estate portfolio over the long term. The tax policy of the Group is completely integrated into this long-term plan and is consistent with the normal course of its business operations.

In 2020, the Group operated in 12 different countries in Continental Europe, the UK and the US. The Group does not use investment routes through non-cooperative countries or territories[2] to locate income in low tax jurisdictions. As a matter of principle, URW complies with the letter and the spirit of tax laws and regulations. Tax risks are followed and monitored by a team of internal and external tax experts and discussed with an internal committee whose members include the Group Chief Executive Officer and the Group Chief Financial Officer, the Group's auditors, the Group's Audit Committee and the Supervisory Board.

URW complies with tax transparency regulations such as the European DAC 6 (Directive on Administrative Cooperation, as amended for the sixth time), the United States FATCA (Foreign Account Tax Compliance Act) and CRS (Common Reporting Standard) and files its fiscal Country-By-Country-Report with the French tax authorities.

Further information on URW's approach to tax is available on our website at the following link: https://www.urw.com/en/investors/taxation-information.

2.3.2.2 SUPPORT LOCAL ENTREPRENEURSHIP

The Group wishes to enhance the economic vitality of its community by fostering local economy and committed to have 100% of its Flagship assets support local entrepreneurship through commercial partnerships and regional networks in 2020. This target was partially achieved due to the pandemic which restrained the capacity of the asset to operate. Still, **70%** of the Group flagship assets managed to empower entrepreneurs to create businesses and grow. The support provided took different formats, depending on the operational means available to the asset.

The Group assets offer entrepreneurs visibility and exposure to customers through marketing operations or space provision (shopping centre unit, temporary space in the common parts or during special events such as the Christmas market). Several examples of concept stores were implemented this year in the Group assets, promoting young entrepreneurs or artisans. The Temporary Concept Store opened in July at Pasing Arcaden served both the centres' tenants and local entrepreneurs with its innovative and interactive exhibition, showcasing their products and services. In Metropole, a pop up store with DesignBlock20 promoted young designers or small local retailers starting their businesses. In Austria, the Design Market concept stores highlighted a wide range of stylish masks and sanitising products from local small-sized or individual companies in both Austrian assets.

(1) See note 8 to the consolidated financial statements in Section 5.2 Notes to the consolidated financial statements and Section 8.2 Income tax expenses.
(2) Non-cooperative countries or territories are usually defined as countries or territories refusing to adhere to international tax good governance standards.

Support to entrepreneurs is also conducted through the provision of financial support, from long-term services partnerships to financial grants. This is, for example, the case every year through the Westfield East Bank Creative Future Fund, part of the sponsorship programme of Westfield Stratford City. To raise awareness on responsible production and innovation, the shopping centre Wilma challenged Berlin's designers and artists to reuse the 1,000 sqm mesh banner used to hide the refurbishment works of the façade and turn this raw material into a useful object or art. Over a dozen projects were presented including mattress bags for homeless and upcycled ponchos, shoes and high-visibility jackets for nature waste collectors. The five finalist projects shared a €5,000 award, while an exhibition sensitised the centre's visitors to the need for more circularity.

In the Czech Republic, partnerships with start-ups focusing on sustainable mobility like Hoppy Go (car sharing) or Rekola (shared bike) also started to encourage the shift towards more sustainable modes of transport. Another example is Westfield Chodov shopping centre which encouraged the local start-up Beta Robotics to test a new innovation to tackle the pandemic issues with a new robotic air-cleaning solution.

Shopping centre teams are also helping entrepreneurs grow by facilitating their relationship with the retailers or providers, such as with SKOONU, a start-up which enables customers to use sustainable packaging for the delivery of food items, which was supported by both Austrian assets through advertising and providing contact with tenants to connect to the service.

Finally, URW teams also engaged in mentoring activities by being active in local entrepreneurship networks to support strategical decision-making and assist with the operational installation of entrepreneurs in their premises. The Group's assets in the US financially supported 11 entrepreneurship programmes, focusing on minority or female-owned businesses. An example of these partnerships is the Urban Incubator of the Los Angeles Urban League, which created an 18-month incubator programme that provides minority and women-owned companies with best-in-class business intelligence, one-on-one strategies for success and a network of advisors and mentors. In the San Diego region, the assets teamed up with the Urban Business Resource Center to support underserved low and moderate income minority-owned business enterprises with individualised training and technical assistance to scale their businesses. This kind of support is also implemented in other Group asset locations. In France, two assets are members of the "Initiative" network, which supports local entrepreneurs through financing, counselling and networking. As a result, the shop "*la Place Ephémère*" in Aéroville enables retail entrepreneurs supported by the network to conduct customer facing tests and develop their businesses.

Besides local initiatives, several country-wide actions are initiated to empower entrepreneurs. Every year, URW organises the *Grand Prix Commerce* (Grand Prize Retail) to support retail innovation and business creation. The competition organised since 2007 in France and for the first time in Spain in 2019, rewards bold innovative concepts with grants and the opportunity to develop in the Group's shopping centres. With its yearly *Grand Prix Commerce* URW, the Group has already helped accelerate the development of over 35 young, daring retail entrepreneurs, while identifying the innovative concepts that will enhance future retail. Unfortunately, due to the COVID-19 pandemic, the 2020 competition was postponed until 2021.

2.3.2.3 SUPPLY CHAIN MANAGEMENT

The CSR strategy of the Group addresses fundamental challenges and encompasses a much wider footprint than its direct actions. Being a substantial buyer, the Group is aware of the importance of driving industry standards and pushes for an evolution on the way it drives its suppliers and service providers toward more sustainable operations.

Given the size of its portfolio, the Group works with a large number of suppliers and contractors. This ensures that URW is not exposed to the risk of depending on only a few main strategic suppliers.

– PURCHASING MAPPING

Purchases at URW can be split into three categories:

- Corporate overheads, including office management, business travel, consultancy and audit fees, corporate communication and public relations costs, ICT and other administrative costs. This covers all Group staff and regional headquarters;
- Operating costs, services provided to properties for daily on-site operations, such as cleaning, maintenance, security, waste management, energy and fluid provision, and marketing expenses (OPEX paid by the property owner and mostly passed onto tenants as service charges);
- Capitalised construction works invested in properties for three main purposes: new development or enhancement works, maintenance works or reletting works (CAPEX paid by the property owner); these include mainly purchases from constructors, fees for architects, designers and engineering firms, and insurance premiums.

The varied nature of procurements and the diverse locations of the Group's properties result in having most of the supply chain being local companies or subsidiaries that support the local economy. In addition, wherever possible, the purchasing policy favours local purchases in the catchment area of the Group's assets in order to contribute to employment and local economic development.

Purchases consist principally of OPEX and CAPEX for the operation and development of properties (overheads being a small part of the overall expenses). Operating expenses are spent locally. OPEX and CAPEX costs mostly comprise of labour-intensive services and to that extent are purchases that cannot be relocated. Capitalised construction works are non-recurring expenses depending on development activity.

– SUSTAINABLE PROCUREMENT

URW's procurement strategy is designed to comply with the following rules: fairness, focus on quality, long-term partnerships, reduced risk and the respect for applicable regulations. Moreover, the Group must honour the trust placed in it through property management contracts which aim to be transparent and cost-efficient.

In addition to the principles and rules detailed in the Group procedures and Compliance Book (and specifically in the Code of Ethics and the Anti-corruption programme), all purchases must comply with the applicable local laws and regulations, especially labour and environmental laws. These local laws and regulations notably include the respect of the Modern Slavery Act or anti-discrimination clauses in the US.

To secure the proper application of these rules, in the case of a tender process and over the term of a contract, the supplier can contact the URW Compliance Officer at any time to raise and submit a complaint, in accordance with the Group's whistleblowing procedure. The URW Corporate Internal Audit team carries out regular audits across the Group to validate the thorough application of the Group's procurement policy.

The CSR approach is fully integrated at each step of the supplier procurement and referencing process of URW in Continental Europe.

In 2020, URW was again identified as a global leader for engaging with its suppliers on climate change, being awarded a position on the 2020 Supplier Engagement Leaderboard by global environmental impact non-profit Carbon Disclosure Project (CDP). URW was recognised to be among the top 7% of organisations assessed by the CDP.

Also, in 2014, the Group voluntarily signed the "Responsible Procurement Charter" in France, an initiative led by the French authorities. This charter, structured around ten commitments, aims to promote best practices for more responsible purchases and a more balanced and cooperative relationship between large companies towards their providers.

In Sweden, URW adhered in 2020 to the local property industry's Code of Conduct for suppliers, which is applied in its purchasing processes for headquarters, shopping centre management and construction activities to ensure that all the goods and services purchased are produced as part of sustainable and responsible relationships. Suppliers are to sign and comply with the Code of Conduct which includes requirements related to the preservation of the environment, the working environment and social conditions, and business ethics and compliance. Furthermore, suppliers are to answer a self-evaluation questionnaire to make sure they work in an ethical way when it comes to sustainability, work environment, labour legislation, human rights, etc.

Selection of suppliers

URW chooses its contractors with great care and ensures they comply with its procurement policy. The Group-wide Purchasing Procedure guarantees an optimised price for the best level of service while securing an equal treatment among providers/suppliers. It states that the suppliers of all goods and services must be selected fairly on the basis of objective, comparable criteria and, when relevant, according to procedures relating to invitations to tender.

Prospective business partners are screened in line with the "Know Your Partner" procedure of the Group. These due diligences aim at assessing the partner exposure to corruption risk, but also enable the Group to identify past international labour law or human rights breaches.

Before a new service provider joins the approved list, a substantial amount of information is required, including an overview of its CSR strategy and practices. These environmental and social factors are of particular importance to the Group's information in its choice of suppliers: they form part of the criteria considered in any tender process used to select suppliers.

Each purchasing step is duly documented for traceability. In Continental Europe, a web-based solution for purchasing management was launched in the Autumn of 2017, focusing on services procurement in the standing portfolio. The use of this purchasing platform makes the procedures of URW more robust, facilitates new and direct collaboration between all stakeholders, ensures the transparency required for all purchasing decisions, helps operational teams to select providers, and facilitates the sharing of best practices and risks mitigation. This solution secures the administrative management for the whole purchasing cycle and generates productivity gains.

Inclusion of CSR criteria in contractual clauses

General Purchasing Conditions ("CGA") apply for all the countries in which URW operates, although they vary between Continental Europe, the UK and the US, according to local requirements. A clause is also automatically included in these conditions, requiring suppliers to abide by the Group's Code of Ethics provisions, including: complying with applicable laws and regulation, prevention of all forms of corruption, prevention of all forms of discrimination, respect for human dignity and for employees' work, preservation of the environment and reporting practices that are in breach of these principles using the contact procedure provided by the Group.

In Continental Europe, for standing assets, service providers, particularly cleaning, multi-technical maintenance and security companies, are asked to sign the CGA attached to each contract, which include a sustainability clause covering all environmental issues, notably improved energy efficiency, responsible waste management, and the use of environmentally-friendly products and materials, and which ensure the protection of social and labour rights, including a commitment to comply with the conventions of the International Labour Organisation ("ILO") and with local employment legislation.

In the UK, the Standard Service Agreement includes a commitment to comply with all relevant safety, labour and environment (including but not restricted to waste and water management) legislation, with the site environmental management accreditation (ISO 14001) and with best practices in these areas.

In the US, specific mention of the Modern Slavery Act requires the suppliers not to engage in any direct or indirect form of human trafficking, slavery, forced or involuntary labour.

In France, two addenda included in the Group CGA reinforce the existing sustainability provisions, specifying the efforts and results expected in terms of environmental and social performance: an "environmental clauses addendum" and a "professional integration clauses addendum". The latter, which was introduced in July 2018, commits service providers to fostering the professional integration of people remote from the job market. It requires service providers to commit and make major efforts in this field when providing services within the Group's assets. Specific targets are set in association with the Group, to adapt professional integration ambitions to the scope and business of each supplier, to secure genuine pathways leading to careers or qualifications and diversified recruitment channels. The ambitions are regularly reviewed and challenged at national and local level. In this addendum, providers also agree to recruit most of their staff from communities located close to the place where the contract is being fulfilled, and to take part in the Group's "URW for Jobs" recruitment events (see Section 2.3.3 Engaging with local stakeholders). Finally, signatory providers agree to prepare and send to the Group, a summary of the professional integration actions implemented and results obtained in each of the Group assets in which they operate. At the end of its roll-out year, the "professional integration clauses addendum" had been signed by 11 of the Group's key suppliers, resulting in over 179,000 hours of professional integration provided in the Group assets.

In Continental Europe, for projects under construction, the contracts signed with suppliers state that the Group and the companies it controls are committed to reducing the carbon footprint of their projects, particularly during the development phase of the assets. A clause indicates that the construction companies involved in the Group's projects must take the carbon impact into account when selecting construction techniques, materials and technical solutions. After each project review and at all project stages, an arbitration regarding the carbon footprint impact is to be taken for the proposed solution to be submitted to the Group. The principles and action plans used to select the most sustainable materials with a reduced carbon content are specified in Section 2.2.2.3 Construction materials.

Raising awareness amongst existing suppliers

To encourage existing suppliers and contractors to improve sustainable operating practices and use environmentally sustainable materials, the Group shared its CSR policy and related environmental and social targets with **all of its main service providers Group-wide** through official communication letters including contents and ambitions of the Group CSR strategy and the announcement of further supplier engagement on CSR topics. The Group confirmed its willingness to work hand-in-hand with its supply chain in its Better Places 2030 journey.

As part of the Group's Continental Europe "4 Star" label criteria, URW regularly conducts training in customer service skills for the security staff and cleaning suppliers at all shopping centres with the "4 Star" label. In France, maintenance suppliers are trained in the Group's Environmental and Health and Safety processes, free of charge.

The Group has also introduced initiatives concerning incentives for energy savings and waste segregation performance (e.g. energy performance contracts – see Section 2.2.3.4 Energy management, and contractual targets of percentage waste to landfill – see Section 2.2.3.6 Waste management). These site-by-site practices challenge suppliers and serve as a basis to involve them in a process of continuous improvement for all managed assets.

In 2020, the Group had planned to address CSR-related topics in dedicated supplier meetings or reviews to ensure the inclusion of sustainability issues in operational practices, however, due to the particular context of the COVID-19 crisis, this work had to be postponed. Instead, in 2020, the Group has designed its Responsible Procurement Roadmap.

Assessing the CSR performance of suppliers

In Continental Europe, internal annual supplier assessment of compliance with environmental clauses, management modes and service quality are performed on key services (multi-technical, health and safety, mechanical transport, cleaning and waste management).

The supplier assessment process allows for the evaluation of supplier compliance with contractual requirements and to anticipate tender needs. Data collected through these assessments, once consolidated, are also shared with contractors through Steering Committees.

In 2020, Viparis has launched an external evaluation campaign of its suppliers on CSR criteria in partnership with Ecovadis, shifting from its previous internal CSR supplier assessment campaigns. As part of its Better Events 2030 programme, Viparis targets to externally assess 100% of its suppliers on CSR criteria in 2021. For suppliers outside of the Ecovadis platform, Viparis has also updated its CSR internal assessment questionnaire in 2020.

2.3.3 ENGAGING WITH LOCAL STAKEHOLDERS

2.3.3.1 SUPPORTING THE COMMUNITY

Each of the Group's assets is fully committed to creating social value for communities and contributing to the sustainable economic development of the areas in which it operates. This commitment has taken a new meaning during the COVID-19 crisis, which hit communities all over the globe, leaving millions of people uncertain about their health, their financial situation, and the future. During these unsecure times, the Group stepped up to support the authorities to fight the pandemic and help those in need, reflecting on the role it plays for the local areas in which it operates and its willingness to make a difference.

In these unprecedented times, the Group's usual community-oriented activities were reoriented to answer to the most urgent needs. URW for Jobs and URW Community Day, the Group's two major yearly social initiatives were adapted to the COVID-19 situation.

– SUPPORT TO COMMUNITIES DURING THE COVID-19 CRISIS

EXAMPLE OF SUPPORT ACTIONS LED BY URW IN THE CONTEXT OF THE COVID-19 CRISIS

88
food distributions were organised by the Group's assets.

11
assets engaged to support non-profit and authorities **fighting domestic violence**.

27
blood donations sites and 20 **COVID-testing sites** were hosted in the Group's premises.

23
centres engaged to **maintain education** and studies throughout the year.

Solidarity and collaboration have become a priority, be it to fight the spread of the virus or to address all the indirect implications of the pandemic on vulnerable population. Unibail-Rodamco-Westfield has spontaneously engaged across the world an important number of actions and dedicated resources to serve the communities in which it operates. Overall, over 245 community-oriented actions were implemented by the assets during these unique times, orientating the Group's effort towards three fields of activities:

Prevent and fight against the spread of the virus and help stop the outbreak

The Group made several of its locations available to health and military authorities, to quickly develop tangible solutions; as early as in March, the Group welcomed COVID-19 testing facilities. Mostly oriented towards healthcare workers or fragile people, these initiatives were progressively multiplied to welcome a broader population. Overall, 20 testing sites opened in 2020 in the Group's premises enabling the testing of over 35,000 individuals.

Similarly, 27 blood drives (respecting COVID-19 health measures) were rapidly implemented during the year to address the supply shortage, enabling healthcare organisations to connect with over 3,800 blood donors.

On top of spaces, the Group gave access to multiple other resources to support the authorities effort, like water supply in Bonaire in Spain for military tanks to sanitise public areas.

To better support medical staff, all Group assets partnered with their local hospital(s) to understand their most pressing needs and provide appropriate answers. It led to numerous initiatives such as the usage of their facilities as hospital extension (parking lots, shuttle bus pick up/drop off stations, lavatory use or storage areas) or material and financial donations. A wide number of centres teamed up with non-profits, retailers or providers to manufacture or purchase protection equipment (masks, gloves, etc.). Others supported first responders with gift cards to operating centre eateries or donation of ready-to-eat, long -lasting food products. Amongst many other, Parquesur in Spain was instrumental in the transfer of beds from the hotel to the nearby hospital, and Westfield London donated furniture to create a comfortable break-out area for doctors and nurses. Similarly, Solna Centrum and Westfield Mall of Scandinavia supported the local elderly care institution which needed to transfer nearly 100 employees to COVID-19 hospital wards and therefore needed to replace those employees. The information was shared with the centres' tenants to find replacements among the furloughed employees. It enabled placement of 70 individuals to work at the elderly care institution.

Finally, the Group also made it a priority to spread governmental orders through its social media to inform and encourage the public to comply, while sharing positive and instructive messages such as DIY clips to stitch self-made masks or a selfie competition of masked customers.

Protect the most fragile population

In these uncertain times, some are more exposed than others. True to the Group's longstanding commitment towards its communities, URW's teams urgently focused on supporting the economically disadvantaged, children, seniors, the unsheltered, and other communities in need of a rapid response.

In each region the Group operates in, the range of actions was vast, supporting over 130 charities and local non-profits providing services and essential supplies to address the crisis.

Assets became platforms to create and donate food or supplies packages, making the link between food tenants, supermarkets and non-profits, which would distribute the products to families, children left without meals due to the closing of schools, the elderly, or homeless people. Over 32,100 people were supported and received a food donation thanks to the Group's assets initiatives. In Los Angeles, amongst several other examples, URW teams supported a vitally needed American Red Cross school lunch programme for economically disadvantaged children, helped Brotherhood Crusade purchase needed food and supplies for local low-income and underserved residents who had lost their jobs during the pandemic, and supported the WARD AME Economic Development Corporation to feed seniors impacted by COVID-19 at the non-profit's residential programme.

In addition to providing urgent food and daily necessities to those most in need across the communities the Group serve, URW teams worked hand-in-hand with local charitable organisations and NGOs to ensure that longer-term health, economic and social support would be provided as well.

Several countries engaged to support abused women and address domestic violence. In France, empty retail spaces in eight strategical locations located near stores still in operation (such as pharmacies and supermarkets) were offered to non-profits struggling to reach the populations in need. This initiative, led in close partnership with the French Minister of State for Gender Equality, enabled the support of at least 70 women in positions of vulnerability and danger, in addition to spreading awareness and advice to the wider public. Witnessing the importance of this service at Villeneuve 2 in France, the Group decided to sustain the facility in a permanent format; since its opening in August 2020, the *Nina et Simon.e.s* space welcomed and supported over 400 beneficiaries.

Similar initiatives were implemented at Metropole Zlicin in the Czech Republic, while all Swedish centres cooperated with a non-profit providing shelter for abused women and made their contact information available in women's toilets.

A strong focus was also made on maintaining education while schools were closed amidst stay-at-home orders. 24 of the Group's assets engaged to provide furniture, equipment or support to virtual learning sessions. Almost 2,400 children and students were supported in pursuing their studies. In San Diego for example, the non-profit Mana de San Diego was supported to purchase laptops to send to young women lacking the resources needed to continue their education and training online. In the New York area, art supplies were provided to the New York City Fund for Public Schools for homeless children living in shelters during the pandemic, while Galeria Wileńska in Poland worked hand-in-hand with a local foundation to facilitate internet access and the purchase of laptops and mobile devices to enable children to take part in remote school activities.

Strengthen the local cohesion

URW's purpose to "Reinvent Being Together" took a new meaning this year. In a time when being together has become difficult if not impossible, the Group and each of its assets explored new ways to sustain social connections.

Supporting the assets' retailers to get through the crisis was the daily challenge of the Group's teams. The first collaboration was on the implementation of the appropriate measures for the shoppers to enjoy their visit in complete confidence. But soon, the collaboration increased to enable them to survive lockdowns. From free promotion, in digital or in poster campaigns in the city, to organising deliveries or pick-up services for Click and Collect purchases, centres put in a lot of effort to highlight the open shops and facilitate to the highest extent their operations.

To support people suffering from social isolation, like the elderly during the time when family visits were forbidden, helplines or conviviality calls were widely promoted to the public, encouraging visitors to engage in phone relationships with lonely individuals. Concrete activations to maintain the link were undertaken. In The Netherlands for example, chocolate Easter eggs were distributed to elderly people in the neighbourhood or to the Salvation Army, and Spandau Arcaden in Germany organised small concerts which could be watched from the balconies of the surrounding retirement homes. Other centres such as Westfield Parly 2, Centro and Stadtshart Amstelveen donated iPads for elderly or hospitalised people to maintain family links.

With social distancing and self-isolating being the temporary norm, COVID-19 turned social lives upside down and transferred most of daily interactions online. In Europe, the URW *#Kindnesstogether* campaign connected retailers, partners and communities to address these unprecedented challenges, together. The Group reached out to all, bringing families and friends together online to bring them joy, creativity and fun during lockdowns: from online DIY animation for kids to keep them busy at home, to live games, virtual exhibitions and cooking or sport coaching sessions, the Group's assets scrambled to create relevant, interactive and useful content that met consumers' needs and enabled all to connect and still share memorable experiences. In the US, the *#WestfieldCares* was created on social media to broadcast the ways involved charities or organisations were supporting the COVID-19 responses and how followers could engage to support them.

Post-confinement, maintaining community bonds also included the provision of space to help the feeling of "return to normal". To address the distancing measures, the Group centres participated to facilitate the decongestion of classrooms; such as in La Maquinista in Spain, where students were provided with additional space to pursue their studies and sporting activities with the installation of new outdoor workout facilities. In Köln Arcaden for example, the local Choir TH Köln organisation was offered spaces for rehearsals in the parking garage and after hours in the centre to continue its activities.

Finally, the assets also expressed the need to pay tribute to the courage of caregivers and first respondents. Galeria Mokotow in Poland organised an exhibition of 60 portraits of first respondents sharing touching stories of the struggle for the life and health of patients. In all Dutch assets, the Christmas decorations were reused and upcycled into illuminations to thank health workers. In the UK, centres coloured up with a "Rainbow Trail" drawn by children and made assets turn blue celebrating the daily "clap".

These multiple initiatives reflect the spirit of cooperation and dedication that characterises the way the Group's teams work across all regions.

This cooperation spirit was reaffirmed by all Group Senior Executives (members of the Supervisory Board, Management Board, Senior Management Team and Country Management Teams as at December 31, 2020) who have taken the initiative to reduce their remuneration by -25% for the first months during which the partial activity measures were in place (April and May 2020). The amount not remitted was entirely donated to organisations that fight against COVID-19 and bring aid to those most impacted by the socio-economic consequences of the crisis, in all countries where the Group operates. In the Czech Republic for example, the resulting amounts were donated to Municipality of Prague to purchase needed technical medical equipment to Prague emergency medical service. In France, the compensation reduction amounts contributed to support the programmes of four organisations: the Parisian Fire Brigade for their training programme of the youth, the non-profit Habitat and Humanisme to finance part of their works in an intergenerational residence, the French Red Cross to support their national programme "*La Croix Rouge chez vous*" launched to face the pandemic and the non-profit Solidarité Femmes to strengthen their teams and purchase equipment to enhance their fight against domestic violence.

URW is humbled by the amazing work done by community-oriented organisations and commits to continue to work hard to support the many individuals and businesses who are most directly impacted by the effects of COVID-19 in its communities.

– URW FOR JOBS

URW for Jobs is one of the Group's major social initiatives. Its goal is to create job opportunities within the Group's assets for local people facing barriers to employment, for example due to economic, social or family issues.

The programme is designed for beneficiaries who have been unable to find sufficient employment, to receive free training support to meet the requirements of employers in the Group's value chain (for example, retailers, customer services, security and construction). At the end of this process participants are introduced to tenants from the shopping centre and other employers through job interviews, job fairs and job applications. These actions are delivered in collaboration with local public employment services and charities with which the Group builds long-term partnerships.

Between 2017 and 2019, URW helped 1,559 people to find a job or placement through the URW for Jobs initiative. The Group committed to support 1,000 local people to find a job or a certified training programme through the URW for Jobs programme in 2020, however, due to the global pandemic, 35 URW shopping centres that were forecasted to deliver the programme were unable to participate due to reasons such as health and legal restrictions set by governments, lack of vacancies in uncertain job markets; and reallocation of URW's budget and resource to support communities in the immediate response to the crisis as outlined earlier in the section.

In 2020, URW for Jobs was delivered by **22** centres in Continental Europe, the UK and the US. These centres have helped to train **262** beneficiaries. Through 28,844 training hours (on average 110 days training per candidate), the beneficiaries were able to rebuild self-confidence, crystallise their career plans and develop skills.

In 2020, **131** local people were hired in a job or completed a certified training course in the two months following the programme. This includes **89** candidates trained through the programme and a further 42 candidates who were able to gain entry to the initiative without prior training and found a job at events organised by the shopping centres. During the COVID-19 crisis, regional teams adapted the URW for Jobs programme to support candidates remotely, for example through videoconference interviews and online training. Additionally, in Sweden, the shopping centre management teams helped to support tenants' staff that had been made redundant during the crisis by signposting to the municipality's elderly care vacancies.

The Group maintains its commitment to support 1,000 people to integrate a job or a qualifying training certification through the URW for Jobs programme each year.

– URW COMMUNITY DAY

The URW Community Day is designed to engage a large number of employees in volunteering for a local charity, involving each of the 12 countries where the Group operates. In 2020, an unprecedented year, URW Community Day was adapted to support communities impacted by the COVID-19 situation (as outlined above). In addition to crisis community actions implemented by shopping centres, 27% of Group employees delivered more than **2,800 volunteering hours** in 2020.

Some of the volunteering initiatives included:

- In Czech Republic and Slovakia, employees took part in a charitable run, raising funds for the Tereza Maxová Foundation to support children from orphanages returning to the family environment and support mothers in need to raise their children;
- In Germany, 12 employees cleared parklands and woods in Düsseldorf's surrounding forests. The initiative was coordinated with the forestry authorities of the City of Düsseldorf and focused on a region highly affected by pollution and plastic waste;
- In Italy, local employees supported a children's charity by creating Christmas food hampers and donating to children and families in need;
- The Spain team dedicated over 600 hours to prepare meals and serve food at the local soup kitchen in collaboration with the Fundación San Vicente Paúl, as well as refurbishing the charity's reception area;
- In the UK, 33 employees volunteered to create 300 Christmas care packages for vulnerable families, in partnership with local governments and local doctors. The packages contained a wide range of essential goods from toiletries and baby food to clothing for young children;
- The US teams delivered over 1,000 hours of volunteering in 2020, including a partnership with Children's Hospital LA where volunteers made activity kits for patients and families. Approximately 900 activity kits were assembled and donated by 61 URW volunteers.

– LOCAL PARTNERSHIPS

Today more than ever, the Group aims to come together with communities and stakeholders building on each other's strengths to create shared value.

Anchored in the local areas where it operates, each of the Group's assets has built a strong network of local partnerships, working closely to identify and tackle the issues which are critical for local populations and businesses. By building these strong and long-term relationships with local stakeholders, the Group coordinates common answers, bringing its years of experience to connect people, commerce and the built environment.

In 2020, the Group made a step forward to better monitor and strengthen the positive impact of its community-oriented actions with the implementation of Community Resilience Action Plans in 100% of its owned and managed assets (See Section 2.3.1 Promoting community resilience). As part of the Community Resilience Action Plans, and in addition to the URW for Jobs and URW Community Days initiatives, these local or national partnerships give rise to a wide range of additional initiatives, in which URW employees dedicate time and expertise.

The Group committed to 100% of Flagship assets supporting at least one local charity or NGO-sponsored long-term project (> 2 years) by 2022. In 2020, at least 81% of Flagship assets had partnerships with charities or NGOs for at least two years. In 2020, **912** social and environmental initiatives were delivered by the Group's centres through the provision of spaces, donations, collection of materials or donations, and educational events. They benefitted **605** partners of which, 315 were non-profits, 198 were public community partners such as schools, nurseries and sports clubs, and 92 were private entities with a social or environmental purpose. This is equivalent to a financial contribution of €5.5 Mn.

On top of this, the contribution of the airport division of the Group amounted to a total value of €280 K.

Finally, at a corporate or national level, the Group also directly participated in philanthropic projects through donations and contributions, amounting to €2.9 Mn.

In total, philanthropic contributions from URW amount to **€8.6 Mn Group-wide**[(1)].

Examples of long-term projects with charities or NGOs:

- In France, Westfield Vélizy 2 works with four local non-profits to improve accessibility and develop dedicated services for people with disabilities. This collaboration led to the installation of electric scooters for people with reduced mobility and the launch of a partnership with a local social health-care institution to advance the employability of disabled people. The centre also launched a pilot test with a new service together with the partnering charities: one employee dedicated to welcome and accompany disabled customers in the centre based on preliminary appointment. To institutionalise and commit the centre in the long run, the partnership was formalised through the creation of a social inclusion committee on the International Day of People with Disability;
- In Poland, the Wroclavia shopping centre partnering with the Brother Albert's Aid Society to create a community garden. The community garden will not only answer an increasing demand of the neighbourhood for green spaces but will be operated by homeless people, to rehabilitate them and help them return to work. The shopping centre will fund the tools and seedling, to grow eatable plants, which can then be sold in a shop run at the shopping centre by the non-profit;
- In Austria, facing an increase in food insecurity in the city-centre of Vienna, the centre Donauzentrum partnered with the Samariterbund organisation to inaugurate in September 2019 a social market dedicated to people with very low income to provide them with access to every-day products at a discounted rate. In addition to providing a meaningful response to a local need, the social market, given its central location, fosters retailers to give unsold food products a second chance with a facilitated logistic.

These projects provide the charities and non-profits the support they need to have long-term visibility and develop impactful answers, while leaning on the stability, attractiveness and commitment of the Group's assets.

In parallel to these local partnerships, the Group pursued its long-term national engagement:

- In 2020, the Groups' French shopping centres celebrated the 12th consecutive year of partnering with the network of *Écoles de la 2e chance* ("second-chance schools") which, aside from financial support, benefitted from operational support to enable their young beneficiaries to secure their social and professional integration;
- In the US, URW's longstanding commitment towards military veterans and their families was enhanced during the COVID-19 crisis;
- In the UK, the Group's partnership with WISE and Stemettes to enable and inspire gender balance from education to business in STEM (Science, Technology, Engineering and Mathematics) was pursued with the engagement of UK volunteers with local schools to demystify and inspire young women about STEM career opportunities through workshops, personality quizzes, telling success stories and mentorship;
- As industry leader, alongside the main stakeholders of the French real estate sector, URW is involved in promoting and driving forward education and research in the fields of real estate and urban planning. As a founding member of the Palladio Foundation, the Group has taken part in its annual programme of conferences sponsored by the former French Prime Minister, Bernard Cazeneuve, on the topic of "the City of tomorrow serving transmission of knowledge" aimed at identifying the major challenges of contemporary societies to invent the city of tomorrow. In addition to these working groups, the Foundation also finances the brightest students in the real estate field, helping them to continue their higher education or pursue research projects: in 2020, 11 post-graduate students were awarded grants by the Foundation.

(1) The reduction of €1.1 Mn compared to 2019 in the overall philanthropic contribution amount is linked with:
- The cancellation of the Grand Retail Prize URW (which amounted to €1.8 Mn in 2019);
- A modification of the calculation methodology: for reason of clarity, "in-time" donations of assets for managing community initiatives were consolidated with the hours volunteered in the Group volunteering programme to harmonise the community-oriented involvement materialised in employee's engagement. The exclusion of this category from the monetary valuation of Group contributions gives raise to a discrepancy of €991 K which will be reflected in Section 2.4.3.1 Employee commitments and CSR through 20,697 hours of time donated by the shopping centre management teams.

At equivalent perimeter, the Group contribution therefore raised in 2020 vs. 2019.

COMMUNITY ENGAGEMENT

Our centres create better communities

100% of owned and managed assets with a Community Resilience Action Plan

URWforJOBS by UNIBAIL-RODAMCO-WESTFIELD

Creating job opportunities for people seeking employment

262
Job seekers trained in 2020

28,844
Training hours provided in 2020

131
People secured a job or with a certified training programme

LOCAL partnerships

Getting involved locally

912
Social or environmental initiatives delivered

Of which 247
to fight the spread of the virus, protect vulnerable groups and support communities during COVID-19

81%
Flagship assets supported at least one local charity or NGO-sponsored long-term project (> 2 years)

URW community DAY by UNIBAIL-RODAMCO-WESTFIELD

Engaging a wide range of employees to support non-profits

57
Volunteering initiatives

Involvement(1) of each of the
12 countries

2,861
Hours of volunteering

Main SDGs supported

3 Good health and well-being	1 No poverty	8 Decent work and economic growth	4 Quality education	2 Zero hunger
195 initiatives	126 initiatives	112 initiatives	98 initiatives	96 initiatives

(1) In initiatives supporting the local communities.

2.3.3.2 OPEN DIALOGUE WITH TENANTS AND VISITORS

Amidst the global pandemic, the Group dialogue with tenants and visitors was strengthened to face the unprecedented challenges of lockdowns and self distancing.

In 2020, collaboration with tenants not only addressed the appropriate and required measures to ensure the health and safety of their employees and visitors (see Section 2.2.3.7 Health & Safety, security and environmental risks and pollution), but also the implementation of new alternatives and tailored shopping solutions like deliveries, drive-thru or walk-thru to facilitate purchase and withdrawal of orders. This collaboration between retailers, service providers and shopping centre management was translated in the Unibail-Rodamco-Westfield *#Workingtogether* campaign, aimed at informing customers of the gradual reopening of shopping centres across the globe and communicating operational messages such as phased opening hours, social distancing guidelines, and increased health measures. It includes in-situ print and digital communication, as well as social media coverage.

The yearly tenant satisfaction surveys in each shopping centre were pursued in 2020 in Continental Europe and the UK, as well as one-on-one meetings with tenants, to secure that the retailers are aware of the Group's strategy to keep them safe and feel supported through the crisis.

The URW "Connect" application importantly improves day-to-day relations between the centres, tenants and suppliers. The application is regularly used to engage and get feedback of tenants and their satisfaction regarding new services or events. Launched in 2016, the application is currently used in 58 of the Group's shopping centres in Continental Europe and 28 shopping centres in the US.

The communication towards visitors was also enhanced to ensure that they felt safe and confident during their visit and to strengthen the ties with the entire community in these difficult times. In addition to usual regular customer satisfaction surveys, additional surveys were sent to customers, including questions on the centre's health and safety measures, to understand their expectations and adapt to their needs.

URW also strives to ensure its assets are welcoming and accessible to all citizens, empowering the Group's teams to take action to translate this inclusive vision in the Group's daily operations. Social inclusion is a critical topic for the Group, and this has been reinforced by the COVID-19 crisis and its impact on pre-existing inequalities as well as by other major social events.

- Moved by the scenes of civil unrest and demonstrations addressing violence against people of colour and systemic racism, the Group reiterated its commitment to the fight against racism and bias. In addition to diversity and inclusion initiatives led internally (see Section 2.4.2.2 Diversity and Inclusion), the Group, and particularly the US, strengthens its support to the economic empowerment of people of colour through all community-oriented initiatives and available means, such as through URW for Jobs, corporate giving and programmes to support entrepreneurship.
- Inclusion of people with disabilities has been hampered by the COVID-19 crisis. The Group strengthened its commitment to ensuring that people with disabilities feel safe, welcome and at ease in our destinations, by offering tailored services and facilities adapted to their needs.

  In 2020, the Group launched a dedicated training course across Europe to raise awareness on social inclusion amongst all customer-facing staff. Created together with the French association ADAPEI, the learning programme helps Group employees and providers to better understand the diverse nature of disability (including hidden or invisible impairments), identify situations where specific assistance might be needed, devise suitable responses and adopt appropriate behaviours.

  In parallel, in the US, various initiatives were launched in 2020, including dedicated e-training courses and awareness-raising workshops, alongside efforts to enhance the overall guest experience for people with disabilities.

  Other local initiatives could be quoted, such as the involvement of Westfield Vélizy 2 with the creation of its Social Inclusion Committee (see Section 2.3.3.1 Supporting the community) or the hidden disabilities sunflower campaign launched by Westfield London: they provide, if they wish, to people with invisible disabilities a discreet lanyard which indicates to the centres' employees that the person wearing it needs additional support, help or a little more time. This campaign comes together with the training of the entire centre staff, progressively being delivered.

These intense exchanges and the continuous work to improve the relationship with tenants and visitors comes in addition to the "4 Star" label, which ensures a unique shopping experience through a range of services and infrastructure summarised in a framework of 680 points. This "4 Star" label was renewed for nine assets in Europe in 2020, while the corresponding label called "Service with style" was pursued in the US portfolio.

2.3.4 PROMOTE RESPONSIBLE CONSUMPTION

Household consumption is a major contributor to some of the most pressing environmental issues globally such as anthropogenic climate change, waste generation or water pollution, requiring generalised short and long-term solutions and a massive market evolution towards more social and environmental responsibility.

As a leader of the industry and with the very high number of visitors coming each year to its assets, the Group has a strong responsibility to foster change by promoting healthier and more responsible consumption. This responsibility was translated into concrete commitments within the Group's Better Places 2030 strategy, be it through the diversification of the retail offer or through non-retail initiatives such as services or events. Conducing this shift is indeed not only about having the right brands, but also the right marketing approaches and the right services.

By 2022, the Group committed to have 100% of its Flagship assets support and promote at least one sustainable consumption initiative. These initiatives aim to encourage changes in consumer behaviours and lifestyle and encompass a large range of services, infrastructures, or events to ease customers' eco-gestures and enhance their awareness on the impact of their purchasing choices (see Section 2.3.4.1 Fostering change in behaviours).

In 2020, **61%** of the Group's Flagship assets supported and promoted at least one sustainable consumption initiative.

In a more long-term perspective, by 2025, the Group engaged to collaborate with tenants to increase transparency of brands on health and sustainability and to expand healthy and sustainable alternatives in 100% of its Flagship assets. This translates in increasing the presence of a sustainable offer through partnerships with existing tenants to enhance their sustainable collections, services and initiatives while integrating new sustainable brand leaders in the portfolio (see Section 2.3.4.2 An attractive, distinctive and sustainable offering).

Despite the market situation, 2020 was a critical year of materialisation of these ambitions. URW launched its first sustainability-oriented survey on its own customer base. With answers from all European regions in which the Group operates, the results confirmed the increasing importance of sustainability for consumers, gave clear orientations on the most appropriate answers to meet their expectations according to their market situation, and confirmed the relevance of the Group's previously mentioned commitments.

2.3.4.1 FOSTERING CHANGE IN BEHAVIOURS

The Group's assets develop locally-tailored initiatives to promote responsible consumption choices and sustainable behaviours with local partners. On top of mobility services (mentioned in Section 2.2.4.2 Innovative sustainable transport solutions) and waste management solutions offered to visitors (mentioned in Section 2.2.3.6 Waste management), each of the Group assets encourages sustainable behaviours with local awareness-raising activities and join Group- or regional-wide initiatives.

Local initiatives take the form of enhancement of the available infrastructure such as the implementation of eco-citizen points of collect, urban gardening infrastructures or swapping corners. Locally, sustainable behaviours are also strongly encouraged by highlighting the sustainable features and initiative of the tenants and their offer, by incentivising responsible customer choices, by engaging the public through physical events such as workshops to upcycle, repair or extend the lifespan of products or TED-talks.

The best of these local practices are then rolled out and monitored more closely at Group level. This is, for example, the case for the smart food waste solution deployed in Europe or the focus made on circularity in textiles.

– LOCAL AWARENESS-RAISING INITIATIVES

Numerous initiatives are led to raise visitors' awareness of the environmental and social impact of their consumption choices and behaviours: in 2020, **61%** of the Group's Flagship assets supported and promoted at least one sustainable consumption initiative.

These initiatives translate into punctual events, long-term services or communication and address various consumption-related subjects such as:

- **The reduction of waste** through collection, second-hand sales or recycling initiatives on fashion, food or other material, such as smartphones, coffee cups in Westfield Stratford City and coffee grounds or cigarette butts in several French assets. The Group's assets also work on the reduction of packaging: in Spain, all assets took part in the "zero plastic bags" initiative and made a precise inventory of all plastic-based packaging provided by their tenants to collaborate in decreasing their impact, while in France, Confluence promotes the Zero Waste Network, encouraging tenants to enable the customers to come with their own packaging;
- **The promotion of reuse and repair** to extend the lifespan of products, such as the workshop organised by Wroklavia to teach customers how to sew accessories and upcycle old t-shirts, while collecting shoes to be repaired and donated. Similarly, in the Czech Republic, toys corners are animated to encourage children and families to donate their toys against new ones, and in Poland several spaces are dedicated to book swapping;
- **The promotion of eco-friendly product lines** or designers like in Shopping City Süd during the Fashion campaign in March 2020, where an eco-fashion show was led with Haute Couture Austria, while promoting a denim recycling programme. Meanwhile at CentrO, tenants were invited to present their eco-fashion lines for free in the centre photo shooting;
- **The promotion of local products** with "locally made-in" markets such as the Donauzentrum Design stage which highlighted local entrepreneurs or the "shop local" event dedicated to local fashion designers in Westfield Arkadia.

Empowering customers to take the right purchasing decision also requires to make sure that they have access to the relevant information. URW's team worked hand-in-hand with the tenants to highlight their sustainable offer or initiatives. For example, the centre Aupark in Slovakia launched podcasts in which tenants were invited together with local influencers to exchange on sustainability. In Westfield Chodov, following a sustainable fashion show, a micro-site was created to reference all sustainable collections, and inform about sourcing and circularity efforts of the centre's retailers.

Finally, centres also reward sustainable behaviours with incentives such as cash back or access to VIP services, as in the partnership with Caritas in Austria called "Altstoffwechsel", where customers were invited to donate fashion items and benefitted from gift cards in return according to the weight of textile collected.

Making sustainability attractive through fashionable and desirable activations is fully integrated as part of the Marketing roadmap of each asset and will continue to be a focus for the Group in the future.

– CONNECTING PEOPLE TO NATURE

The urban gardening activities of the Group are enhanced year after year (see Section 2.2.5 Protect and improve Biodiversity). These spaces dedicated to increasing the local biodiversity are also used to connect the public with nature, deliver pedagogical messages and sustainable experience.

The Peas & Love urban farm at Westfield Parly 2 enables local residents to regularly visit and collect the fruits and vegetables grown on their rented plot, and to participate to various workshops on how to cultivate and harvest agricultural produce, while Nature Urbaine, the urban farm provider at Porte de Versailles, organises numerous workshops for individuals to discover urban farming and enjoy a taste of locally produced food. Enabling local production was also the objective of the collaboration with the farming company *Grönt under* which started in September 2020 in Solna Centrum: food is grown in one of the centre's units and distributed to the food tenants of the asset itself.

When local urban farming activities are not in place, centres still encourage the link between their visitors and nature: in the Czech Republic, instead of the traditional goodies, centres distributed seeds to visitors, encouraging them to grow food, while Palais Vest in Germany offered a "plant your own tree" set to new loyalty members.

Centres also regularly engage in environment cleaning campaigns in their neighborhood, such as in Köln Arcaden and in Spandau Arcaden this year.

Finally, the centre teams regularly participate to urban planning meetings with the local authorities, offering their support to increase the surface of green spaces available in the surroundings. This is notably the case in Centrum Cerny Most, which contributes to deliver the design of the Triangle park in the close vicinity of the asset.

– LIMIT FOOD WASTE

The partnership with Too Good To Go, a platform where food retailers can sell their unsold products at a discount for the customer at the end of the day, offers a turnkey solution to the Group's tenants while generating additional revenues and raising awareness amongst visitors.

After a successful launch in 2018 and a first expansion in all French assets in 2019, in 2020, the partnership was extended to eight additional countries in Europe, thus covering 60 assets in total. Despite months of lockdown, it enabled the saving of almost 226,000 meals (see Section 2.2.3.6 Waste management), with 372 retailers onboarded.

These results have been made possible thanks to the involvement of the URW teams who act as an intermediary for the food and beverage retailers and supermarkets, clarifying and facilitating their involvement, and for the customers, promoting the benefits of using the service.

In addition, during the months of lockdown, several delivery initiatives were implemented to support food retailers and customers benefit from the Too Good To Go app.

In 2021, the Group will pursue its fight against food waste, by intensifying and extending the partnership with Too Good To Go to the US and rolling out similar initiatives such as with AAHI in the Czech Republic.

– CIRCULARITY IN FASHION

Given the importance of the fashion sector in the Group's assets and the impact of the fashion industry on the environment, the Group made circularity in fashion one of its key priorities.

This is addressed through the presence of containers in the assets' premises. 18 of the Group's assets facilitate the recycling of used clothes in partnership with local companies or charities which engage to provide them with a second life, reusing them through second-hand market or charity donations or recycling them. Despite these efforts to increase textile collection, many of these containers were closed during the pandemic due to COVID-19 restrictions. As a result, in 2020, they enabled the collection of 129.5 tonnes of textile.

Temporary events enabled an additional collection of 18 tonnes of textile products. Amongst others, the "Reversed Shop" of the French Red Cross, tested in 2019 in Westfield Vélizy 2, was extended to nine French shopping centres in 2020. This 39-days long initiative enabled the collection of 14.3 tonnes of textile, which were either recycled or resold on the spot or in one of the solidarity shops of the charity in the local area. The overall operation helped to finance local community outreach.

In total, **147 tonnes of textile** were collected to be given a second life through URW assets in 2020.

2.3.4.2 AN ATTRACTIVE, DISTINCTIVE AND SUSTAINABLE OFFERING

Unibail-Rodamco-Westfield devotes considerable energy to create extraordinary and sustainable places where people live, work, shop, connect and are entertained. The Group constantly works to meet the increasing needs of its visitors and communities by offering a wider range of services, by animating the community through tailored programmes of entertainment and events and by providing a prime and relevant tenant mix.

To diversify its offer and answer to the growing demand for more responsible products and services, the Group mobilised its teams to engage with current tenants towards more collaboration on sustainability, and particularly to encourage a more sustainable offer in their premises. In the meantime, the Group also entered into relationships with new ecologically- and/or socially-positioned retailers to integrate more alternative offers in the portfolio.

– COLLABORATE WITH TENANTS TO INCREASE TRANSPARENCY OF BRANDS ON HEALTH AND SUSTAINABILITY

Many of the Group's retailers have implemented serious strategies to address climate change and decrease their social or environmental impact. URW strives to actively support its tenants' strategies on environmental and social performance, be it by launching concrete partnerships to enhance their initiatives' impact of by promoting their existing sustainable alternatives towards customers.

Therefore, the Group has started several discussions with large retailers to identify synergies on sustainability, with the conviction that a partnership approach is the most efficient approach to make a significant impact. These partnerships materialise in collaborations on technical and real estate-related management of the stores (eco-efficiency, waste management), but also in the promotion of responsible consumption, be it ecological product lines, recycling programmes or information on raw material sourcing and transformation.

Despite the pandemic context, several concrete initiatives were implemented in 2020 such as the launch of the Nature Reserve, together with Timberland and Urban Planters at Westfield London. This accessible pioneer space at the heart of the capital hosts a hub for biodiversity with a variety of different areas including a wild flower meadow, insect hotels, beehives, fruit trees, vegetable beds, herbs and a pond area. Located behind the Southern Terrace, this pedagogical place offers an opportunity to witness different methods for growing fruits and vegetables, and to learn about the importance of caring for the environment. It has also been designed to be a safe and accessible space for visitors, which will mostly be students from local specialist schools supporting young people with severe learning disabilities and autism. This 3-year long partnership with Timberland is a great example of how working together can help local communities and environment flourish.

– EXPAND HEALTHY AND SUSTAINABLE ALTERNATIVES

The Group also has a key role to play in attracting sustainable brands: innovative retail formats which convey sustainability benefits and have a positive impact on consumption behaviour.

The Group is convinced that its assets offer the best place for change and aims at supporting the growth factors which can make a difference and pay strong attention to their impact. The Group assets welcomed several of these sustainable brands leaders, such as the POOOW! (an "umbrella" brand for 220 creators based in France) in Westfield Carré Sénart, So Ouest and Westfield Parly 2, Rebag (luxury bag resale platform) in Westfield World Trade Center, or Filippa K (eco-fashion brand) in Täby and Westfield Mall of Scandinavia.

In 2020, all European Leasing, Commercial Partnership and Operating Management teams of the Group, which represent 206 individuals, have followed a dedicated training to better understand how to identify sustainable brands and approach them. And despite the context, several of these brands signed a lease or a partnership with the Group's assets to enrich the sustainable offer.

In the fashion sector, Movesgood, a sustainable fashion apparel brand opened a pop up in both Westfield Mall of Scandinavia and Täby Centrum and *Kitikate*, a brand selling organic-certified cotton infant clothes launched their kiosk at Centrum Cerny Most. In Austria, a weekly flea market was inaugurated on the premises of Shopping City Süd gathering 200 sellers on-site every Sunday. And in the UK, the contemporary menswear brand SIRPLUS, working on upcycling surplus fabric, opened at Westfield London.

Regarding food, the Group accompanies the evolution of customer demand for more healthy and diversified food offers, by introducing in its shopping centres organic, vegetarian offers such as the organic restaurant Liife at Westfield Les 4 Temps, or Virunga, a fair trade organic exotic fruits reseller at Westfield Chodov. Centres also facilitated the delivery of fresh vegetables through the partnership with My Green shop in four French assets.

The Group portfolio also integrated new actors in the jewellery sector such as Les Georgettes, a "made in France" jewellery brand which opened for a year at Westfield Les 4 Temps or the social business Pivot, empowering people experiencing homelessness to "pivot" their lives by teaching them to make jewellery, which spent a few weeks at Westfield London.

Visitors could also discover sustainable home furniture made out of Czech wood sourced from sustainably managed forests with Clapdesign at Metropole Zlicin, environmental friendly innovations such as charging stations for EV cars promoted by E-ways in Täby Centrum or residential solar panels system promoted by Svea Solar at Westfield Mall of Scandinavia.

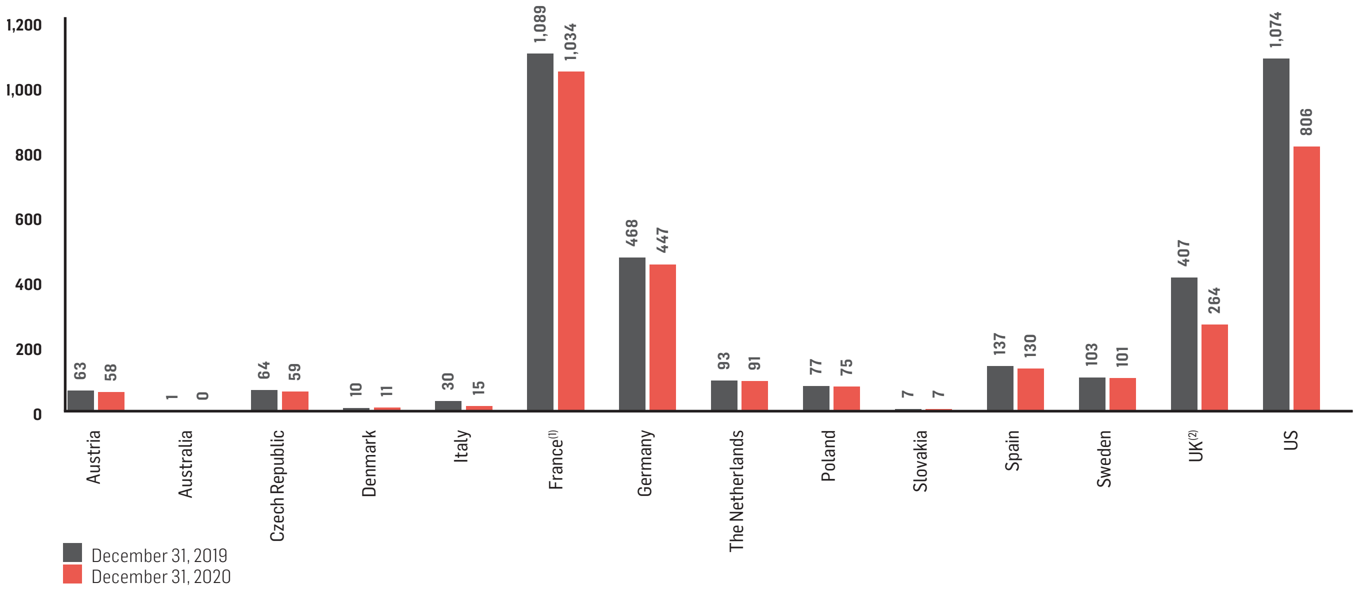
The transformation of the offer and the increase of healthy and sustainable alternatives will not be achieved in a day. But the Group commits to pursue its effort, test and learn from the new concepts and models implemented with a rich variety of partnerships in order to progressively become a recognised platform of sustainable content for visitors and retail partners.

2.4 BETTER TOGETHER

KEY FIGURES

EMPLOYMENT BY COUNTRY

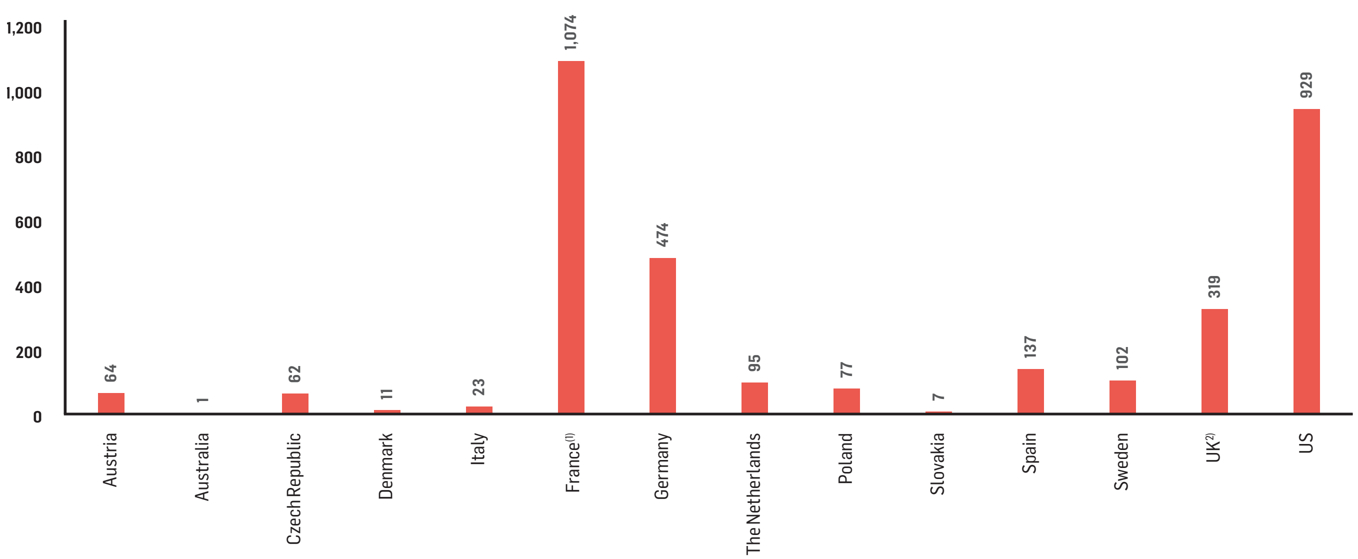
Workforce as at December 31.
The Group has 3,098 employees as at December 31, 2020.



(1) Including all Viparis employees (351 at December 31, 2020).
(2) This figure includes one CAML employee.

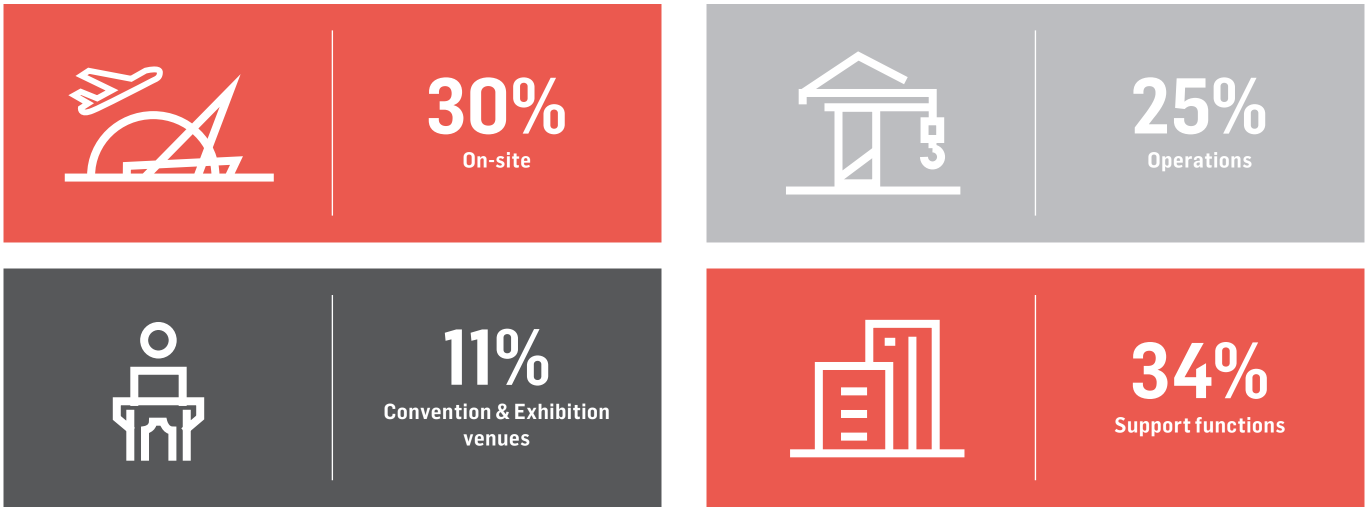
EMPLOYMENT BY COUNTRY

Average monthly headcount (total employees on the last day of each month divided by 12) for 2020.



(1) Including 370 Viparis employees.
(2) This figure includes one CAML employee.

EMPLOYMENT BY ACTIVITY
Workforce as at December 31, 2020.



EMPLOYMENT CONTRACTS
Workforce as at December 31, 2020.

2.4.1 EMPOWERING OUR PEOPLE

2.4.1.1 TALENT DEVELOPMENT AND CAREER MANAGEMENT

– ATTRACTING THE BEST TALENT

Unibail-Rodamco-Westfield has always been committed to attracting the best Talent by fostering professional development, promoting cross-functional and international mobility opportunities and offering exciting career opportunities at all levels, be it for graduates or professionals. The Group's International Graduate Programme has been a longstanding proof of this promise, a key lever in terms of external attractiveness and an efficient onboarding and training path for new comers. As we continue to focus on recruiting the best graduates from top European and American schools, we have also intensified our efforts in recruiting experienced profiles. Bringing new sets of capabilities and diversifying our leadership and management styles are key factors for the success of the Group.

International Graduate Programme ("IGP")

The International Graduate Programme ("IGP") allows recent graduates to discover URW's business and approach to commercial real estate, acquire the Group's business fundamentals, build a network and prepare for their future career. Participants gain unparalleled exposure to diverse areas of the Group's business functions, completing at least three assignments, one of them being abroad. The programme lasts for 12 to 14 months in Europe, up to 18 months in the US.

The programme's framework is as follows:

- One year, two countries, three assignments in three different departments for the European cohort;
- Up to 18 months, two countries, four assignments in four departments for the US cohort.

In 2020, 41 graduates from 29 schools and 12 different nationalities joined the programme. To respect the COVID-19 restrictions the Company had to adapt; while the Group managed to maintain some international assignments held remotely, some had to be cancelled. To mitigate that unexpected situation while retaining the international dimension of the programme, we leveraged virtual platforms. The Group organised virtual events for the whole cohort and launched an international buddy programme.

Recruitments of experienced managers

While maintaining the priority on internal mobility, several key senior management-level recruitments were operated in 2020, bringing to the Group a broader experience and a deeper expertise where needed. At Group level, 14 people were hired in experienced roles.

To continue expanding its international scope, the Group paid special attention to the recruitment of candidates in countries other than their country of origin (see paragraph "*Internal mobility and career evolution*" in this Section).

WeHire

URW considers its employees as the Group's best ambassadors and has developed the global programme **WeHIRE** to foster employee referral initiatives across the Group. **WeHIRE** offers our employees the opportunity to refer someone from their professional or personal network for open positions in the Group. If the recommended person is hired, the referring employee receives a bonus, with an additional amount given to a charity of her/his choice. In 2020, 7 new recruits were hired thanks to **WeHIRE** across the Group. €7,000 was donated all over Europe to charities.

LinkedIn

The URW Corporate LinkedIn page keeps strengthening its digital presence. Its audience grew of 15,000+ followers in 2020. The Group showcases weekly series such as "Better Tuesday" to promote CSR initiatives launched within the Group and highlights URW's greatest achievements throughout the year (campaigns, business successes, HR stories, etc.).

– TALENT MANAGEMENT

URW's career development programmes are designed to develop the best Talent in the market. The Group is committed to offering employees a working environment that fosters diversity and equal opportunities to offer each individual the experience needed to build an exciting career that creates value for the Company.

Employees receive regular support and advice on career development. They meet with their managers once a year for year-end evaluations, have the opportunity to provide and receive ongoing feedback throughout the year, which gives them the opportunity to discuss their performance, objectives, career advancement and training needs. Apprentices also benefit from this programme, with 20.7% of them having been offered a permanent employment contact in 2020 at the end of their apprenticeships.

Internal mobility and career evolution

Career evolution in the Company is strongly linked with the Group's competency model. The latter is based on the six corporate values of Excellence, Teamwork, Ethics, Boldness, Passion and Ownership common to the Group (see Section 2.4.2). The competency model not only enhances communication, consistency and transparency in managing mobility across the Group, it also recognises the experience and expertise employees are developing in their position. It is as well embedded in the annual performance evaluation process. In the context of 2020, the competency model has evolved to strengthen managerial skills. The model now includes a broader set of expected skills around agility, managing ambiguity, empathy and proximity to team members.

Internal mobility between functions is strongly encouraged and is conceived as a collaborative process involving employees, managers and the HR Department. It gives employees a more in-depth understanding of the Group's various activities and priorities. International mobility also helps employees to build and consolidate networks and share best practices among the various regions.

The international mobility policy covers all mobility schemes, increases awareness of the related benefits and provides full support to expatriate employees and their families. Despite the COVID-19 crisis and a challenging context in 2020, 4.8% of employees made a lateral career move within the Group, 15.6% of employees were promoted and 2% of employees conducted an international mobility assignment.

For the second year, a comprehensive Succession Planning programme was rolled out for executive and leadership positions in the Group, with a focus on Corporate and regional functions. 2020 has been a first year for a Group review including all leaders in Europe and in the US. 141 positions and identified successors to the latter were reviewed by the former Senior Management Team at a dedicated Group Succession Planning review, preceded by in-depth reviews done in every country, led by HR and Regional Managing Directors. The Succession Planning programme contributes to building a strong talent pool, clarifying development opportunities or the identified successors and foreseeing possible career paths for them.

In addition to Succession Planning, High Potential reviews were implemented in every European country. They were based, for the first time, on a common approach and definitions across the Group, considering all functions and all levels of experience. The objective of the reviews was to get a comprehensive view of the talent pool for development and retention purposes and work further to match talents with key positions in the long run. 30 employees have been identified with potential to grow to Senior Management or Country Management positions, either in a business role (operating management, development, leasing) or central function role.

The Group largely enhanced its career and development planning processes thanks to the Succession Planning and talent and performance review. The cornerstone of the programme remains a 360-degree feedback approach, where every employee can benefit from the evaluation of their annual performance by their direct manager and receive feedback from colleagues, direct reports (if any) and functional managers/reports (if any). The reviews are carried out in a committee setting with presence of key leaders in the organisation to ensure fairness and consistency in evaluating performance cross-functionally. The programme results in an in-depth discussion of employees' annual performance, potential for professional growth and retention, while fostering creation of more comprehensive action plans and structured follow-up processes. 2,694 employees (87%) had an annual review at the end of 2020.

The Group continued to address talent development actions in 2020, despite the challenging situation, with a focus on job learning (i.e. stretch assignments, lead of transverse projects), individual coaching and remote trainings provided by the Group and local URW Academy.

The context has created career opportunities with an even stronger focus on internal mobility, enabling more diverse moves and stretched assignments.

2.

RECRUITMENT

Overall recruitment rate in 2020 for the Group was 10.3%, with the following specifications:

Employees by contract type	2019	2020
Permanent contracts	663	362
Fixed-term contracts	106	60
Apprenticeships(1)	30	30
TOTAL	**779**	**452**

(1) Excluding traineeships.

DEPARTURES

Total number of departures (excluding trainees):

Reasons for departure	2019	2020
Resignations	462	300
Dismissals	139	408
Mutual agreements	50	57
Retirements	17	15
Departures during trial period	30	20
Expiry of fixed-term contracts	105	86
Outsourcing	14	91
Death	0	4
TOTAL	**817**	**981**

TURNOVER

Employee turnover in 2020, as measured by dividing the total number of resignations, dismissals, departures under mutual agreement, retirements, departures during trial periods and deaths by the number of permanent employees at the end of 2019, stood at 22.9% (compared to 19.9% in 2019).

2.4.1.2 TRAINING

Two years after the acquisition of Westfield, 2020 marked the definition of a Learning Culture common to all the regions of the Group. The role of the URW Academy is shifting from being the unique provider of training opportunities, to creating a stimulating environment enabling learning to happen anytime, any place anywhere. 2020 has also definitely marked the acceleration of digital and virtual learning for the whole Group. The Group has adapted to the "new normal" by transforming the existing learning offer from classroom training into virtual sessions and enriching its offer with brand new digital content.

On the one hand, this year URW Academy was focused on proposing virtual sessions to enable each employee to continue to be trained. In order to be agile in this context, classroom sessions were reviewed in their format and content to propose the most impactful experience to attendees.

Priority was given to management, soft skills, well-being programmes and business topics to ensure every employee acquired the necessary skills required to deliver in these difficult circumstances. As an example, to make our corporate values come alive, our iconic event dedicated to newcomers, the "URW Fundamentals" was transformed to a virtual format to offer new employees a great onboarding experience. Instead of a two-full days session, a nine-day short sessions with all key business experts presenting were launched with more than 140 participants. Moreover, both in Europe and the US, the training programme on performance appraisal was designed around emotional intelligence to enhance a human-centric approach.

On the other hand, the URW Academy digitised its own structure to fit with today's world and bring a unified digital learning experience globally. We implemented our Learning Management System ("LMS") in the US and the UK, leading to one central place for learning for all our employees, with great learning actions launched on both European and American platforms to make learning more accessible. Digital tools such as Beekast to foster interactivity during training and Did U Enjoy to measure trainees' satisfaction, were also exported to URW in the US and in the UK. In Europe, the homepage of our LMS was completely redesigned for a more seamless user experience. In September, the URW Academy launched for the first time a mobile app offering new possibilities to learn anywhere, anytime and from any device. Projects are ongoing to also digitise sign-in sheets of classroom sessions and automate attendance tracking to virtual sessions on MS Teams.

In November, the URW Academy revealed an enhanced online learning offer of more than 4,800 "off-the-shelf" online courses. This new offer complementing our existing catalogue is offered in a variety of languages and formats, on topics ranging from personal development to professional skills, and from management and leadership to modern compliance.

– CSR TRAINING AND EDUCATION

Group and regional training is regularly organised to embed the Group's CSR strategy, CSR processes and to empower and encourage employees to deliver sustainable actions.

The CSR ambition and related action plans are systematically introduced to newcomers in the "URW Fundamentals" training. Dedicated technical training is offered to all relevant staff members, covering topics such as sustainable consumption and the carbon footprint assessment methodology for development projects' teams. Manuals and training materials related to new CSR topics are also drafted regularly, shared with the relevant teams, and made accessible on the Group's training platform (for example "Carbon Footprint" and "Reporting of Green Leases" guidelines).

The third pillar of the Better Places 2030 CSR strategy - Better Together - focuses on people topics including Diversity and Inclusion, and Employee Well-being. To embed the Group's Diversity and Inclusion Framework in 2020, 13 Inclusive Leadership & Unconscious Bias webinar sessions were delivered to 927 URW employees. Additionally, as part of the CSR training agenda, 10 Employee Well-being sessions were rolled-out and offered to all employees.

By 2022, URW has committed to 100% of Group employees to have participated in CSR training and for Group-wide leadership and management programmes to integrate CSR. In 2020, URW designed a new CSR e-Learning, which will be rolled-out to all employees in 2021.

TRAINING

Total training hours attended by employees on permanent and fixed-term contracts.

	2018	2019	2020
Total hours attended	42,070	53,292	34,705
Average number of hours per employee[(1)]	20.8	14.8	10.3
TOTAL OF PEOPLE TRAINED	**2,252**	**4,711**	**3,312**

(1) Based on average headcount for the year.

2.4.1.3 AWARDS

Rewarding the quality of the Group's career opportunities and attractiveness, Unibail-Rodamco-Westfield received a number of awards in 2020:

- URW won the HR Excellence award for Best CSR Strategy granted by HR Magazine in the UK, which recognises the Group's CSR contribution to Diversity and Inclusion, Employee Well-being, and supporting communities;
- URW is committed to training young talent and was selected among 2,000 companies to receive the Happy Trainees label for the 7th year in a row in France. Some 91.6% of our trainees and apprentices recommend the Company, giving the Company an overall score of 4.14/5 with regards to their experience with the Group. The 2020 edition is exceptional as it rewards the companies who managed to take care of their employees despite the huge challenges faced over this unprecendented year;
- In the UK, URW won the Working Families 2020 Top 30 Employers award for Family Friendly Workplace;
- URW was named Top Employer in Germany in 2020 by the Top Employer Institute for its excellent working conditions.

2.4.1.4 COMPENSATION AND BENEFITS

Our remuneration policy is defined at Group level, taking into account the specificities of local markets.

It is designed to encourage individual achievements and contribution to collective results, supporting the long-term growth of the Group.

It aims to attract, motivate, reward and retain the best Talent in the market, with strong drive, engagement and loyalty. The founding principles of Unibail-Rodamco-Westfield's Remuneration Policy are:

COMPETITIVENESS

based on a global approach, combining fixed salary, Short-Term Incentive ("STI"), Long-Term Incentive ("LTI") and benefits

DIFFERENTIATION AND SELECTION

approach based on merit and individual performance

FAIR AND STRUCTURED PROCESS

common to all Regions to ensure fairness and accurate comparisons

EQUAL OPPORTUNITIES

(race, gender, nationality or any other personal criteria)

– A COMPETITIVE TOTAL REMUNERATION

The Group Compensation and Benefits team and Regional Human Resources Directors use benchmarks from established external consulting firms and *ad hoc* studies to ensure the URW remuneration competitiveness against relevant markets.

	2018/2019	2019/2020
Like for like increase in average salary, including STI	6.5%	5.40%

– DIFFERENTIATED AND SELECTIVE INCENTIVES

The STI (Short-Term Incentive) rewards individual annual performance, personal engagement, team spirit, and adherence to the Group's values.

The LTI (Long-Term Incentive) aims to attract, reward and retain key talent for the future of the Group, engaging beneficiaries with URW's long-term performance.

	2019	2020
Proportion of employees receiving STI(1)	81.2%	82.1%
Proportion of employees receiving LTI	12.6%	14.2%

(1) STI paid in year Y to employees on the payroll at December 31 of year Y-1.

– COLLEGIAL DECISION MAKING PROCESS

Fixed salaries and STI are decided at year end for all employees. Every decision carefully balances the role, seniority, performance and contribution to Group initiatives and the Group's values. The Group assesses achievements, and also how they are carried out.

URW's remuneration policy is applied consistently, through a comprehensive process, with no compensation decision taken by only one person. Once a year, a 360-degree review provides employees and managers with feedback on their strengths, development areas, training needs and career planning (see Section 2.4.1.1 Talent development and career management). Employees also have the opportunity to discuss contributions made to Group initiatives and projects outside their direct scope of responsibility. Each employee's performance is reviewed annually by a Talent Review Committee in the presence of HR teams, managers across functions and often members of the Management Board and the Executive Committee.

2.4.2 WORKING TOGETHER

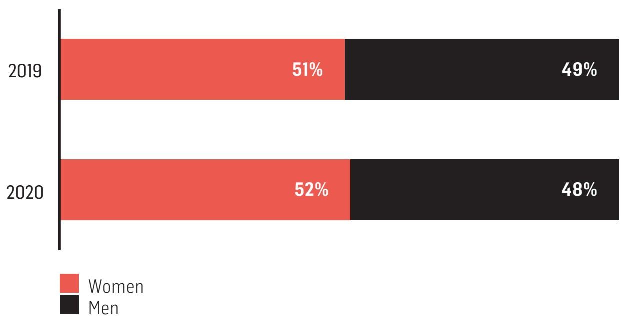
2.4.2.1 TOGETHER AT URW

The Company values – **Together at URW** – represent the excellence in the Group's standards as a high performance company and culture. **Together at URW** values support the Better Places 2030 ambition to empower URW employees to work together to become sustainability and diversity change-makers. Employee performance is measured against each value in annual Performance Reviews.

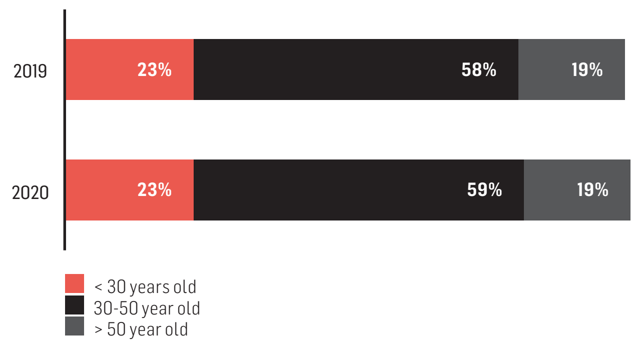
- **EXCELLENCE** – We only aim for the best
- **TEAMWORK** – We unite talent as a team
- **ETHICS** – We build on trust and transparency
- **BOLDNESS** – We dare with vision and agility
- **PASSION** – We go the extra mile
- **OWNERSHIP** – We are empowered to deliver

2.4.2.2 DIVERSITY AND INCLUSION

EMPLOYMENT BY GENDER
Workforce at December 31



EMPLOYMENT BY AGE
Workforce at December 31



PROPORTION OF SENIOR MANAGEMENT LEVEL POSITIONS HELD BY WOMEN
Workforce as at December 31, 2020:

	2019	2020
Proportion of Senior Management level positions held by women	33.4%	33.8%

RATIO AVERAGE COMPENSATION MEN/WOMEN
Workforce as at December 31, 2020:

	2020
Senior Management Level	120.3%
Other levels	117.6%

The differences in average compensation can be explained by the structure (presence of more males at the highest responsibility levels), not by company remuneration policy or practices. When analysed by grade, using the URW grading system, the average ratio across all grades is 101.8%. These ratios are being monitored, and talent management and remuneration policies are in place to keep reducing these gaps.

Diversity and Inclusion forms a key part of the Group's Better Places 2030 strategy. URW commits to ensuring full equal opportunities (e.g. gender, nationality, sexual orientation) in HR practices and processes Group-wide. This target has been achieved as 100% of URW regions ensure full equal opportunities since 2019 by having the URW Equal Opportunity statement included in formalised HR policies relating to Recruitment practices, Compensation & Benefits, Talent Review and Learning & Development. The URW Equal Opportunities statement ensures that HR policy and processes are applied without discrimination on the basis of race, colour, religion, sex, sexual orientation, gender identity, marital status, age, disability, national or ethnic origin, military service status, citizenship, or other protected characteristics.

In 2020, URW introduced a new framework – **Be You at URW** – to fully embed the Group's commitment to Diversity and Inclusion. The **Be You at URW** approach focuses on four key areas:

BEYOU AT URW

1. Leadership and Commitment;
2. Inclusion Policies and Performance;
3. Employee Development and Learning; and
4. Culture and Employee Engagement.

The Group Be You at URW Committee contributes to setting the strategic objectives of the Be You at URW framework within the business and works to drive greater Diversity and Inclusion across the Group. In every region where URW operates, active Be You at URW Networks help to strengthen the focus on Diversity and Inclusion. The regional Be You at URW Networks organise and deliver activities to raise awareness on diversity and champion inclusive actions, behaviours and mindsets. The Group is committed to increasing diversity in senior management roles, including a 60/40 gender balance by 2025

Group and regional 2020 achievements across the four pillars of Be You at URW framework are outlined below:

Leadership and Commitment

- Launch of updated Group Diversity and Inclusion commitment – Be You at URW framework;
- Group Leadership Diversity and Inclusion Committee in place;
- A European Diversity Charter has been promoted throughout the Group since 2012 to fight all forms of discrimination and harassment;
- Group partnership with LGBT charity, Stonewall, to reinforce an inclusive workplace for all through awareness raising and positive action;
- Multi-cultural Business Resource Group set up for employees in the US;
- URW is a signatory of the #StOpE initiative to raise awareness against sexism within companies;
- Commitments in the UK with Real Estate Balance and the Race at Work Charter to support gender equality and racial equality in the workplace;
- Dutch diversity charter signed in The Netherlands.

Inclusion Policies and Performance

- Inclusion of URW equal opportunity statement on all job descriptions, job adverts and all HR people practices, and Group HR policies reviewed for bias language;
- Gender pay gap/workplace equality analysis results published externally in France, the UK and the US – updated annually. As in 2019, URW scored 92/100 in the French Index for Workplace Equality for the 2020 reporting period;
- Homeworking and/or flexible working available for all employees;
- Parental leave support in all URW Regions. This includes a new initiative in France to extend second parent parental leave beyond legal requirements, and a new parenthood guide shared with employees;
- US Talent Acquisition commitment to present a diverse candidate slate to business for each open position;
- Germany Top Employers Institute award for excellent employee conditions;
- UK Working Families award for Top 30 Employer for Families.

Employee Development and Learning

- URW hosts dedicated Women’s leadership programmes, and specific training for senior managers to promote gender-balanced leadership. Action plans involving monitoring of Key Performance Indicators have been designed to increase the share of women in senior management positions;
- Group-wide “Supporting Inclusion at URW” unconscious bias training was reshaped and rolled out to employees in all regions;
- Race conversations training webinars delivered;
- LGBT inclusion training webinars delivered;
- International Graduate Programme (“IGP”) partnership with Historically Black Colleges & Universities in the US and partnership with Sponsorship Educational Opportunities (“SEO”) London to attract diverse IGP candidates in the UK.

Culture and Employee Engagement

- Regional Be You at URW networks in place to promote Diversity and Inclusion;
- International Women’s Day activities in all URW regions;
- Solidarité Femmes (domestic violence conference) and StOpe (anti-sexism) initiatives in France;
- LGBT Pride events;
- As signatories of the Manifesto for the Inclusion of Disabled People into Economic life, URW-France organised a digital quiz for employees and designed new HR measures to support employment opportunities for disabled people. For more information on disability initiatives from URW assets see Section 2.3.3.2 Open dialogue with tenants and visitors.

The Group stands for a fair overall outcome that rewards individual and collective performance and does not discriminate on race, gender, nationality or any other personal criteria.

SALARY INCREASES AND STI BENEFICIARIES

	2018/2019		**2019/2020**	
	Female	Male	**Female**	**Male**
Salary increase beneficiaries(1)	**69.7%**	**68.2%**	**68.8%**	**67.0%**
STI beneficiaries(2)	77.5%	85.0%	79.9%	84.3%

(1) Based on like-for-like headcount.
(2) STI paid in year Y to employees on the payroll at December 31 of year Y-1.

2.4.3 INSPIRING OUR PEOPLE

2.4.3.1 EMPLOYEE COMMITMENTS AND CSR

– INDIVIDUAL CSR OBJECTIVES

- The Group has committed to 100% of employees having yearly individual CSR objectives by 2020 to help make all employees accountable for the collective success of the CSR ambition. In 2020, 98% of Group employees[(1)] set at least one individual CSR objective, integrated as part of the objectives used to determine their annual Short-Term Incentive. The number of employees with CSR objectives has increased since 2019 (64%) as a result of the target, which was already formalised in Europe, being rolled out to the entire organisation as a mandatory process in 2020. Under 2% of employees[(1)] were unable to set a CSR objective in time before the end of the performance assessment period. Appropriate initiatives and targets aligned with Better Places 2030 were identified in close cooperation with each department within the Group: Investment, Development, Finance, Operations, Technical Management, Marketing, Leasing, Legal and Human Resources. A toolkit with key examples of general and functional CSR targets is shared with URW employees Group-wide.
- In 2020, quantifiable CSR targets were included in the short-term variable Remuneration Policy of members of the Group's Senior Management Team (as at December 31, 2020), Group top management teams, and management teams in all Regions. These CSR targets were set using specific CSR criteria. These criteria for the Management Board (as at December 31, 2020) are stated in Section 3.3.2 Corporate officers remuneration. The relevant member of the Senior Management Team in 2020 was fully responsible for reaching the CSR objectives and delegated that responsibility to the Managing Director of each region of URW, who in turn ensured the smooth integration of the tools and processes required in the operations of the regional teams. The Long-Term Incentive awards also include 10% of CSR-related objectives, for all eligible Group employees (see Section 3.3.1.1 Management board remuneration policy – Long-term incentive ("LTI")).

– THE GROUP VOLUNTEERING PROGRAMME

The URW Volunteering Programme offers all employees the opportunity to dedicate at least one workday to support social initiatives developed by the Group including support for local people facing barriers to the job market through the URW for Jobs programme or supporting local non-profits through the URW Community Days and local partnership activities. The Group committed to 100% of Group employees taking part in the URW Volunteering Programme by 2020.

In 2020, the Group's usual community-oriented activities were reoriented to answer the most urgent needs of the global pandemic. The Group's two major yearly social initiatives, URW for Jobs and URW Community Days, were adapted to the COVID-19 situation and supported by the commitment of Group employees. More information on the results of these initiatives is included in Section 2.3.3.1 Supporting the community.

At the end of this unprecedented year with teams working remotely, 27% of Group employees[(2)] were able to volunteer to support local communities where the Group operates. This represents 2,861 hours of volunteering hours delivered by URW employees.

Additionally, a significant number of philanthropic initiatives were delivered via the Group's assets in 2020, where teams demonstrated new ways to support communities by fighting and preventing the spread of the COVID-19 virus, strengthening local cohesion and protecting the most vulnerable. In addition to volunteering participation hours, 20,697 hours were donated by shopping centre management teams across the Group to organise philanthropic initiatives during the year. More information on the results of these initiatives is included in Section 2.3.3.1 Supporting the community.

Volunteering initiatives will continue to be rolled out in 2021 with the target of 100% of Group employees participating in the URW Volunteering Programme annually.

– BUSINESS TRAVEL OF EMPLOYEES

The Group travel policy aims to reduce the associated carbon footprint. Employees are encouraged to travel by train when possible and give preference to videoconferencing rather than physical meetings involving travel.

CO_2 EMISSIONS FROM EMPLOYEES' BUSINESS TRAVEL BY TRAIN AND PLANE (TONNES CO_2EQ)

The indicator is given both as an absolute value and as the ratio between CO_2 emissions from business travel and the average number of employees in 2020. Data and methodology are provided by referenced travel agencies for each region.

	Total 2020
TOTAL EMISSIONS *(TCO2EQ)*	1,424
kg CO_2eq/employee	474

In 2020, the Group carbon emissions related to business travels were divided by more than six compared to 2019, due to travel restrictions linked with the COVID-19 pandemic and the reorganisation of Group ways of working. The Group did not compensate these emissions in 2020 because of ongoing studies regarding a Group compensation strategy.

In addition, since October 2016, all new company vehicles must either be hybrid or electric. As at the end of 2020, 80% of the Group's vehicle fleet was hybrid or electric.

– WORK GREENER

The Group has committed to 100% of URW's countries implementing Work Greener programmes by 2020. Work Greener programmes offer employees the work environment and tools to reduce the environmental impact of their day to day work. The programme enables employees to make URW offices more sustainable and environmentally friendly, implementing eco-friendly initiatives such as tackling waste management, promoting responsible consumption, or sustainable mobility. Since 2019, **100%** of our countries delivered at least one Work Greener initiative.

(1) All employees having formalised objectives in the Group Human Resources performance assessment tool.
(2) All employees excluding employees on leave of more than six months, newcomers (joining after January 10, 2020) and Viparis employees.

Initiatives from the programme to date have resulted in:

- An improved waste management:
  - Improved **waste sorting infrastructure** in office kitchens;
  - **Getting rid of single use plastic** with the installation of filter taps, glass bottles or other options;
  - **Reusing** old IT equipment through donations to non-profit organisations or through IT collection programmes;
  - **Replacing** "waste producing" fittings like paper towels with hand dryers;
  - In Germany, coffee grounds from office coffee machines are used as fertiliser.
- More eco-friendly mobility:
  - New **electrical vehicle charging points** in our car parks;
  - Launch of a **bicycle allowance** in France available for employees using bikes for commuting to and from work. Additionally, a "*vélotafeurs*" community was set up in France to share tips on routes and bike safety;
  - **Electric bicycle sharing programmes**;
  - Improvement of bicycle facilities with new lockers in some Regions.
- Towards better energy and water efficiency in our offices:
  - Lighting equipment is being progressively replaced by **LED lighting** and intelligent detectors;
  - **Reducing water consumption**, for example by reducing flush volumes in the office toilets.
- Reducing paper:
  - **Digitisation** and e-invoicing continued in 2020 as well as other processes such as electronic pre-paid lunch cards, electronic pay slips and acceleration of e-signature Programmes;
  - In the US, 7 printing copiers were removed from the Head Office in the effort to reduce unnecessary printing and paper consumption.
- Sustainability awareness programmes:
  - **"Work Greener" ambassadors** actively champion eco-friendly practices in our offices;
  - Employee awareness activities took place in France during European Sustainability Week including a biodiversity expedition, digital pollution quiz, promotion of eco-friendly mobility modes, and a clothing collection for the Red Cross;
  - In Spain, an internal newsletter with topics and opinion articles on sustainability is regularly sent to employees.

2.4.3.2 WELL-BEING

YOUR Well-Being

Employee well-being is a key part of the Better Places 2030 strategy and Group HR strategy. Unibail-Rodamco-Westfield works to support a healthy working environment with a structured focus on well-being to help employees thrive. The Group committed to 100% of its countries implementing employee well-being programmes by 2020.

In 2020 a new well-being framework – **Your Well-being** – was launched to all employees. The **"Your Well-being"** framework focuses on three key areas: **Healthy Culture**, **Healthy Minds** and **Healthy Bodies**. In 2020, each country was targeted to roll out a minimum of five well-being initiatives relating to all three of these areas of focus. This target has been achieved since 2019.

The COVID-19 crisis brought many challenges, including the impact on mental health globally. In 2020 mental and physical well-being was a key URW priority. The launch and delivery of the **"Your Well-Being"** framework, and global and local initiatives fostering "Healthy Minds", ensured support was given to employees in these times (see examples below).

– HEALTHY CULTURE

- Work-life balance: home/flexi working practices are in place in all regions. Since 2019, the topic of work-life balance has been included in Performance Reviews to encourage conversations with managers. Flexible working practices were reinforced to URW employees during the COVID-19 crisis through regular communication on policy updates and surveys to receive feedback from employees on their well-being while working remotely;
- Best practice and policies to support a positive and healthy work environment: the Group signed the parenthood charter in 2013. Working parents training takes place in The Netherlands, Spain, France, the UK and the US. The UK team was ranked Top 30 employers for Family Friendly Workplaces in 2020.

– HEALTHY MINDS

- Mental health resilience, mindfulness and flexible thinking: mental well-being support is offered in all regions including training sessions, crisis support and employee assistance programmes, with plans to improve the offer in all countries;
- In 2020, 10 Well-Being webinars delivered and offered to all including topics on Working Remotely, Strong Relationships, Mindfulness, Mental Health webinars, Inner Drive etc.;
- Subscriptions to leading meditation and mental health apps – Headspace and Calm – were offered to employees in some regions.

– HEALTHY BODIES

- Sleep well and nutritional health webinar sessions were offered to all employees in 2020. Most countries in which the Group operates offer their employees fresh fruit or complimentary drinks;
- Healthcare benefits: health insurance is offered to all employees, with a number of regions also offering flu vaccinations, eye examinations and full health screenings.

2.4.3.3 OCCUPATIONAL HEALTH AND SAFETY

To protect Unibail-Rodamco-Westfield's employees' safety since the COVID-19 crisis a lot of measures have been implemented in all the regions where we operate. Home working was decided early to mid-March depending on local authorities' decisions of lockdowns. During lockdown, communication was maintained through newsletters, video conferences, tips to preserve physical and mental health. When it was made possible to come back to the office, extraordinary sanitary measures were enforced both at headquarters and shopping centres (increased cleaning/ decontamination frequency, stock of masks, hydroalcoholic gel stations, physical distancing, etc.).

The Group pursued its risk prevention training strategy in 2020, with a focus on "HR toolbox" training. These sessions enable to raise new managers' awareness of working regulations in France (paid leave, working hours, etc.) and of internal HR processes. Training on psychosocial risks have also been provided to new managers throughout the year.

- Absenteeism is monitored in each region and information is sent to management on a regular basis;
- Causes of work-related accidents are analysed and measures are taken to prevent them recurring. Injury frequency and severity rates in 2020 were 2.25% and 0.05%, respectively.

In 2020, sick leave represented 17,011 working days (2.3% of total working days) and days of absence for work-related/commuting accidents or illness represented 890 working days (0.1% of total working days):

ACCIDENTS

Accident type	2019 Number of incidents	2020 Number of incidents
Work-related accidents causing injury	**17**	**13**
Work-related/commuting accidents causing death	0	0

ABSENTEEISM

	2019 Number of working days	2019 Ratio(1)	2020 Number of working days	2020 Ratio(1)
Lost days for work-related/commuting accidents	1,399	0.2%	890	0.1%
Lost days for work-related illness	0	0.0%	0	0.0%
Lost days for sick leave	19,621	2.4%	17,011	2.3%
Lost days for personal/family events	2,284	0.3%	3,715	0.5%
Total	**23,304**	**2.8%**	**21,616**	**2.9%**

(1) The absenteeism ratio is calculated in working days: total number of days absent in 2020 divided by the average number of working days in 2020 multiplied by average headcount in 2020.

2.4.3.4 HUMAN RIGHTS AND LABOUR CONDITIONS

Unibail-Rodamco-Westfield complies with the labour standards set by the International Labour Organization ("ILO"). The Group only operates in countries where social regulations are well developed through democratic frameworks. Internally, specific frameworks set up by the Group define and manage additional regulations that reinforce employee rights and strongly endorse respect and ethical conduct in business dealings (collective agreements, Code of Ethics, Compliance Book, Anti-corruption programme, etc.).

Since 2004, URW has been a member of the UN's Global Compact, which promotes ethical conduct and fundamental moral values in business. URW strives to adopt, support and apply in its sphere of influence the ten principles of the Global Compact concerning human rights, labour, environment and anti-corruption.

URW works with employee representatives in each of the European countries in which it operates and respects local labour laws. In 2009, Unibail-Rodamco became a European company following the creation of a European representative body, the European Employees Committee ("EEC"). The EEC meets twice a year and is provided annually with information regarding the market at large and the Group's economic situation (presentation of the Group's financial results, development and investment projects, etc.).

This committee also discusses all issues regarding the Group's employees with implication at EU level. Through workshops, it regularly contributes to the exchange of best practices related to employment issues.

The Group also organised various meetings on different topics with the Social and Economic Committee (in France), and the trade union organisations representing each region. This year with the pandemic, staff representatives have been closely involved in decisions relating to the Group's economic activity and the work organisation especially on continuity of activity, reopening of our Shopping Centers, homeworking and digitalisation.

A total of 726 agreements are currently signed or in force with trade unions in France (including Viparis). These agreements cover a variety of topics like gender equality, senior and youth employment, working time flexibility and mandatory annual collective bargaining.

As at December 31, 2020, 44% of employees were covered by a collective agreement.

2.5 GREEN FINANCING OF THE GROUP ACTIVITIES

2.5.1 GREEN LOANS

In April 2017, Unibail-Rodamco-Westfield took out a green loan of €650 Mn with a banking syndicate. This was the first "green" syndicated credit facility in Europe. In addition to the usual credit rating, the credit margin for the facility is dependent on the green covenants entered into by the Group. If the green covenants are adhered to, the "green" margin, which is lower, will be applied, whereas in the case of a failure to adhere to the covenants the penalty margin will be applied. This is an innovative system whereby environmental performance has a direct impact on the price of the credit facility. This approach also entails an obligation of transparency for the Group, as monitoring indicators for these green commitments must be reviewed by an independent verifier. In May 2018, and in accordance with the same principles, the Group took out a new €400 Mn "green" revolving credit facility, bringing the Group's total green loans to €1.05 Bn.

2.5.2 GREEN BONDS

2.5.2.1 GREEN BOND ISSUANCES

The Unibail-Rodamco-Westfield CSR strategy and performance have been recognised in the industry for many years now, and as part of its strategy to diversify its financing sources, the Group has decided to develop a stringent Green Bond framework to finance new development projects, and/or standing assets which meet all social and environmental criteria for the construction and operational phases defined in the "Use of Proceeds" procedure, and specified hereafter. Green Bonds are only used to finance resilient "best in class" assets, in line with a clear procedure for allocating funds ("Procedure for asset analysis, selection and monitoring under the "Green Bonds" system").

URW issued the industry's first Green Bond on the Euro market in February 2014, and was the first international non Swedish corporate to issue a Green Bond on the SEK market in May 2014. In April 2015, the Group issued its second Green Bond on the Euro market. These issuances are testament to the success of the teamwork between the Group's departments: CSR, Legal, Finance and Communications. In total, the three issuances raised €1.25 Bn and SEK 1.5 Bn. In 2019, the Green Bond II issued by the Group on the SEK market reached maturity. In 2020, as part of the Group's active debt management strategy, the Group has launched a tender offer for an aggregate principal amount of up to €1 Bn across five outstanding bonds, which have a total principal amount of €2.8 Bn and maturity dates ranging from February 2021 to February 2024. The tender offer has enabled the Group to repurchase on December 4, 2020, bonds with a total nominal amount of €544.9 Mn (19.56% of the outstanding amount) including €106.3 Mn of the Green Bond I (14.2% of the outstanding amount), leaving the Group with outstanding Green Bond issuances in 2020 of €1.14 Bn.

OUTSTANDING GREEN BONDS ISSUED BY UNIBAIL-RODAMCO-WESTFIELD(1)

	Green Bond I (EURO)	Green Bond III (EURO)
Issuer (legal entity name)	Unibail-Rodamco-Westfield SE	Unibail-Rodamco-Westfield SE
Date	February 19, 2014	April 8, 2015
Size	€750 Mn - €106 Mn = €644 Mn	€500 Mn
Maturity	10 years	10 years
Coupon	2.5%	1%

2.5.2.2 RIGOROUS AND AMBITIOUS SOCIAL AND ENVIRONMENTAL CRITERIA

The social and environmental criteria associated with the Green Bonds were developed and approved by Vigeo. They are (i) aligned with the "Green Bond Principles" (GBP) updated in March 2015 and (ii) fit in with the Group's CSR strategy. The funds raised from Green Bond issuances are used to finance (via loan or investment) development projects and/or standing assets. The environmental and social performance requirements for the assets apply to both their construction and operating phases. The following criteria are used to define "eligible assets":

i. Greenfield/Brownfield project or reconstruction project (redevelopment and/or extension/renovation project) and/or standing asset managed by Unibail-Rodamco-Westfield SE or its subsidiaries which:
   a.) Achieved BREEAM certification (or any other equivalent certification) at a level of "Very Good" or higher in the design phase;
   b.) Have been or will be awarded a BREEAM In-Use certification (or any other equivalent certification) for Asset Performance (Part 1) and Building Management (Part 2) according to the BREEAM evaluation framework, at a level of "Very Good" or above within a reasonable time after the start of operation;

ii. In addition to the certification (which is a prerequisite), eligible assets must meet additional criteria structured into five principles: respect for human rights, contribution to local development, monitoring of environmental impacts, promotion of responsible relationships with tenants and visitors, and promotion of responsible relationships (including social and environmental aspects) with suppliers. In total, 17 sub-criteria are analysed for the construction phase, and 13 sub-criteria are analysed for the operating phase.

Additional criteria and indicators to be monitored for eligible assets are published on the issuer's website at the following link: https://www.urw.com/en/investors/financing-activity/green-financing.

(1) Green Bond issuances and the allocation of funds are approved by the Group's ALM Committee (see Section 6.2.2.2.A Access to capital and financial market disruption), using a specific procedure formalised internally.

2.5.2.3 CURRENT ALLOCATION OF GREEN BOND PROCEEDS

In line with the Group's internal Green Bond analysis, selection and monitoring procedure, the funds generated by Green Bonds issuances are allocated to the selected assets based on a previously-defined list of "eligible assets" (criteria presented in the previous paragraph). In the case of an asset disposal during the funding period (i.e. prior to the bond issue maturity), the proceeds initially allocated to the disposed asset shall be reallocated to another "eligible asset" held by the Group, based on the same process. This was the case in 2020: on May 29, 2020, Unibail-Rodamco-Westfield successfully completed the disposal of a portfolio of five shopping centres in France to the Joint Venture formed by URW, Crédit Agricole Assurances and La Française. This portfolio of five shopping centres included Aéroville, So Ouest and Confluence, to which 100% of the Green Bond I proceeds had been allocated for a funding period lasting until 2024. Therefore, the Green Bond I proceeds were reallocated to four new assets: Westfield Mall of the Netherlands (The Netherlands), Trinity (France), Galerie Gaîté (Retail, France) and Gaîté-Montparnasse (Offices, France).

The 2020 allocation of the proceeds from the two outstanding Green Bonds is illustrated below:

	Green Bond I €643.7 Mn				Green Bond III €500 Mn		
	Westfield Mall of the Netherlands	Trinity	Galerie Gaîté (retail)	Gaîté-Montparnasse (offices)	Westfield Carré Sénart extension	Westfield Chodov extension	Wroclavia
Business	Shopping centre	Offices	Shopping centre	Offices	Shopping centre	Shopping centre	Shopping centre
Proceeds allocated to projects(1)	30%	44%	20%	6%	8% + 24%	28%	40%
GLA scope of consolidation (m²)	87,053	49,700	33,716	13,101	31,320(3)	39,000(3)	72,400(2)
Opening date to public	H1-2021(4)	November 13, 2020	H2-2021(4)	H2-2021(4)	October 25, 2017	October 10, 2017	October 17, 2017

(1) Allocation carried out through internal loans.
(2) Including a bus station of 7,200 m².
(3) GLA as at December 31, 2017.
(4) Under construction: expected opening semester.

2.5.2.4 AUDITED CRITERIA

Unibail-Rodamco-Westfield engaged an independent auditor to verify that the assets financed meet the eligibility criteria. The reporting on these criteria and the independent auditor's attestation on the information related to the allocation of funds are presented in Section 2.5.2.5 Annual reporting on Green Bonds in compliance with the environmental and social criteria of the Use of Proceeds and Section 2.5.2.6 Independent third party's report on Green Bond criteria and indicators.

In 2020, the audit covered: Westfield Mall of the Netherlands, Trinity, Galerie Gaîté (retail), Gaîté Montparnasse (offices), Westfield Carré Sénart extension, Westfield Chodov extension and Wroclavia.

2.5.2.5 ANNUAL REPORTING ON GREEN BONDS IN COMPLIANCE WITH THE ENVIRONMENTAL AND SOCIAL CRITERIA OF THE USE OF PROCEEDS (FOR THE TWO OUTSTANDING ISSUANCES OF UNIBAIL-RODAMCO-WESTFIELD)

– CONSTRUCTION PHASE CRITERIA

PREREQUISITE: MINIMUM BREEAM RATING OF "VERY GOOD"

Green Bond I				Green Bond III		
Westfield Mall of the Netherlands	Trinity	Galerie Gaîté (retail)	Gaîté-Montparnasse (offices)	Westfield Carré Sénart extension	Westfield Chodov extension	Wroclavia
Very Good(1)	Excellent(2)	Excellent(3)	Excellent(4)	Excellent(5)	Excellent(6)	Excellent(7)

(1) Achieved an interim overall score of 63.5% and a BREEAM rating of "Very Good" under the 2011 version of BREEAM NL: Nieuwbouw Ontwerpfase 2011 v1.0.
(2) Achieved an final overall score of 72.6% and a BREEAM rating of "Excellent" under the 2009 version of BREEAM Europe commercial office framework.
(3) Achieved an interim overall score of 81.9% and a BREEAM rating of "Excellent" under the 2013 version of BREEAM Europe commercial retail framework.
(4) Achieved an interim overall score of 80.6% and a BREEAM rating of "Excellent" under the 2013 version of BREEAM Europe commercial office framework.
(5) Achieved an interim overall score of 78.1% and a BREEAM rating of "Excellent" under the 2009 version of BREEAM Europe commercial retail framework.
(6) Achieved a final overall score of 71.9% and a BREEAM rating of "Excellent" under the 2013 version of BREEAM International retail framework.
(7) Achieved a final overall score of 77.1% and a BREEAM rating of "Excellent" under the 2013 version of BREEAM International new construction retail framework.

2.

17 SUB-CRITERIA

		Green Bond I					Green Bond III	
Commitments/ supporting elements	Criteria	Westfield Mall of the Netherlands	Trinity	Galerie Gaîté (retail)	Gaîté-Montparnasse (offices)	Westfield Carré Sénart extension	Westfield Chodov extension	Wroclavia
Select the countries in which eligible assets are located based on human rights and governance	Integration, signature or ratification of conventions related to Human Rights, and Labour Rights. **KPI: country score Vigeo (out of 100)**	**NL 95.34/100**[(1)]	**FR 96.53/100**[(1)]	**FR 96.53/100**[(1)]	**FR 96.53/100**[(1)]	**FR 96.53/100**[(1)]	**CZ 93.97/100**[(1)]	**PL 93.10/100**[(1)]
	Press freedom, stability and political freedom; corruption prevention, independence of the judiciary system and legal certainty. **KPI: country score Vigeo (out of 100)**	**NL 95.17/100**[(1)]	**FR 97.89/100**[(1)]	**FR 97.89/100**[(1)]	**FR 97.89/100**[(1)]	**FR 97.89/100**[(1)]	**CZ 87.98/100**[(1)]	**PL 79.80/100**[(1)]
Contribution of the eligible assets to the development and well-being of communities in which they are located	Existence of information on projects to neighbours	✓	✓	✓	✓	✓	✓	✓
	Absence of material public recourse on the project preventing the completion of the project	✓	✓	✓	✓	✓	✓	✓
	Accessibility of the asset by public transport (within 500 metres) **KPI: Distance to a public transport mode** ***(m)***	**10 m** Tramway	**150 m** Metro line	**0 m** Metro line	**20 m** Metro line	**150 m** Bus line	**20 m** Metro line	**0 m** Bus terminal **35 m** Railway station
	Promote the potential use of alternative transport solution and sustainable mobility	✓	✓	✓	✓	✓	✓	✓
Monitoring the environmental impacts of eligible assets	Involvement of an external environmental consultant	✓	✓	✓	✓	✓	✓	✓
	Commissioning Report	✓	✓	✓	✓	✓	✓	✓
	Environmental impact assessment and implementation of appropriate measures if necessary	✓	✓	✓	✓	✓	✓	✓
	Promote applicable Considerate Construction Charter to minimise environmental impact of building sites during construction phase	✓	✓	✓	✓	✓	✓	✓
	Optimise intrinsic energy performance of the asset in view of applicable regulatory constraints **KPI: Percentage improvement over national standard building energy performance** ***(%)***	**-31%**[(4)]	**-28%**[(2)]	**-41.6%**[(2)]	**-28.5%**[(2)]	**-53.1%**[(2)]	**-9%**[(3)]	**-14%**[(4)]
	Involvement of an ecologist during the Project Phase	✓	✓	✓	✓	✓	✓	✓
Promoting sustainable and enduring relationships with tenants and visitors	Promote "Green leases" signature before opening **KPI: Percentage of Green leases signed** ***(%)***	**92%**[(5)]	**100%**[(5)]	**100%**[(5)]	**100%**[(5)]	**97%**	**90%**	**99%**

Commitments/ supporting elements	Criteria	Green Bond I				Green Bond III		
		Westfield Mall of the Netherlands	Trinity	Galerie Gaîté (retail)	Gaîté-Montparnasse (offices)	Westfield Carré Sénart extension	Westfield Chodov extension	Wroclavia
Promote social and environmental factors with suppliers/service providers	Promote if possible health & safety coordinator contract (or equivalent)	✓	✓	✓	✓	✓	✓	✓
	Promote access control to building site	✓	✓	✓	✓	✓	✓	✓
	Promote the application of the Considerate Construction Charter or equivalent to minimise environmental impact of building sites	✓	✓	✓	✓	✓	✓	✓
	E-learning for Unibail-Rodamco-Westfield's employees on its Code of Ethics	✓	✓	✓	✓	✓	✓	✓

(1) Source: Vigeo country score - February 2021.
(2) According to dynamic thermal simulation aligned with RT 2012 requirements or regulatory RT 2012 calculation.
(3) According to dynamic thermal simulation aligned with ASHRAE Energy Standard 90.1-2010 and local standards 78/2013Sb. and ČSN 730540.
(4) According to dynamic thermal simulation aligned with local regulation.
(5) Green leases V1 and V2 signed as at December 31, 2020.

– OPERATION PHASE CRITERIA
PREREQUISITE: MINIMUM BREEAM-IN-USE SCORE "VERY GOOD" FOR ASSET PERFORMANCE (P1) AND BUILDING MANAGEMENT (P2)

Green Bond I				Green Bond III		
Westfield Mall of the Netherlands	Trinity	Galerie Gaîté (retail)	Gaîté-Montparnasse (offices)	Westfield Carré Sénart extension	Westfield Chodov extension	Wroclavia
Expected in Universal Registration Document 2023	Expected in Universal Registration Document 2022	Expected in Universal Registration Document 2023	Expected Universal Registration Document 2023	Obtained: November 29, 2017[1] Re-certified: December 23, 2020[1] **(P2): Excellent** **(P1): Excellent**	Obtained: October 19, 2015 Re-certified: December 21, 2018[1] **(P1): Outstanding** **(P2): Outstanding**	Obtained: December 22, 2020[1] **(P2): Excellent** **(P1): Excellent**

(1) According to BREEAM In Use International 2015 scheme.

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		Green Bond I				Green Bond III		
Commitments/ supporting elements	Criteria	Westfield Mall of the Netherlands	Trinity	Galerie Gaîté (retail)	Gaîté-Montparnasse (offices)	Westfield Carré Sénart extension	Westfield Chodov extension	Wroclavia
Contribution of the eligible assets to the development and well-being of the communities in which they are located	Assess local employment through tenants' activities (e.g. follow-up of number of jobs created in the catchment area) **KPI: Total tenants supported job (FTE)**	Expected in URD 2022	N/A	Expected in URD 2022	N/A	**2,189**[1]	**1,896**[2]	**1,484**[2]
Monitor the environmental impacts of eligible assets	Environmental action plan and follow-up with regular reporting (from 1 year after opening)	Expected in URD 2022	Expected in URD 2021	Expected in URD 2022	Expected in URD 2022	✓	✓	✓
	Annual audit of health and safety risks (from 2 years after opening) **Indicator: annual risk audit (Rating from A to D)**	Expected in URD 2023	Expected in URD 2022	Expected in URD 2023	Expected in URD 2023	**A**[3]	**A**[3]	**A**[3]
	Assess energy consumption and CO_2 emissions with potential action plan if needed **Indicator: energy intensity** (*kWh/visit*) **since measured baseline** **Indicator: carbon intensity** (*gCO_2eq/visit*) **since measured baseline**	Expected in URD 2024	Expected in URD 2023	Expected in URD 2024	Expected in URD 2024	**+5% kWh/ visit** **-1% gCO_2eq /visit** (2020/2018)	**+14% kWh/ visit** **+10% gCO_2eq /visit** (2020/2018)	**+30% kWh/ visit** **-13%**[4] **gCO_2eq /visit** (2020/2018)
Promote sustainable and enduring relationships with tenants and visitors	Organise on-site Sustainability Committee	Expected in URD 2022	Expected in URD 2021	Expected in URD 2022	Expected in URD 2022	X[5]	✓	✓
	Conduct satisfaction survey with retailers **KPI: Overall satisfaction score (out of 100)**	Expected in URD 2022	N/A	Expected in URD 2022	N/A	**68/100**	**81/100**	**75/100**
	4 Star labelling or equivalent if applicable	Expected in URD 2022	N/A	Expected in URD 2022	N/A	✓	✓	✓
	Conduct satisfaction survey with visitors **KPI: Overall satisfaction score (out of 100)**	Expected in URD 2022	N/A	Expected in URD 2022	N/A	**82/100**	**85/100**	**85/100**
	Relevant safety management (e.g. video protection plan)	Expected in URD 2021	N/A	Expected in URD 2021	N/A	✓	✓	✓
Promote social and environmental factors with suppliers	Promote labour rights to suppliers via contractual documentation	Expected in URD 2021	✓	Expected in URD 2021	Expected in URD 2021	✓	✓	✓
	Promote environmental and social factors to suppliers via contractual documentation	Expected in URD 2021	✓	Expected in URD 2021	Expected in URD 2021	✓	✓	✓
	Promote ethics to suppliers via contractual documentation	Expected in URD 2021	✓	Expected in URD 2021	Expected in URD 2021	✓	✓	✓
	Assess regularly compliance with contractual clauses by the main suppliers	Expected in URD 2022	Expected in URD 2021	Expected in URD 2022	Expected in URD 2022	✓	✓	✓

(1) Source: Shopping centre economic impact study performed by an external third party.
(2) Source: Shopping centre retailer survey performed by shopping centre management.
(3) Source: HSE risk audit performed by an external third party – see methodology in Section 2.2.3.7 Health & Safety, security and environmental risks and pollution.
(4) 2018 and 2019 carbon intensity figures have been corrected in 2020 to integrate a more accurate emission factor of the heating network of the shopping centre.
(5) The implementation of this criteria had to be postponed in 2020 due the COVID-19 crisis and related regulatory closures of French shopping centres, as well as meeting restrictions for sanitary reasons: all 2020 meetings with the tenants of Westfield Carré Sénart have been cancelled including sustainability meetings. The shopping centre intends to hold a tenant Sustainability Committee in 2021.

2.5.2.6 INDEPENDENT THIRD PARTY'S REPORT ON GREEN BOND CRITERIA AND INDICATORS

Unibail-Rodamco-Westfield has commissioned Deloitte as a third-party auditor to check the compliance of the financed assets with the eligibility criteria set and reported above. This check includes an in-depth review of the documentary evidence for each domain and criteria (for each phase). The attestation on the information related to the allocation of funds from Deloitte is available hereafter.

ATTESTATION FROM ONE OF THE STATUTORY AUDITORS OF UNIBAIL-RODAMCO-WESTFIELD SE ON THE INFORMATION RELATED TO THE ALLOCATION, AS OF DECEMBER 31, 2020, OF FUNDS RAISED THROUGH THE "GREEN BONDS" ISSUED ON FEBRUARY 26, 2014 AND APRIL 15, 2015

This is a free translation into English of the original report issued in the French language and is provided solely for the convenience of English-speaking users. This report should be read in conjunction, and construed in accordance, with French law and regulations applicable in France.

Year ended December 31, 2020

To the Chairman of the Management Board,

In our capacity as statutory auditor of Unibail-Rodamco-Westfield SE ("the Company") and in accordance with your request, we have prepared this attestation on the information related to the allocation, as of December 31, 2020 of funds raised through the Green Bonds issued on February 26, 2014 and April 15, 2015 ("the Issues") which amount to €750m and €500m respectively, contained in the attached "Green Bonds" document[(1)] ("the Attached Document"), and prepared pursuant to the use of proceeds of the final terms of the Green Bonds Offerings, signed on February 19, 2014 (XS1038708522) and April 8, 2015 (XS1218319702) (the "Final Terms"). On December 4, 2020, the Company repurchased €106m of the Green Bond issued on February 26, 2014, resulting in outstanding green bond issuances in 2020 of €1,144m.

The Attached Document, prepared for the purposes of informing the Green Bond debt securities holders, presents an allocation of the funds raised from the Issues to Eligible Projects ("the Eligible Projects"), over the period from January 1, 2020 to December 31, 2020, for a total amount of €1,144m.

This information was prepared under your responsibility, based on the accounting records used for the preparation of the consolidated financial statements for the year ended December 31, 2020.

Our role is to report on:

- The compliance, in all material respects, of the Eligible Projects referred to in the Attached Document, with the eligibility criteria defined in the Final Terms and approved jointly by the Company and Vigeo, referred to in the Attached Document ("the Eligible Criteria").
- The allocation of the funds raised from the Issues to Eligible Projects and on the reconciliation of the amount of funds allocated to Eligible Projects as at December 31, 2020 as part of the Issues, with the accounting records and data underlying the accounting records.

However, we have no responsibility for:

- Challenging the Eligibility Criteria, and, in particular, we give no interpretation on the Final Terms;
- Forming an opinion on the use of the funds allocated to Eligible Projects after such funds have been allocated.

In the context of our role as statutory auditor, we have audited, jointly with the other statutory auditor, the consolidated financial statements of the Company for the year ended December 31, 2020. Our audit was conducted in accordance with professional standards applicable in France, and was planned and performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole and not on any individual component of the accounts used to determine the information. Accordingly, our audit tests and samples were not carried out with this objective and we do not express any opinion on any components of the accounts taken individually. These consolidated financial statements, which have not yet been approved by the Shareholders' meeting, have been audited and our report thereon is dated March 22, 2021.

Furthermore, we have not performed any procedures to identify events that may have occurred after the date of our report on the consolidated financial statements of the Company which was issued on March 22, 2021.

Our engagement, which constitutes neither an audit nor a review, was performed in accordance with the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes). For the purpose of this attestation, our work consisted, using sampling techniques or other methods of selection, in:

- Understanding the procedures implemented by the Company for producing the information contained in the Attached Document;
- Verifying the compliance, in all material respects, of the Eligible Projects referred to in the Attached Document, with the Eligible Criteria;
- Verifying the appropriate segregation of the funds raised from the Issues and their exclusive allocation to Eligible Projects;
- Verifying the reallocation of the funds raised from the Issues in prior years for assets disposed in 2020[(2)] to other Eligible Projects[(3)];
- Verifying that the internal loans or financing contracts signed in prior years with the Company's subsidiaries owning Eligible Projects[(4)] are still running as of December 31, 2020;
- Performing the necessary reconciliations between this information and the accounting records from which it is derived and verifying that the information agrees with the data used to prepare the consolidated financial statements for the year ended December 31, 2020.

(1) Refer to Section 2.5.2 of the Universal Registration document 2020.
(2) Five shopping centres including Aéroville, So Ouest and Confluence.
(3) Westfield Mall of the Netherlands (The Netherlands), Trinity (France), Galerie Gaîté (Retail, France) and Gaîté Montparnasse (Offices, France).
(4) Westfield Mall of the Netherlands, Trinity, Galerie Gaîté (retail) and Gaîté-Montparnasse (offices), Wroclavia, Westfield Chodov extension and Westfield Carré Sénart extension.

On the basis of our work, we have no matters to report on:

- The compliance, in all material respects, of the Eligible Projects referred to in the Attached Document, with the Eligible Criteria;
- The allocation of the funds raised from the Issues to the Eligible Projects and the consistency of the amount of allocated funds to Eligible Projects as at December 31, 2020 in the context of the Issues, with the accounting records and data underlying the accounting records.
- This attestation has been prepared solely for your attention within the context described above and may not be used, distributed or referred to for any other purpose. We assume no responsibility with regard to any third parties.

Paris-La Défense, March 24, 2021

One of the Statutory Auditors
Deloitte & Associés

French original signed by:

Emmanuel Gadret

2.6 APPENDICES

2.6.1 UNIBAIL-RODAMCO-WESTFIELD'S REPORTING METHODOLOGY

Unibail-Rodamco-Westfield uses a variety of tools, processes and indicators to monitor the performance of the assets owned and managed by the Group. These methods are used to structure an environmental, social and societal management approach, track results and to inform its stakeholders about performance.

The Group continuously improves its 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, region, Group) on a regular basis, assess results against targets, and implement suitable corrective measures.

The Group CSR reporting framework, which was fully updated in 2019 to cover the whole new scope of the Group operations following the Westfield acquisition and tracks performance against each of its Better Places 2030 extended commitments, was co-constructed by teams representing all regions to capitalise on existing data collection frameworks from continental Europe as well as the US and the UK, and by representatives of all departments concerned by the operational implementation of the CSR agenda to ensure its applicability.

2.6.1.1 DEFINITIONS AND REPORTING VALUES

Indicators are expressed in absolute value or in the form of ratios to express efficiency and comparable trends. Intensity ratios are calculated using different types of denominators, depending on the type of information:

- Denominators related to floor area (sqm):
  - Square metres operated served with energy: the area of common and private spaces supplied with asset level managed energy. This denominator is used to calculate the energy efficiency of assets in operation (see Section 2.2.3.4 Energy management) and the energy-related Scopes 1 & 2 carbon intensity of operations (see Section 2.2.1.2 Carbon assessment) for shopping centres and offices;
  - Total operated area: total standing asset floor area, including both private and common areas. This denominator is used to calculate energy-related Scopes 1, 2 & 3 carbon intensity of operations, including tenant emissions (see Section 2.2.1.2 Carbon assessment);
  - Consolidated building area, corresponding to:
    - the Gross Leasable Area (GLA) of the property owning companies for Shopping Centres;
    - the total floor space according to consolidation for Offices;
    - the total floor space according to consolidation for Convention & Exhibition centres.

    This area is used to calculate data coverages.

- Denominators related to intensity of use, adapted to each business unit:
  - Footfall for Shopping Centres: The annual number of visitors coming to an asset;
  - Occupants for Offices: The number of occupants during the period, corresponding to the maximum office capacity multiplied by the asset occupancy rate;
  - Areas occupied per days of occupancy (sqm DOCC) for Convention & Exhibition venues: The annual total cumulative surface occupied by the tenants when the venues are open (including assembly, exhibition and disassembly phases of a fair).

To be noted: in the disclosed tables or graphics, totals may not add up due to rounding.

2.6.1.2 REPORTING SCOPE

The information presented in Section 2.1.4 Summary of the Group's CSR achievements and in Sections 2.2 Better Spaces, 2.3 Better Communities and 2.4 Better Together cover Unibail-Rodamco-Westfield's consolidated scope – unless explicitly stated otherwise. 2020 is the second year following the acquisition by Unibail-Rodamco of the Westfield company that a complete report on CSR performance is being released, covering the new Group consolidated scope and including both of the Group's platforms:

- European platform: France, Germany, Spain, Austria, The Netherlands, the Nordics (including Sweden and Denmark), Central Europe (including Czech Republic, Poland and Slovak Republic), and the UK & Italy;
- American platform: the US.

Detailed scoping rules per indicator family are presented in the next paragraphs. Exclusions from the reporting scope are specified in the description of each indicator or in footnotes where applicable.

– REPORTING SCOPE FOR ENVIRONMENTAL AND SOCIETAL INDICATORS OF STANDING ASSETS

The environmental and societal indicators relating to operations cover the scope of assets in the Group's standing portfolio which are owned and managed by the Group, and that have been in the Group portfolio for at least one and a half (1.5) fiscal years at the reporting date. By default, this information covers all of the Group's asset categories in its core business units: Shopping Centres (Retail), Offices (Office Business Unit in France) and Convention & Exhibition venues (Viparis subsidiary in France). When an indicator covers a narrower scope, this is specified in its description. This CSR reporting scope represents 91% of the total Group portfolio of standing assets in area (sqm) in 2020.

<u>Scoping exceptions for energy-related indicators:</u>

Energy-related indicators include the following types of information: energy consumption, energy intensity, Scopes 1 & 2 GHG emissions, and share of renewable energy. Are excluded from the CSR reporting scope of energy-related indicators assets that are under significant works (net impacted GLA > 1,000 sqm) during the reporting period, due to the fact that works may affect the energy consumption of an asset in an unusual way that is not representative of normal operations and compromise data reliability and comparability. Assets under significant works are re-integrated in the CSR reporting scope of energy-related indicators 1.5 years after the works have stopped. The reporting scope for energy-related indicators represents 79% of the total Group portfolio of standing assets in area (sqm) in 2020.

In practice, in 2020, CH Ursynow and Gropius Passagen shopping centres have been excluded from the reported data, while the office parts of Gera Arcaden, Nacka Forum, Täby Centrum,Solna Centrum, Shopping City Süd, Westfield San Francisco Centre, Westfield Wheaton, Westfield Old Orchard, and the hotel part of the CNIT (Hilton) have been included in the reported data.

Resulting overall CSR and Energy-related reporting scopes coverages remain unchanged compared to the ones reported above.

STANDING ASSETS INCLUDED IN THE 2020 OVERALL REPORTING SCOPE FOR ENVIRONMENTAL AND SOCIETAL KPIS

Asset type	Regions	Number of assets	Assets	Reporting floor areas for standard energy and carbon intensity indicators(1)	Denominators for intensity of use indicators(2)	Consolidated building area(3)
Retail	Austria	2	Donau Zentrum (including Dux), Shopping City Süd (including Mux)	307,193 sqm	24,237,394 visits	265,900 sqm
	Central Europe	8	Aupark, Centrum Cerny Most, Westfield Chodov, Metropole Zlicin, Westfield Arkadia, Galeria Mokotow, Wilenska, Wroclavia	578,778 sqm	69,540,204 visits	554,500 sqm
	France	18	Aéroville, Westfield Carré Sénart (including Shopping Parc), Carrousel du Louvre (including convention areas), CNIT (including CNIT offices and CNIT convention), Westfield Euralille, La Part-Dieu (including Cour Oxygène), Westfield Forum des Halles, Westfield Les 4 Temps, Confluence, Westfield Parly 2, Polygone Riviera, Rennes Alma, Westfield Rosny 2, So Ouest, La Toison d'Or, Ulis 2, Westfield Vélizy 2, Villeneuve 2	942,150 sqm	181,472,627 visits	1, 292,100 sqm
	Germany	8	Gera Arcaden, Höfe am Brühl, Pasing Arcaden, Paunsdorf Center, Ruhr Park, Minto, Palais Vest, CentrO	515,361 sqm	57,491,704 visits	676,200 sqm
	The Netherlands	4	Citymall Almere, Stadshart Amstelveen, Stadshart Zoetermeer, Westfield Mall of the Netherlands	103,877 sqm	19,518,986 visits	273,800 sqm
	Nordics	5	Fisketorvet, Nacka Forum, Westfield Mall of Scandinavia, Solna Centrum, Täby Centrum	420,262 sqm	37,118,411 visits	355,600 sqm
	Spain	7	Bonaire, Equinoccio, Garbera, La Maquinista, Glòries, Parquesur, Splau	178,565 sqm	48,154,160 visits	407,200 sqm
	The UK	2	Westfield London, Westfield Stratford City	500,519 sqm	40,710,312 visits	419,300 sqm
	The US	28	Westfield Garden State Plaza, Westfield Topanga (including the Village), Westfield Southcenter, Westfield Old Orchard, Westfield Santa Anita, Westfield Valley Fair, Westfield UTC, Westfield Annapolis, Westfield Century City, Westfield Galleria at Roseville, Westfield San Francisco Centre, Westfield Culver City, Westfield Montgomery, Westfield Fashion Square, Westfield World Trade Center, Westfield Wheaton, Westfield Countryside, Westfield North County, Westfield Mission Valley, Westfield Brandon, Westfield Citrus Park, Westfield Trumbull, Westfield Broward, Westfield Plaza Bonita, Westfield South Shore, Westfield Valencia, Westfield Palm Desert, Westfield Oakridge	800,785 sqm	118,436,973 visits	1,836,700 sqm
Office	France	4	7 place du Chancelier-Adenauer, Le Sextant, Les Villages de l'Arche, Versailles Chantiers	82,100 sqm	5,084 occupants	82,100 sqm
Convention & Exhibition	France	8	Espace Champerret, Espace Grande Arche, Le Palais des Congrès de Paris (including Les Boutiques du Palais), Paris Nord Villepinte, Paris Le Bourget, Paris Porte de Versailles, Palais des Congrès d'Issy-les-Moulineaux, Hôtel Salomon de Rothschild	14,564,395 sqm DOCC	14,564,395 sqm DOCC	630 800 sqm

(1) Shopping centres and Offices: see the definition of "Square metres operated served with energy" in Section 2.6.1.1 Definitions and reporting values. Square metres served with energy only include assets in the energy-related scope.
Convention & Exhibition: see the definition of "Areas occupied per days of occupancy (sqm DOCC)" in Section 2.6.1.1 Definitions and reporting values.
(2) See the definition of "Denominators related to intensity of use per business unit" in Section 2.6.1.1 Definitions and reporting values.
(3) See the definition of "Consolidated building area" in Section 2.6.1.1 Definitions and reporting values.

– REPORTING SCOPE FOR SOCIAL INDICATORS

Social indicators regarding Human Resources cover all Group employees with a direct employment contract with the Group, in all regions where the Group operates, and in all of the Group's business units and subsidiaries, regardless of whether they are located in head-offices or on-site: Shopping Centres (Retail), Offices (Office Business Unit in France), Convention & Exhibition (Viparis subsidiary in France), and Airports.

– REPORTING SCOPE FOR CSR INDICATORS OF DEVELOPMENT PROJECTS

As part of its Better Places 2030 strategy, the Group is committed to track its CSR performance beyond the scope of its direct operations. This includes measuring its CSR performance from the design stage of projects under development.

The CSR reporting of development-related KPIs covers all projects in the Group pipeline whatever their type (greenfield and brownfield projects, extension and renovation projects) which have reached a mature enough development stage to have implemented the Group CSR strategy (committed projects[(1)]) and that exceed the following thresholds in terms of minimal net impacted GLA and Total investment cost ("TIC"):

- For Europe:
  - Retail projects of over €50 Mn TIC or over 10,000 sqm GLA;
  - All other projects (offices, convention and exhibition centres) of over €/$40 Mn TIC.
- For the US:
  - All projects of over $100 Mn TIC or over 20,000 sqm GLA.

In 2020, the reporting scope of development-related KPIs covered eight projects.

– REPORTING SCOPE OF THE GROUP CARBON FOOTPRINT

As part of its Better Places 2030 strategy, the Group is committed to track its CSR performance beyond the scope of its direct operations, and this encompasses the Group carbon footprint calculation approach, which covers an extended reporting scope.

To calculate its total carbon footprint, Unibail-Rodamco-Westfield has chosen the "operational control" approach for its entire value chain: consolidation of all the greenhouse gas emissions ("GHG") linked with the operations over which the Group has the full authority to implement its operational policies.

The method used for quantifying Group emissions is in line with the ISO 14064-1 standard, the GHG Protocol guidelines and the Bilan Carbone® methodology of ADEME (*Agence de l'Environnement et de la Maîtrise de l'Énergie*, or French Environment and Energy Management Agency). The Group's carbon footprint measure includes the emissions of the following six greenhouse gases designated by the Kyoto protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), sulphur hexafluoride (SF_6), hydrofluorocarbons (HFC) and perfluorinated hydrocarbons (PFC). These GHG emissions are expressed in carbon equivalent (CO_2eq).

The scope of the Group's carbon footprint is defined as follows:

- Organisational scope:
  - Owned and managed standing assets: shopping centres, offices and convention & exhibition venues (selection rules identical to aforementioned reporting scope for environmental and societal indicators in standing assets);
  - Development projects: all greenfield/brownfield, extensions and renovation projects whatever their size and development stage (broader scope than the reporting scope for CSR indicators in development projects described above);
  - Group employees and headquarters: all employees with a direct employment contract with the Group (selection rules identical to aforementioned reporting scope for social indicators);
- Operational scope: all the activities over which the Group has direct operational control or that it can influence.

The detailed emission sources accounted for in the Group carbon footprint are presented in Section 2.2.1.2 Carbon assessment.

2.6.1.3 CHANGES IN REPORTING SCOPE AND CALCULATION OF EVOLUTIONS

In 2019, the scoping rules for reporting CSR-related information (presented in Section 2.6.1.2 Reporting scope) have been reviewed in order to integrate changes linked with the Westfield acquisition. In order to enable data comparability, these updated scoping rules have been applied retroactively to portfolio compositions of previous years: 2015 baseline year figures and 2018 previous year figures have been re-calculated accordingly.

Changes in reporting scope may also occur as a result of the start or end of a management mandate; acquisitions or disposals of assets; development of new assets or major renovations and extensions. To compare data from one year to another, a "Like-for-like" scope is used when calculating data evolutions: the like-for-like scope corresponds to a restricted scope of assets that are both present in the CSR reporting scope (as defined in Section 2.6.1.2 Reporting scope) of the year 2020, and of that of the year 2019. It is used to assess an indicator's evolution over time, based on a comparable portfolio. The 2019-2020 like-for-like scope represents **91%** of the total standing portfolio area (sqm).

2.6.1.4 REPORTING PERIOD AND REFERENCE YEAR

Most environmental, social and societal data are reported as at December 31 of the reporting year ended, for one calendar year. However, given the scheduling requirements for the release of the Group Universal Registration Document, some environmental data are reported on a rolling 12-month period (Q4 of the previous financial year and Q1, Q2 and Q3 of the reporting year ended): energy consumption, energy-related Scopes 1 & 2 GHG emissions, and water consumption.

The CSR strategy Better Places 2030 sets 2015 as its reference year for measuring progress against energy and carbon related objectives. 2015 baseline data have been recalculated in 2019 to take into account the new Group consolidated scope, including the UK and the US regions. Plaisir, Zlote Tarasy, Jumbo, Hôtel Salomon de Rothschild and CH Ursynow assets are excluded from the calculation of the 2015 baseline.

(1) In 2020, the reporting scope of development-related KPIs has changed to only cover the "committed" projects (as defined in Section 4.1.3.2 Pipeline projects as at December 31, 2020), to better align the reporting with the projects' schedule for implementing CSR levers in a secured manner. Carbon footprint-related reporting on development projects however still covers the bulk of "committed" and "controlled" project to grasp the complete perimeter of Scope 3 development-related GHG emissions.

2.6.1.5 CONTINUOUS IMPROVEMENT OF DEFINITIONS AND DATA QUALITY IMPROVEMENT

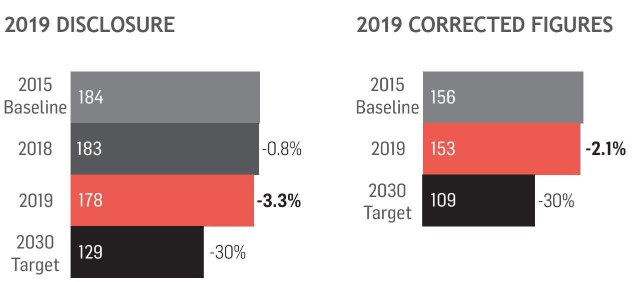
Unibail-Rodamco-Westfield continues to improve the quality and comparability of its data, align with emerging external reporting standards and frameworks, develop internal benchmarks, introduce sub-metering to collect information for environmental data, and fine-tune the accuracy of the data analysis.

As a consequence, adjustments may occur on data calculation methodologies and previously reported data whenever relevant.

– UPDATES ON PREVIOUSLY REPORTED DATA

In 2020, due to an error identified on the "area served with energy" denominator, corrections have been performed on 2015 baseline figures, 2018 figures, 2019 figures and 2030 target figures used in the calculation of energy efficiency indicator published in 2019. The corrected data for Group energy efficiency are indicated in the graphic below (presented in the same format as it appeared in the 2019 Universal Registration Document, in Section 2.1.4.1 Summary of the Group's CSR performance).

CORRECTION OF ENERGY EFFICIENCY FIGURES PUBLISHED IN 2019



– UPDATES ON KPI REPORTING METHODOLOGIES

Carbon footprint calculation methodology

As part of the approval by the SBTi in 2020 of the Group carbon emissions reduction targets included in its Better Places 2030 strategy (see Section 2.2.1.1 Climate change strategy), URW has re-worked its methodology to calculate the evolution of its global GHG emissions since baseline year: an "absolute variation" in global Scopes 1, 2 and 3 emissions calculation methodology has replaced in 2020 the "comparable value" approach that was used until 2019 to compare emissions on similar activity basis denominators. This 2020 methodology change elevates the Group commitment to cut carbon emissions across its value chain by 50% into an even more challenging target to meet and strengthens its reach and significance by aligning its tracking with the most recent and recognised climate-reporting best practice standards.

The impact of this change has been calculated for the 2019 performance of the Group's global GHG emissions since baseline year (including the change made on 2019 figures in 2020 – the evolution in 2019 since baseline year was -13.9% using the "comparable value" approach and -17.2% using the "absolute variation" approach.

Moreover, for the calculation of the GHG emissions of category 3.21 "Downstream Leased Assets" of the Group carbon footprint, the gross leasable area ratios of "dining" and "non-dining" activities of tenants were updated in 2020 for the years 2015 and 2019 based on the data source of the data collected in 2020. This update improves the precision of the results as it replaces estimations that were done for years 2019 and 2015. Consequently, the total GHG emissions of the Group increased by +1.9% for 2015 and +1.0% for 2019.

Mobility reporting

The methodology to calculate carbon emissions from visitors transport has been updated in 2020 to take into account the electrical vehicles among the total car fleet in Europe: as was already the case in the US, electrical vehicles (and associated emission factors) are now separately considered for the Group calculation of carbon emissions related to transport, leading to more accurate results. In alignment with its strategical objectives, this update enables the Group to effectively count the penetration of electrical vehicles as a lever to reach its carbon reduction objective on transportation.

– IDENTIFYING UNCERTAINTY AS REGARDS THE GROUP CARBON FOOTPRINT

Scopes 1 & 2 emissions

Regarding Scope 1 & 2 emissions, the reporting methodology developed by the Group, the sources of the data used for calculation (invoices for energy consumption and published supplier data and country data for emissions factors) as well as the long history track of Group data published ensure a high level of reliability of the presented results.
Small margins of error may remain, linked to:

- The estimation of energy consumption in some invoices from energy suppliers, which may result in under or over-estimations. These are usually resolved during the following year;
- The carbon emission factors provided by energy providers based on their energy mix: these factors are usually verified and made public, but may be released after URW reporting closure date. In that case, the emission factor from the previous year is used, which ensures data consistency in the long-term.

Scope 3 emissions

Regarding Scope 3 emissions, processed information can only be partially managed. A qualitative analysis of margins of error is therefore presented hereunder for the three main areas of Construction, Operation and Mobility.

<u>Construction</u>
Margins of error may be related to:

- The quality of the environmental data used (Environmental Product Declaration);
- The quantities of materials used for each new development project;
- The tracking of construction cost trends over time (economic ratios) based on a like-for-like approach.

In order to reduce uncertainty, quantities of materials used are questioned by construction managers during product reviews (to optimise construction costs and carbon impact).

Operation
Margins of error for energy sources non-managed by the Group (energy directly purchased and managed by the tenants) may be linked to energy consumption or to the carbon emission factors:

- Private energy consumptions are calculated by using ratios from the Group's portfolio, where the landlord provides electricity directly to the tenants. To limit uncertainty, the sample is built with private electricity data from at least 10 shopping centres across Europe and the US;
- The exact energy mix each tenant is using is not known by the Group. To address this issue, the carbon emission factors are calculated based on conservative assumptions (residual emissions factors).

Mobility
Margins of error may be related to the number of visitors to each site, to the assessment of modal shares, to the assessment of the distances covered by each mode of transport (catchment areas), to the occupancy rate for cars and finally to the emission factors used for each mode of transport.

To strengthen the reliability of the data inputs, the Group has updated its reporting methodology and tools in 2019: evolutions of over 5% in the data are being tracked and verified. Furthermore, to limit the sources of errors on data evolution, three of the four above parameters listed above have been fixed, to focus only on the annual data collection and verification of modal shares reported through customer marketing surveys. Other parameters are being updated on a lower frequency basis.

2.6.2 INDEPENDENT THIRD PARTY'S REPORT ON CONSOLIDATED NON-FINANCIAL STATEMENT

REPORT OF ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL STATEMENT

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended December 31, 2020

To the Shareholders,

In our capacity as Statutory Auditor of Unibail-Rodamco-Westfield SE ("the Company"), appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at www.cofrac.fr), we hereby report to you on the consolidated non-financial statement for the year ended December 31, 2020 (hereinafter the "Statement"), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Company's responsibility

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement has been prepared by applying the Company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on the Company's website or on request from its headquarters.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Responsibility of the statutory auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- The compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- The fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

However, it is not our responsibility to provide any conclusion on the Company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of anti-corruption and taxation nor on the compliance of products and services with the applicable regulations.

Nature and scope of procedures

We performed our work in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement and with ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information*).

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- We familiarized ourselves with the Group's business activity and the description of the principal risks associated;
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, as well as in the second paragraph of Article L. 22-10-36 regarding the respect for human rights and the fight against corruption and tax evasion;
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code.

- We verified that the Statement presents the business model and a description of principal risks associated with all the Company's activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks.
- We referred to documentary sources and conducted interviews to
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used and listed in Appendix, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important and listed in Appendix; our work was carried out on the consolidating entity.
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We obtained an understanding of internal control and risk management procedures the Company has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.
- We carried out, for the key performance indicators and other quantitative outcomes that in our judgment were of most significance:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities and countries[(1)] and covered 26% of the headcount and between 12% and 21% of the consolidated environmental data for the key performance indicators and outcomes selected for these tests;
- We assessed the overall consistency of the Statement in relation to our knowledge of the Company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work engaged the skills of ten people between September 2020 and March 2021.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around ten interviews with people responsible for preparing the Statement.

Conclusion

Based on our work, nothing has come to our attention that cause us to believe that the non-financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Paris-La Défense, March 24, 2021
One of the statutory auditors,

Deloitte & Associés

Emmanuel Gadret
Partner, Audit

Eric Dugelay
Partner, Sustainability Services

(1) Selected entities (for environmental information): Westfield London (London); CentrO (Oberhausen); Shopping City Süd (SCS) (Vienna); Centrum Cerny Most (Prague); Westfield UTC (San Diego); Westfield Valencia Town Center (Los Angeles); Parquesur (Madrid); Les Quatre Temps (La Défense).
Selected countries (for social indicators): Spain and France.

Appendix 1: Information considered the most important

Social Information

Quantitative Information	Qualitative Information
• Total workforce at December 31 and percentage of women in the Group • Turnover rate • Employee recruitment rate • Percentage of employees trained on security • Percentage of employees trained on corruption prevention • Percentage Group employees trained on IT security awareness • Group employees with annual CSR individual objectives	• Assets with a community resilience action plan

Environmental Information

Quantitative Information	Qualitative Information
• Percentage of Green Leases signed among new leases and active leases • Carbon intensity linked with energy consumption of standing assets (Scope 1 & 2 emissions) per area (kgCO_2eq/sqm) • Energy intensity per area (KWh/sqm) • Renewable energy consumption and breakdown between energy produced on-site and purchased (% and MWh) • Carbon footprint of Scope 3 – "market based" & "location based" method (TCO_2eq) • Total waste generated (metric tonnes), and breakdown by disposal routes (%) • Water consumption (m^3) broken down by source (%) • Coverage of Breeam In-Use environmental certification of the Group's standing assets (shopping centres and offices) and associated levels	• Monitoring of sanctions for health and safety non-compliance related to building • Monitoring of expenses spent in site decontamination and volumes of soil concerned

CHAPTER 3

Corporate Governance and Remuneration

3.1 GOVERNANCE PRINCIPLES – AFEP-MEDEF CODE

Unibail-Rodamco-Westfield SE voluntarily refers to the Afep-Medef Corporate Governance Code of Listed Companies in the version of January 2020 (hereafter the "Afep-Medef Code"). The Code is available on the Afep website.

Recommendations set forth in the Afep-Medef Code are examined by the Governance, Nomination and Remuneration Committee (GNRC), which reports to the Supervisory Board (SB), working closely with the Management Board (MB). Each year, close attention is paid to the report issued by the High Committee for Corporate Governance (Haut Comité de Gouvernement d'Entreprise) and to the French Financial Markets Authority report on corporate governance and executive remuneration for listed companies. An analysis of the Company's own practices and, if applicable, proposed improvements in the form of an action plan, is submitted to the GNRC and subsequently to the SB.

In accordance with Article L. 22-10-10 of the French Commercial Code, at its meeting held on February 10, 2021, the SB performed, as each year, a review of the Company's compliance with the Afep-Medef Code and discussed improvement proposals formulated by the GNRC. While the Company continuously strives to adhere to the highest standards of corporate governance and applies the majority of the Afep-Medef Code recommendations, it must, in accordance with the "comply or explain" principle, provide the explanation below. The SB concluded that the Group applies all other recommendations of said Code.

No matter concerning the Company has ever been raised by the High Committee for Corporate Governance.

Afep-Medef Code recommendation	URW practice and explanation
Departure of company officers (Article 25.5) In the event that a company officer leaves before the completion of the term envisaged for the assessment of the performance criteria for the long-term compensation mechanisms, continued entitlement to all or part of the long-term compensation benefit and its payment must be evaluated by the Board and the reasons for its decision must be indicated.	Under the current Group Long Term Incentive (LTI) plans, in the case of dismissal, all LTIs are forfeited. Given the circumstances of Mr Christophe Cuvillier's dismissal as Group CEO, the SB, upon the recommendation of the GNRC, agreed the terms and conditions of a settlement agreement to be entered between Unibail-Rodamco-Westfield SE and Mr Christophe Cuvillier to settle the conditions and consequences of the termination of his MB mandate which took place on December 31, 2020. This settlement agreement included an irrevocable and mutual waiver and general release of claims and includes, subject to a binding approval at the 2021 General Meeting, the partial maintenance pro rata temporis of the existing LTI grants subject to performance conditions. Mr Jaap Tonckens retired as Group CFO on January 4, 2021 and no settlement agreement was signed. In the case of retirement, under the current LTI plans rules the presence condition is deemed met and 100% of the Performance Shares and Stock Options are granted. However, the SB, upon the recommendation of the GNRC, made use of its discretionary power to adjust the LTI grants to be only partially maintained, pro rata temporis. Please refer to Section 3.3.1 for further details.

3.2 MANAGEMENT AND SUPERVISORY BODIES

The Company has adopted a dual management structure: a European company with a Management Board (MB) and a Supervisory Board (SB).

Such governance structure meets the highest standards of corporate governance ensuring an efficient balance between management and control allowing a responsive and reactive MB in the performance of its executive duties, in accordance with the non-executive prerogatives of the SB, whose composition guarantees independent oversight.

3.2.1 THE MANAGEMENT BOARD

The MB is the Company's collegial decision-making body and is overseen by the SB. The MB Members are collectively responsible for the Company's management and general course of business. Its mission consists of establishing and executing the Company's strategy, effectively structuring and staffing the Company to ensure efficient functioning, achieving the projected financial results and communicating these results in the best manner.

3.2.1.1 COMPOSITION OF THE MANAGEMENT BOARD

During its meeting held on November 18, 2020, upon Governance and Nomination Committee (GNC) recommendation, the SB of the Company decided to terminate Mr Christophe Cuvillier's position as Group Chief Executive Officer and Chairman and MB member of the Company and appointed Mr Jean-Marie Tritant, formerly President US of the Group, as Chief Executive Officer and Chairman and member of the MB, effective from January 1, 2021 for a 4-year term.

During its meeting held on December 8, 2020, the SB noted and acknowledged the intention of Mr Jaap Tonckens to retire as Group Chief Financial Officer and MB member, effective January 4, 2021. Upon the GNC recommendation, the SB appointed Mr Fabrice Mouchel, formerly Group Finance Director and Chief Financial Officer Europe, as Chief Financial Officer and MB member, effective from January 5, 2021 for a 4-year term.

During its meeting held on January 7, 2021, upon GNC recommendation, the SB appointed Ms Astrid Panosyan, formerly Group Chief Resources Officer, and Mr Olivier Bossard, formerly Group Chief Development Officer, as new MB members and respectively in the capacity of Chief Resources Officer and Chief Investment Officer, effective from January 7, 2021 for a 4-year term.

A. COMPOSITION OF THE MANAGEMENT BOARD AS OF THE FILING DATE OF THE 2020 URD

The Management Board is composed of 4 members and chaired by Mr Jean-Marie Tritant. The business address of the Management Board members is the Company's registered address, 7 place du Chancelier Adenauer 75016 Paris (France).

Management Board members	Nationality	Age	Main function	Starting date	Expiry date of the term of office
Jean-Marie Tritant	French	53	Chief Executive Officer (CEO) MB Chairman	January 1, 2021	GM 2025
Olivier Bossard	French	56	Chief Investment Officer (CIO) MB member	January 7, 2021	GM 2025
Fabrice Mouchel	French	50	Chief Financial Officer (CFO) MB member	January 5, 2021	GM 2025
Astrid Panosyan	French	49	Chief Resources Officer (CRO) MB member	January 7, 2021	GM 2025

MR JEAN-MARIE TRITANT

MB CHAIRMAN – Chief Executive Officer (CEO)

- Graduate of ESC Dijon - Business School.
- Master's Degree from Paris I-Sorbonne University in commercial real estate (a qualification recognised by the Royal Institute of Chartered Surveyors).
- Started his career at Arthur Andersen Paris.
- Joined Unibail in 1997.
- Appointed as Managing Director of the Office Division in 2002, and Managing Director Retail France in 2007.
- Appointed to the Unibail-Rodamco SE MB as COO effective from April 25, 2013, and as President US in June 7, 2018.
- Appointed as MB Chairman and CEO as of January 1, 2021.

BORN ON:
November 10, 1967

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
35,286[(1)]

OTHER CURRENT FUNCTIONS AND MANDATES

French Companies
- Representative of Unibail-Rodamco-Westfield SE as Member of the French Fédération des Sociétés Immobilières et Foncières (FSIF).
- Non-Executive Director of Pavillon de l'Arsenal.
- Representative of Unibail-Rodamco-Westfield SE on the Board of Directors of Société Paris-Île-de-France Capitale Économique.
- Representative of Unibail-Rodamco-Westfield SE on the Executive Committee of the Palladio Foundation.

Foreign Company
- Director of the European Public Real Estate Association (EPRA).

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES

French Company
- N/A

Foreign Company
- *The Netherlands:* SB Chairman of Unibail-Rodamco-Westfield N.V.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

French Companies
- Management Committee Member of Aquarissimo SAS, Chesnay Pierre 2 SCI, Saint Jean SNC, Saint Jean II SNC, Juin Saint Hubert SNC, Juin Saint Hubert II SNC, and Les Terrasses Saint Jean SNC.

Foreign Companies
- MB Chairman of Unibail-Rodamco-Westfield N.V.
- Director of U&R Management BV.
- Director and Secretary of Unibail-Rodamco Spain SLU (formerly Unibail-Rodamco Inversiones, SLU), Unibail-Rodamco Ocio SLU, Unibail-Rodamco Palma, SLU, Unibail-Rodamco Real Estate, SLU and Unibail-Rodamco Retail Spain, SLU.
- Director and Chairman of Proyectos Inmobiliaros New Visions, SLU, Essential Whites, SLU, Promociones Inmobiliarias Gardiner SL, Unibail-Rodamco Steam, SLU and Proyectos Inmobiliarios Time Blue, SLU.

(1) Excluding 857 Stapled Shares held via the Company Savings Plan.

PREVIOUS MANDATES DURING THE LASE FIVE YEARS (continued)

- SB Member of Unibail-Rodamco-Westfield Germany GmbH (formerly: mfi AG).
- Director and Chairman of Rodamco Sverige AB.
- Director and representative of Unibail-Rodamco Nederland Winkels B.V.
- Director and Chairman of Promociones Inmobiliarias Gardiner, SLU.
- Director and President of WALP Service, Inc, Westfield America, Inc., Westfield DDC Inc., Westfield Development Inc., Westfield Eco Inc., Westfield USA Centres, Inc., WHL (USA), Inc. and WHL USA Acquisitions Inc.
- Manager and President of URW Airports, LLC, Westfield Concession Management II LLC, Westfield Gift Card Management, LLC, Westfield Property Management LLC and WestNant Investment LLC.
- Director and Chairman of URW America Inc.
- Director and Chairman of Annapolis TRS Inc., Fashion Square Service TRS, Inc., GSP Service TRS, Inc., Montgomery Service, Inc., VF/UTC Service, Inc., WCL Holdings, Inc., Westfield Beneficiary 1, Inc., Westfield Beneficiary 2, Inc., Westfield Subsidiary REIT 1, Inc., Westfield Subsidiary REIT 2, Inc., Westland Properties, Inc., Westland Realty Beneficiary, Inc.
- Director of Broward Mall LLC, Roseville Shoppingtown LLC, Santa Anita Borrower LLC, Santa Anita GP LLC, Valencia Town Center Venture GP, LLC, Westfield Paramus 1 Inc.
- Manager and Chairman of URW WEA LLC, West-OC 2 REIT 1, LLC, West-OC 2 REIT 2, LLC, West-OC 2 REIT 3, LLC, URW Airports, LLC, Westfield, LLC, Westfield Concession Management II LLC, Westfield, Gift Card Management, LLC, Westfield Property Management LLC, Westfield U.S. Holdings, LLC, and WestNant Investment LLC.
- Manager of Annapolis REIT 1 LLC, Annapolis REIT 2 LLC, Annapolis REIT 3 LLC, Broward Mall LLC, Culver City REIT 1 LLC, Culver City REIT 2 LLC, Culver City REIT 3 LLC, Horton Plaza REIT 1 LLC, Horton Plaza REIT 2 LLC, Horton Plaza REIT 3 LLC, Mission Valley REIT 1 LLC, Mission Valley REIT 2 LLC, Mission Valley REIT 3 LLC, North County REIT 1 LLC, North County REIT 2 LLC, North County REIT 3 LLC, Oakridge REIT 1 LLC, Oakridge REIT 2 LLC, Oakridge REIT 3 LLC, Plaza Bonita REIT 1 LLC, Plaza Bonita REIT 2 LLC, Plaza Bonita REIT 3 LLC, Promenade REIT 1 LLC, Promenade REIT 2 LLC, Promenade REIT 3 LLC, Santa Anita REIT 1 LLC, Santa Anita REIT 2 LLC, Santa Anita REIT 3 LLC, Southcenter REIT 1 LLC, Southcenter REIT 2 LLC, Southcenter REIT 3 LLC, Stratford City Offices (No.1) LLC, Stratford City Offices (No.2) LLC, Stratford City Shopping Centre (No.1) LLC, Stratford City Shopping Centre (No.3) LLC, Topanga REIT 1 LLC, Topanga REIT 2 LLC, Topanga REIT 3 LLC, West Valley REIT 1 LLC, West Valley REIT 2 LLC, West Valley REIT 3 LLC, White City Investments (No. 1) LLC, and White City Investments (No. 2) LLC.
- Director of Descon Invest PTY Limited, Fidele PTY Limited, Nauthiz PTY LTD, Westfield America Management Limited, Westfield American Investments PTY Limited, Westfield Capital Corporation Finance Pty LTD, Westfield Capital Corporation Finance PTY LTD, Westfield Queensland PTY LTD, WFA Finance (Aust) PTY Limited and WFD Finance PTY Limited.
- Director of WFD Unibail-Rodamco Real Estate B.V.

MR OLIVIER BOSSARD

MB MEMBER– CHIEF INVESTMENT OFFICER (CIO)

- Architect (École des Beaux-Arts, Paris), Master in City Planning and Urbanism (Sciences Po Paris), Degree in History (Paris VII).
- Began his career in 1989 as a Project Manager with the French developer COGEDIM.
- Joined PARIBAS in 1996 as a Portfolio Manager.
- Joined Unibail Office Division in 1998 as Portfolio Manager, then became Head of Asset Management (2003) and Deputy General Manager of the Office Division (2005).
- Involved in the Unibail-Rodamco merger as Executive Vice President in charge of Unibail Development and Strategy (2006).
- Became Managing Director of the Office Division on October 1, 2007 and was Group Managing Director of Development from October 16, 2010 to April 24, 2013.
- Appointed to the Unibail-Rodamco SE MB as Chief Development Officer effective on April 25, 2013 and as Group CDO in June 7, 2018.
- Appointed as MB member and Chief Investment Officer as of January 7, 2021.

BORN ON:
May 12, 1964

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
130,020(1)

OTHER CURRENT FUNCTIONS AND MANDATES

French Company
- N/A

Foreign Company
- N/A

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES

French Companies
- Chairman of Uni-Commerces SAS, Immobilière Lidice SAS, Rodamco France SAS, UR-LAB SAS and Belwarde 1 SAS.
- Managing Director of Unibail-Management SAS.
- Chairman of Unibail-Rodamco Development SAS.

Foreign Companies
- *Germany:* Chairman of Unibail-Rodamco-Westfield Germany GmbH.
- *Czech Republic:* SB Member of Beta Development, sro.
- *Poland:* SB Member of CH Warszawa U sp. zoo.
- *Italy:* Director of Westfield Milan S.p.A, Westfield Milan Management Services S.r.l.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

French Companies
- Director of Unibail-Rodamco Participations SAS.
- Manager of Le Cannet Developpement SARL.
- Managing Director of Espace Expansion SAS.

Foreign Company
- Director of U&R Management B.V.

(1) Excluding 4,524 Stapled Shares held via the Company Savings Plan.

MR FABRICE MOUCHEL

MB MEMBER – CHIEF FINANCIAL OFFICER (CFO)

- Graduate of HEC Business School, Master's Degree in Law and Bar diploma (CAPA: certificat d'aptitude à la profession d'avocat).
- Lawyer in the Mergers & Acquisitions Department of Gide Loyrette & Nouel (1993-1996).
- Vice-President of Mergers and Acquisitions at ING-Barings (1997-2001).
- Joined Unibail in 2001 as Head of Corporate Development.
- Became Head of Financial Resources and Investor Relations Department in 2002.
- Deputy CFO from June 2007 to April 2013.
- Appointed to the Unibail-Rodamco SE MB as Deputy CFO in effective on April 25, 2013 and as Group Finance Director on June 7, 2018.
- Appointed as MB member and Chief Financial Officer as of January 5, 2021.

BORN ON:
April 16, 1970

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
22,007(1)

OTHER CURRENT FUNCTIONS AND MANDATES

French Company
- N/A

Foreign Company
- N/A

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES

French Company
- N/A

Foreign Companies
- *The Netherlands:* SB Member of Unibail-Rodamco-Westfield N.V, Director of Rodamco Nederland B.V., Rodamco Nederland Winkels B.V., U&R Management B.V., Dotterzwaan B.V., Cijferzwaan B.V., B.V., Unibail-Rodamco Poland 5 B.V., Rodamco Project I B.V., Rodamco Europe Finance B.V., Unibail-Rodamco Investments B.V., Unibail-Rodamco Investments 2 B.V., Real Estate Investments Poland Coöperatief UA, Stichting Rodamco, Traffic UK B.V., Old Tower Real Estate B.V., New Tower Real Estate B.V., Broekzele Investments B.V.
- *Sweden:* Member of the Board of Rodamco Sverige AB.
- *Australia:* Director of Westfield Corporation Limited, Descon Invest Pty Limited, Westfield Investments Pty Limited, Westfield American Investments Pty Limited, Westfield Capital Corporation Finance Pty Ltd, Westfield Queensland Pty. Ltd, Nauthiz Pty Ltd, WCL Finance Pty Limited, WCL Management Pty Limited, Westfield UK Investments Pty Limited, Westfield UK 1 Pty Limited, Westfield UK 2 Pty Limited, Westfield UK 3 Pty Limited, Westfield UK 4 Pty Limited, Westfield UK 5 Pty Limited, Westfield UK 6 Pty Limited, Westfield America Management Ltd, Fidele Pty Ltd, Westfield R.S.C.F. Management Pty Ltd, Westfield Developments Pty Ltd, Cavemont Pty. Ltd.
- *Germany*: SB Member of Unibail-Rodamco-Westfield Germany GmbH; Director of Rodamco Deutschland GmbH, Rodamco Deutschland GmbH & Co Süd Liegenschafts KG.
- Director of Liffey River Financing Ltd.
- Director of Crossroads Property Investors S.A

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

French Company
- N/A

Foreign Company
- N/A

(1) Excluding 3,573 Stapled Shares held via the Company Savings Plan.

MS ASTRID PANOSYAN

MB MEMBER – CHIEF RESOURCES OFFICER (CRO)

- Graduate from Science Po Paris, HEC Paris and Harvard University.
- Started her career at AT Kearney before joining AXA's Strategy Department in 1998, and then moved to the Department of Business Support & Development for Asia-Pacific region.
- Joined Groupama, in 2002, where she successively held various senior positions in the International Department, the Department of Strategy and the Department of Finance. She became General Secretary of the Group in 2011.
- Before joining Unibail-Rodamco, she was previously an advisor and member of the cabinet of Emmanuel Macron, French Minister of Economy, Industry and Digital Affairs, from 2014 to 2015, where she was in charge of Economic Attractiveness and International Investments.
- Appointed to the Unibail-Rodamco SE MB as CRO in September 2015, and as Group CRO on June 7, 2018.
- Appointed as MB member and Chief Resources Officer as of January 7, 2021.

BORN ON:
August 13, 1971

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
2,013[(1)]

OTHER CURRENT FUNCTIONS AND MANDATES

French Companies
- Director of Air France KLM (listed company).

Foreign Company
- N/A

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES

French Companies
- Chairman and CEO of Société de Tayninh SA (listed company).
- Chairman of Doria SAS; and Unibail Management SAS; and Espace Expansion Immobilière SAS.
- Chairman of Unibail-Rodamco Participations SAS.
- SB Member of Uni-Expos SA.
- Chairman of URW Brands.

Foreign Company
- N/A

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

French Company
- Director of Unibail-Rodamco Participations SAS.
- Member of the SB of AP-HP International.
- Member of the Strategic Committee of Fabernovel Group.

Foreign Companies
- Director of U&R Management B.V.
- Director of Rodamco Europe Beheer B.V.
- Director of WCL Management PTY Limited.

SHARE OWNERSHIP REQUIREMENTS APPLICABLE TO MANAGEMENT BOARD MEMBERS

In order to align the interests of the MB Members with those of the shareholders, and according to an SB decision, the MB members are required to comply with the strict obligations governing the holding of and investment in Company shares (described in Section 3.2.2.2) in accordance with the Afep-Medef Code and Article L. 225-185 of the French Commercial Code.

MANAGEMENT BOARD SUCCESSION PLAN

The succession plan for the Management Board is detailed in Section 3.2.2.1.

(1) Excluding 458 Stapled Shares held via the Company Savings Plan.

B. COMPOSITION OF THE MANAGEMENT BOARD AS AT DECEMBER 31, 2020

The MB consisted of two members as at December 31, 2020 and was chaired by Mr Christophe Cuvillier.

Management Board Members	Nationality	Age	Main function	First appointment to the Management Board	Expiry date of the term of office
Mr Christophe Cuvillier	French	57	Group CEO MB Chairman	June 1, 2011	December 31, 2020
Mr Jaap Tonckens	American and Dutch	57	Group CFO MB Member	September 1, 2009	January 4, 2021

MANAGEMENT BOARD MEMBERS INFORMATION AND MANDATES HELD AS AT DECEMBER 31, 2020

The business address of the MB members were the Company's registered address, 7 place du Chancelier Adenauer 75016 Paris (France).

BORN ON:
December 5, 1962

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
109,437(1)

MR CHRISTOPHE CUVILLIER

MB CHAIRMAN AND GROUP CEO UNTIL DECEMBER 31, 2020

- Graduate of HEC Business School.
- Prior to joining Unibail-Rodamco-Westfield Group Mr Cuvillier held various positions within Kering Group from 2000, notably, CEO of FNAC from 2008 to 2010 and CEO of Conforama from 2005 to 2008.
- Prior to Kering, he spent 14 years with the Luxury Products Division of the L'Oréal Group, both in France and abroad.
- Appointed to the Unibail-Rodamco SE MB as COO in April 2011 (effective June 1, 2011) and became MB Chairman and CEO effective April 25, 2013.
- Appointed as MB Chairman and Group Chief Executive Officer effective June 7, 2018, following the Westfield Transaction.
- Is a member of the International Advisory Board of HEC Paris, since March 2019.

OTHER CURRENT FUNCTIONS AND MANDATES(2)

French Companies
- Representative of Unibail-Rodamco-Westfield SE as Member of the French Fédération des Sociétés Immobilières et Foncières (FSIF).
- Non-Executive Director of Pavillon de l'Arsenal.
- Representative of Unibail-Rodamco-Westfield SE on the Board of Directors of Société Paris-Île-de-France Capitale Économique.
- Director of Raisesherpas (Endowment Fund).

Foreign Company
- Director of the European Public Real Estate Association (EPRA).

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES

French Company
- Director of Viparis Holding SA.

Foreign Companies
- SB Chairman of Unibail-Rodamco-Westfield N.V.
- Director and Chairman of the Board of Directors of U&R Management BV.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

French Company
- Director of Comexposium Holding SA.

Foreign Companies
- SB Chairman of Rodamco Europe BV.
- Chairman of the Board of Directors of the European Public Real Estate Association (EPRA).

(1) Excluding 1,752 Stapled Shares held via the Company Savings Plan.
(2) Christophe Cuvillier left all intra-group mandates since January 2021.

BORN ON:
July 16, 1962

NATIONALITIES:
American and Dutch

NUMBER OF STAPLED SHARES HELD:
0[(1)]

MR JAAP TONCKENS

MB MEMBER AND GROUP CFO UNTIL JANUARY 4, 2021

- Law Degree from Leiden University, The Netherlands.
- Master's Degree in Law from Emory University, Atlanta, GA, USA.
- Associate with Shearman & Sterling LLP in New York and Paris.
- Associate, Vice-President and Executive Director at Morgan Stanley in London.
- Managing Director at Morgan Stanley, Leverage & Acquisition Finance, New York, NY, USA.
- Managing Director at Endurance Capital, New York, NY, USA.
- Appointed to the Unibail-Rodamco SE MB as General Counsel in September 2009 and Chief Investment Officer in October 2010 and Chief Financial Officer effective July 2012.
- Appointed as Group Chief Financial Officer effective on June 7, 2018, following the Westfield Transaction.

OTHER CURRENT FUNCTIONS AND MANDATES

- Member of the Global Governing Trustees of Urban Land Institute.
- Member of the Board of Trustees of International Council of Shopping Centers.

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES[(2)]

French Companies

- Chairman of Uni-Commerces SAS, Immobilière Lidice SAS, Rodamco France SAS, UR-LAB SAS and Belwarde 1 SAS.
- Management Committee Member of Chesnay Pierre 2 SCI, Geniekiosk SARL, Aquarissimo SAS, Parimall-Parly 2 SCI, and Hoche SCI.

Foreign Companies

- SB Member of Unibail-Rodamco-Westfield N.V.
- SB Chairman of Unibail-Rodamco-Westfield Germany GmbH.
- Director of Unibail-Rodamco Belgium NV.
- Representative of the Unibail-Rodamco-Westfield SE Permanent Establishment in The Netherlands.
- Director of Rodamco Nederland B.V., Rodamco Nederland Winkels B.V., U&R Management B.V., Rodamco Europe Beheer B.V. and Rodamco Europe Properties B.V.
- Director of Unibail-Rodamco Nederland Winkels B.V.
- Director and Chairman of Unibail-Rodamco Spain SLU (formerly Unibail-Rodamco Inversiones, SLU), Unibail-Rodamco Ocio SLU, Unibail-Rodamco Palma, SLU, Unibail-Rodamco Real Estate, SL and Unibail-Rodamco Retail Spain, SL., Alonso y Calle SA, Global Etsy Investments, SLU, Proyectos Inmobiliarios Kansar III, SLU, Sistemas Edgerton II, SLU, South Pacific Real Estate SLU, Edificaciones Dehnan IV, SLU, Madison Properties Group SLU, and Sistemas Inmobiliarios El Aceitunal SLU.
- Director and Secretary of Proyectos Inmobiliaros New Visions SLU, Essential Whites SLU.
- Director and Secretary of Unibail-Rodamco Steam SL and Proyectos Inmobiliarios Time Blue SL.
- Member of the Board of Rodamco Sverige AB.
- Chairman of the Board of Rodamco Northern Europe AB, Eurostop AB, Eurostop Holding AB, Rodamco Projekt AB, Rodamco Centerpool AB, Knölsvanen Bostad AB, Rodamco Solna Centrum AB, Piren AB, Rodamco AB, Rodamco Expand AB, Rodamco Parkering AB, Rodamco Fisketorvet AB, Rodamco Nacka AB, Rodamco Täby AB, Rodamco Garage AB, Anlos Fastighets AB, Rodamco Scandinavia Holding AB, Fastighetsbolaget Anlos H AB, Fastighetsbolaget Anlos L AB, Rodamco Handel AB, Fastighetsbolaget Anlos K AB, Rodamco Anlos Holding AB, URW Fisketorvet A/S.
- Director of Westfield Corporation Limited, Descon Invest Pty Limited, Westfield Investments Pty Limited, Westfield American Investments Pty Limited, Westfield Capital Corporation Finance Pty Ltd, Westfield Queensland Pty. Ltd, Nauthiz Pty Ltd, WCL Finance Pty Limited, WCL Management Pty Limited, Westfield UK Investments Pty Limited, WFD Finance Pty Limited (in liquidation), Westfield UK 1 Pty Limited, Westfield UK 2 Pty Limited, Westfield UK 3 Pty Limited, Westfield UK 4 Pty Limited, Westfield UK 5 Pty Limited, Westfield UK 6 Pty Limited.

(1) Excluding 1,967 Stapled Shares held via the Company Savings Plan.
(2) Jaap Tonckens left all his intra-group mandates since January 2021.

OTHER CURRENT INTRA-GROUP FUNCTIONS AND MANDATES (CONTINUED)

- Director of Unibail-Rodamco Poland 2 B.V., Rodamco España B.V., Rodamco Central Europe B.V., Rodamco Austria B.V, Rodamco Czech B.V., Rodamco Deutschland B.V., Dotterzwaan B.V., Cijferzwaan B.V., Unibail-Rodamco Poland 4 B.V., Unibail-Rodamco Poland 5 B.V., Rodamco Project I B.V, Rodamco Europe Finance B.V., Unibail-Rodamco Cascoshop Holding B.V., Unibail-Rodamco Investments B.V., Unibail-Rodamco Investments 2 B.V., Real Estate Investments Poland Coöperatief UA, Stichting Rodamco, Old Tower Real Estate B.V., New Tower Real Estate B.V., Broekzele Investments B.V., Unibail-Rodamco Retail Investments 1 B.V., Unibail-Rodamco Retail Investments 2 B.V., Traffic UK B.V., Unibail-Rodamco TH B.V.
- Director of URW UK Olympic 1 B.V., URW UK
- Olympic 2 B.V., URW UK Shepherds 1 B.V., URW UK Shepherds 2 B.V., URW UK Shepherds 3 B.V., URW UK Shepherds 4 B.V., URW UK
- Shepherds 5 B.V., URW UK Shepherds 6 B.V., URW UK Shepherds 7 B.V., URW UK Shepherds 8 B.V., URW UK Shepherds 9 B.V.
- Director of URW Winkels B.V.
- Director of Unibail-Rodamco Austria. Verwaltungs GmbH, Shopping Center Planungs und Entwicklungs GmbH, SCS Motor City Süd Errichtungs GmbH, SCS Liegenschaftsverwertung GmbH, DZ-Donauzentrum Besitz-und Vermietungs-GmbH, Unibail-Rodamco Invest GmbH.
- Director of Unibail-Rodamco Česká republika, sro, Centrum Praha Jih-Chodov sro, Centrum Černý Most, as., Černý Most II, as., Centrum Chodov, as.
- SB Member of Beta Development, sro.
- Director of Rodamco Deutschland GmbH.
- Member of the Administrative Board (Verwaltungsrat) of Ring-Center I Berlin KG.
- Director of Aupark as and UR P6 spol. sro.
- Director of GSSM Warsaw Sp. zoo, WSSM Warsaw Sp. zoo, Crystal Warsaw Sp. zoo, Wood Sp. zoo, SB Member of CH Warszawa U sp. zoo.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

French Company
N/A

Foreign Companies
- Non-Executive Director of OneMarket Holdings, Inc.
- Member of the Board of Unibail-Rodamco SI B.V.
- Chairman of Rodamco Holding AB, Rodamco Tumlaren AB, Rodamco Nova Lund 2 AB, Rodamco Nova Lund 3 AB, Fastighetsbolaget Anlos 1 AB, Fastighetsbolaget Anlos 2 AB, Fastighetsbolaget Anlos 3 AB, Rodamco Management AB, Rodamco Väsby Centrum AB and Rodareal OY.
- Director of Rodamco Pankrác, as., Garáže Hráského sro. and P6AUP sro.
- Director of Euro-Mall Ingatlanbefektetési Kft.
- Member of the Board of Gdansk Station Shopping Mall Sp. zoo., Wilenska Station Shopping Mall Sp. zoo, Arkadia Centrum Handlowe Sp. zoo, Wilenska Centrum. Handlowe Sp. zoo and Rodamco CH 1 sp. zoo.
- Member of the Board of Unibail-Rodamco Liegenschaftserwerbs GmbH and Unibail-Rodamco Austria Management GmbH.
- Member of the Board of Directors and Secretary of Promociones Inmobiliarias Gardiner SLU.
- Director of Rodamco Europe B.V.
- Director of CentrO Asset Management Limited, CentrO Europe (no. 2) Limited, CentrO Europe Limited, CentrO Holdings (UK) Limited, CentrO. Management GmbH, CentrO Grundstücksentwicklungs GmbH, Neue Mitte Oberhausen Projektentwicklung Ltd. & Co. KG, Neue Mitte Oberhausen Projektentwicklung Beteiligungs GmbH, Neue Mitte Oberhausen Projektentwicklung Verwaltungs Ltd. & Co. KG, CentrO Oberhausen GmbH, CentrO Projektentwicklungs GmbH and SL Oberhausen Beteiligungs GmbH.
- Director of Uniborc SA.
- Director of Eroica B.V., Rodamco Hungary B.V., Unibail-Rodamco Poland I B.V., Rodamco Europe Finance II B.V., Unibail-Rodamco Investments 3 B.V., Unibail-Rodamco Project B.V.

3.2.1.2 MANAGEMENT BOARD FUNCTIONING

ROLE OF THE MANAGEMENT BOARD

The Management Board (MB) is responsible for determining corporate strategy and overseeing operations in accordance with the corporate social interest, taking into account social and environmental challenges of the activity of the Company. It must act with independence, loyalty and professionalism within the limit of the corporate social interest. As provided for by the Afep-Medef Code, the Supervisory Board (SB) assesses the functioning of the MB on an annual basis.

The MB defends the interests of the Group and takes into account the relevant interests of all of the Company's stakeholders. It is held to account for the manner in which it carries out its duties.

Aside from coordination on the strategy, on the MB policy, and the Company's representation in relation to third parties, the MB Chairman has the direct responsibilities of the legal affairs, institutional relations, communication, internal audit and compliance. The CEO acts as Chief Operating Officer (COO) and thus supervises the Regional Chief Operating Officers who lead locally the retail asset strategy, the net rental growth and also coordinate some Centers of Excellence at European level.

Upon recommendation from the Chairman of the MB and subject to the SB's prior approval, the MB members shall divide their tasks amongst themselves.

The responsibilities and functions of the members of the MB, other than the CEO, are divided as follows:

- The Chief Financial Officer is responsible for tax matters, generating profits through the optimisation of the cost of capital, and investor relations. As such, he is in charge of the overall financial function within the Group (financial control, consolidation, (re)financing, tax, the budget and 5-year plan, coordination of asset valuations and investor relations).
- The Chief Resources Officer is in charge of Human resources, Information Technology and Organisation functions, as well as corporate sustainability. She is also in charge of risk and crisis management and security.
- The Chief Investment Officer is responsible for the investment/divestment process and defining the co-ownership and co-investment strategy; and coordinating corporate development (mergers and acquisitions, strategic alliances and joint venture developments). He is responsible for challenging the business strategy, in particular: asset and development strategy, major restructurings, extensions or refurbishments. He also leads the Offices business at European level.

The main provisions of the Articles of Association and the MB Charter governing the composition, role, duties and functioning of the MB are provided in Section 7.6.5.

MANAGEMENT BOARD ACTIVITIES IN 2020

The MB met 15 times during the year ended December 31, 2020 and deliberated on the following subjects:

Principal responsibilities of the Management Board	Key areas addressed, managed and/or implemented in 2020
Group strategy	• Elaborate RESET plan; • Development projects, investment and divestment operations in 2020; • Monitoring of the disposals and synergies plan (costs and revenue); • Main strategic opportunities for the Group and deep analysis of the impact of the COVID-19 pandemic; • Digital and IT strategy, tools and projects; • CSR strategy – "Better Places 2030".
Group financial policy, financial performance and reporting	• Preparation of the right issue with pre-emptive subscription rights; • Review and closing of the 2019 consolidated and statutory financial statements and reporting on the consolidated half-year and quarterly accounts for the 2020 financial year; • Group 5-year business plan and budget; • Financial resources, balance sheet management and borrowing requirements (EMTN, liquidity agreement); • The Group's dividend distribution payment policy and annual allocation/distribution of profits, notably regarding the COVID-19 pandemic; • Closing of the forecast management documents and preparation of the quarterly activity reports for the SB.
Internal audit, risk management and control systems	• Internal audits, internal control system and compliance matters; • Risk management and risk mapping.
Governance and compliance with relevant laws and regulations	• Monitoring and promoting of the Group's Anti-Corruption Programme and the Group's Compliance programme; • Analysis of the impact of new exceptional regulations related to the COVID-19 pandemic; • Compliance with regulatory/legal requirements and changes.
Company Remuneration Policy and performance assessments	• Employee Remuneration Policy of the Group; • Capital increase reserved for employees.
Human resources	• Talent development and management; • Diversity and inclusion policy; • Group succession planning; • Recruitment of key Group positions.
Shareholder outreach and engagement	• Investor and proxies advisors dialogue and road shows; • Notice of meeting for the Annual General Meeting and related documentation (agenda, resolutions, MB report, etc.); • General meeting without shareholders; • Group communication; • 2019 Universal Registration Document and 2020 half-year Financial Report; • Notice of meeting for an Extraordinary General Meeting, preparation of a prospectus.

3.2.2 THE SUPERVISORY BOARD

3.2.2.1 SUPERVISORY BOARD COMPOSITION AND DIVERSITY

The Supervisory Board (SB) consists of 10 independent members as at December 31, 2020. Mr Léon Bressler is the SB Chairman since November 13, 2020.

The SB composition reflects a strong commitment to independence (100% independent), diversity (50% women) and international exposure (60% non-French with eight different nationalities represented), and the wide-ranging experience and expertise of its members. The average SB Member age is 59. The current member composition reinforces the Group's strategy through their relevant active executive or senior leadership experience, expertise in real estate/asset management, retail and hospitality, international and regional markets (including Continental Europe, the US and the UK), CSR/sustainability, digital/e-commerce, consumer products, corporate governance/remuneration, risk oversight/compliance, restructuring/disposals and finance, among other areas. The range of skills and expertise taken into account during the SB candidate selection process is summarised in the biographies and experience matrix below.

The principal provisions of the Articles of Association and the charters of the SB and of its committees governing the composition, role, responsibilities and functioning of the SB and its committees are provided in Section 7.6.

CHANGE OCCURRING IN THE SUPERVISORY BOARD (SB) COMPOSITION IN 2020 PURSUANT TO THE GENERAL MEETINGS OF MAY 15, 2020 AND NOVEMBER 10, 2020

At the May 15, 2020 General Meeting, Mr Colin Dyer and Mr Roderick Munsters were each renewed as an SB Member for a period of three years and Ms Dagmar Kollmann and Mr Philippe Collombel were each renewed as an SB Member for a period of two years. At the November 10, 2020 General Meeting, upon the proposal of a consortium of shareholders, Mr Léon Bressler, Mrs Susana Gallardo and Mr Xavier Niel were each appointed as an SB Member for a period of three years. At the November 13, 2020 SB meeting held after the November 10, 2020 General Meeting, Mr Léon Bressler was appointed SB Chairman for the duration of his mandate, and Mr Philippe Collombel, Ms Sophie Stabile, Mr Jacques Stern and Ms Jacqueline Tammenoms Bakker resigned as SB Members.

CHANGES PROPOSED TO THE SUPERVISORY BOARD (SB) COMPOSITION IN 2021

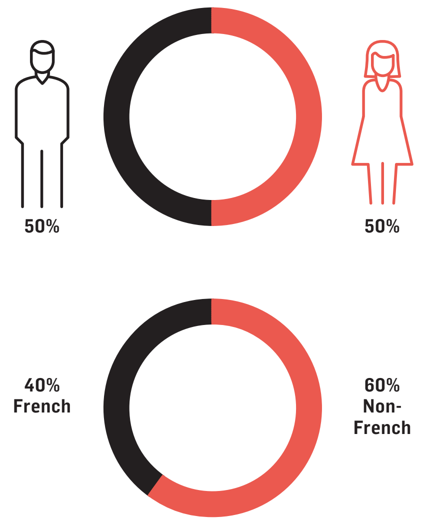
Upon the GNRC's recommendation, the SB will propose the renewal of Mr John McFarlane as an SB Member, for a period of two years, at the 2021 General Meeting.

In accordance with the applicable legal provisions, the SB may make temporary appointments for the remaining term of office of SB Members who have resigned. These co-optations must then be ratified by the Annual General Meeting. At its meeting on December 23, 2020, and upon the recommendation of the GNC, the SB unanimously decided to co-opt Ms Cecile Cabanis to replace Mr Jacques Stern, and Ms Julie Avrane-Chopard to replace Mr Philippe Collombel. Ms Cecile Cabanis was also appointed AC Chair and Ms Julie Avrane-Chopard was also appointed AC Member. Ms Cecile Cabanis brings to the SB significant knowledge of corporate finance and debt management and senior leadership and board experience. Ms Julie Avrane-Chopard brings to the SB 25 years' experience in management consulting, with expertise in digital, corporate strategy and M&A as well as organisation and change management. The ratification of the co-optation of these SB Members will be submitted at the 2021 General Meeting:

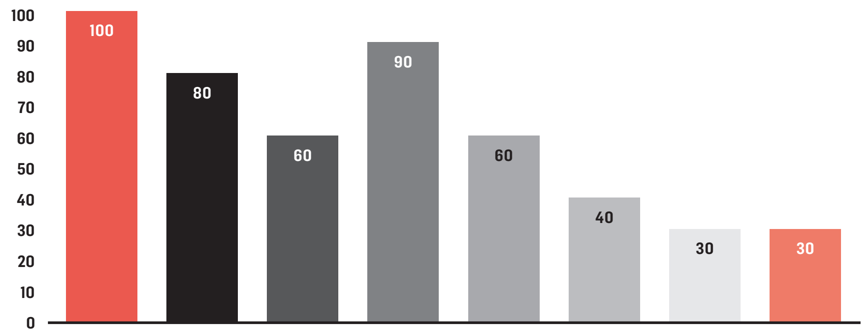
- Ms Julie Avrane-Chopard, for a period of one year; and
- Ms Cecile Cabanis, for a period of one year.

Ms Jill Granoff, whose term expires at the 2021 General Meeting, will not seek the renewal of her mandate as SB Member and GNRC Member. As the leadership transition has now taken place, Mr Colin Dyer will resign as SB Member and AC Member at the close of the 2021 General Meeting. For more details about SB Member profiles and experience, please also refer to the 2021 Notice of Meeting, available on the URW website.

DIVERSITY



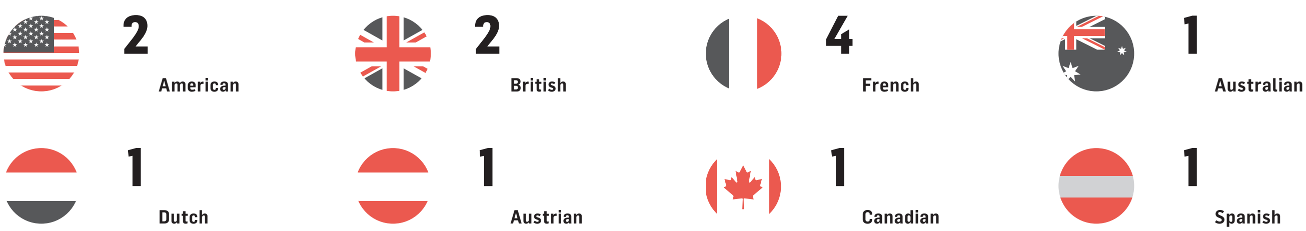
AREAS OF EXPERTISE OF SB MEMBERS (%)



All SB members are present in multiple categories.

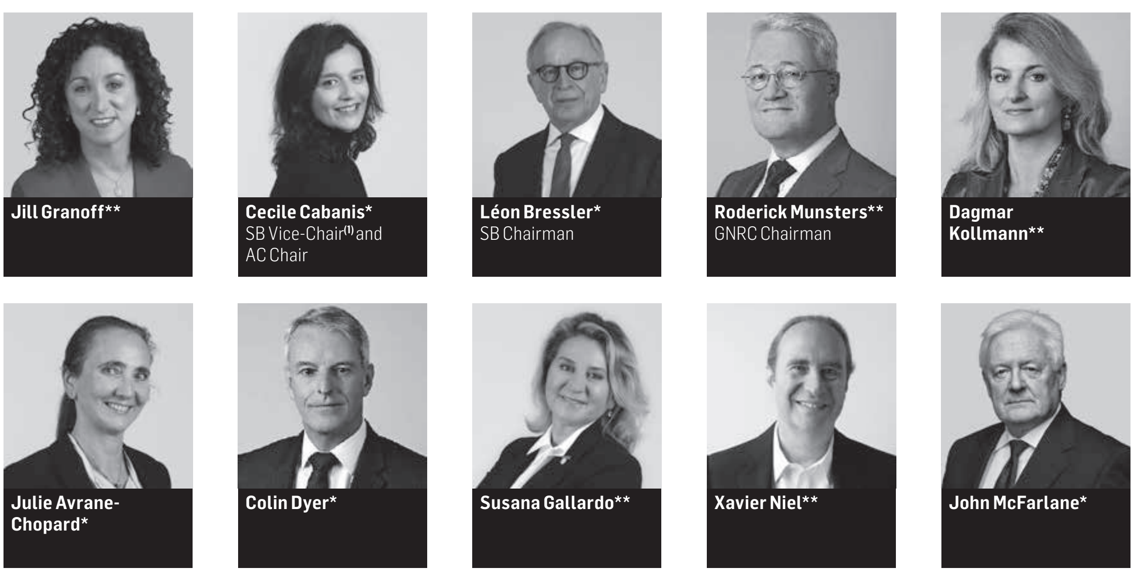
- Executive or Board member
- Real Estate/Asset Management
- Retail/Hospitality
- Finance
- Restructuring/Disposals
- CSR/Sustainability
- Digital/e-commerce
- Consumer products

8 NATIONALITIES REPRESENTED*



* Some members have more than one nationality.

SUPERVISORY BOARD COMPOSITION AS AT DECEMBER 31, 2020



Jill Granoff**

Cecile Cabanis*
SB Vice-Chair(1) and AC Chair

Léon Bressler*
SB Chairman

Roderick Munsters**
GNRC Chairman

Dagmar Kollmann**

100%
Independent

Julie Avrane-Chopard*

Colin Dyer*

Susana Gallardo**

Xavier Niel**

John McFarlane*

23 Meetings
99%
attendance

* Member of the Audit Committee (AC).
** Member of the Governance, Nomination & Remuneration Committee (GNRC).
(1) As of March 3, 2021.

SUPERVISORY BOARD MEMBERS AS AT DECEMBER 31, 2020

Name	Age	Gender	Nationality	Independence	SB attendance rate	First appointed	Term expires at AGM
Mr Léon Bressler *SB Chairman*	73	M	French	Independent	100%	2020	2023
Ms Cecile Cabanis *SB Vice-Chair(1) and AC Chair*	49	F	French	Independent	NA(1)	2020	2022
Mr Roderick Munsters *GNRC Chair*	57	M	Dutch and Canadian	Independent	100%	2017	2023
Ms Julie Avrane-Chopard	49	F	French	Independent	NA(2)	2020	2022
Mr Colin Dyer	68	M	British and American	Independent	100%	2017	2023
Ms Susana Gallardo	56	F	Spanish	Independent	100%	2020	2023
Ms Jill Granoff	58	F	American	Independent	96%	2018	2021
Ms Dagmar Kollmann	56	F	Austrian	Independent	100%	2014	2022
Mr John McFarlane	73	M	British and Australian	Independent	96%	2018	2021
Mr Xavier Niel	53	M	French	Independent	100%	2020	2023

(1) As of March 3, 2021.
(2) No SB meetings held during her mandate in 2020 after her cooptation to the SB on December 23, 2020.

SUPERVISORY BOARD MEMBER PROFILES

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

- International experience.
- Regional market experience (Continental Europe, the US and the UK)
  - international operations as well as local market exposure are important given the Group portfolio of flagship destinations throughout Continental Europe, the US and the UK.
- Finance (including audit, financing, banking or tax expertise).
  - the Company's operations involve complex financing transactions, debt management and refinancing in different countries and currencies, and monitoring tax and accounting measures.
- Leadership (relevant active executive or senior leadership experience).
  - international business or high level advisory or management expertise is important to understand the challenges facing the Company.
- Real estate and asset management.
  - the Company's core strategy requires expertise in real estate development, investment, leasing, management and divestment.
- Restructuring and disposals.
  - disposals are a priority for the Company given the current focus on deleveraging.
- Digital and e-commerce.
- Retail and hospitality.
- Consumer products.
  - retail, digital and data are at the core of the Group strategy, as a large portion of our clients are retailers.
- CSR and sustainability.
  - corporate social responsibility is at the heart of the Group strategy, as both a vehicle of progress and a factor of competitiveness. The Group continually seeks new ways to improve its environmental footprint and strengthen its social impact.
- Risk oversight and compliance.
  - the SB's responsibilities include overseeing and advising on the structure and management of the risks, compliance and internal control systems and ensuring that effective policies are in place to appropriately manage risk.
- Corporate governance and remuneration and benefits.
  - the SB's responsibilities include disclosing, complying with and enforcing the Company's corporate governance structure and monitoring market practice; approving the GNRC's recommendations regarding remuneration, including but not limited to MB remuneration and the Company's remuneration policy and attracting and retaining high calibre individuals; and engaging with shareholders.

In the context of the annual evaluation process, the GNRC and the SB review the profiles of the SB members each year to ensure the SB's ability to assume its responsibilities and duties under the best possible conditions. The profiles reflect the preferred SB composition and the objectives to be achieved (including through the SB succession plan) in order to implement and maintain an independent SB which distinguishes itself by the diversity of its members in terms of gender, age and nationality as well as by their skills, expertise and experiences.

Included in each SB Member's biography below is a description of key skills and expertise based on the experiences described above. All of the SB Members have multiple skills and experiences, as described in the experience matrix below. The SB and the GNRC are of the opinion that the SB Members collectively possess the right mix of skills, qualifications and experiences to provide effective oversight of the business, credible guidance to the MB, and fulfil their duties in the interest of the Company.

SUPERVISORY BOARD MEMBER EXPERIENCE MATRIX

Skills/experience	Léon Bressler(1)	Julie Avrane-Chopard(1)	Cecile Cabanis(1)	Colin Dyer(1)	Susana Gallardo(2)	Jill Granoff(2)	Dagmar Kollmann(2)	John McFarlane(1)	Roderick Munsters(2)	Xavier Niel(2)
Executive or Board member	•	•	•	•	•	•	•	•	•	•
Real estate and asset management	•			•	•	•	•	•	•	•
Retail and hospitality	•		•	•	•	•				•
Finance	•	•	•	•		•	•	•	•	•
CSR and sustainability		•	•				•		•	
Digital and e-commerce		•				•				•
EU market	•	•	•	•	•	•	•	•	•	•
UK market	•	•	•			•	•	•		
US market	•		•	•		•	•			•
Corporate governance and remuneration	•	•	•	•		•	•		•	•
Risk oversight and compliance			•				•	•	•	
Restructuring/ Disposals	•	•	•				•	•		•
Public Affairs	•									•
Consumer products			•			•				•

(1) Audit Committee.
(2) Governance, Nomination & Remuneration Committee.

EMPLOYEE OR EMPLOYEE SHAREHOLDER REPRESENTATION ON THE SUPERVISORY BOARD

Pursuant to Article L. 225-79-2 of the French Commercial Code, companies which exceed certain thresholds must provide for the representation of employees on their SB. As at December 31, 2020, the Group was not subject to this requirement.

Likewise, pursuant to Article L. 225-71 of the French Commercial Code, listed companies whose shares held by employees account for more than 3% of the share capital are required to appoint one or several employee shareholder representatives to their SB. As at December 31, 2020, the Company was not subject to this requirement.

While the Company is not subject to the statutory requirements regarding employee representation on the SB, the Group is committed to employee dialogue and works with employee representatives. In addition, since 2009, the European Employees Committee (EEC) is provided with information regarding the Group's economic situation and discusses all issues regarding the Group's employees, including Group strategy, CSR policy and Group compensation strategy. Various meetings are organised by the Group with the works councils and trade union organisations.

SUPERVISORY BOARD MEMBER INFORMATION AND MANDATES HELD AS AT DECEMBER 31, 2020

The business address of the Supervisory Board members is the Company's registered address, 7 Place du Chancelier Adenauer, 75016 Paris (France).

MR LÉON BRESSLER

SB CHAIRMAN AND AC MEMBER

Independent

- Graduate of the Institut d'Etudes Politiques de Paris and has a Master's Degree in Law.
- Chairman/Chief Executive Officer of Unibail (now URW) from 1992 to 2006.
- Active limited partner of Perella Weinberg Partners from 2006 to 2015.
- Managing Partner of Aermont Capital (formerly Perella Weinberg Real Estate UK LLP) since inception in 2007.
- Managing Partner at Worms & Cie from 1991 to 1996.
- Chairman and Chief Executive of Jeanne Lanvin and Lanvin Parfums from 1989 to 1991.
- Various positions at Midland Bank Group, including Chairman of the Executive Board of Midland Bank SA from 1984 to 1989.

BORN ON:
June 11, 1947

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
1,000

OTHER CURRENT FUNCTIONS AND MANDATES

Listed company
- N/A

Other companies/engagements
- Member of Cambridge Land Economy Advisory Board (UK).
- Advisor Emeritus of GIC (Singapore).
- Managing Partner of Aermont Capital.
- Director of several entities related to Aermont Capital.
- Trustee of The Bressler Foundation.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Member of the International Advisory Board and Investment Board of GIC (Singapore).

Further experience:
- Relevant active executive or senior leadership experience
  - over three decades in leadership positions in real estate, fashion and banking, including as Chairman/Chief Executive Officer of Unibail (now URW) from 1992 through 2006.
- Real estate/asset management
  - demonstrated track record in real estate and asset management; Managing Partner of Aermont Capital, a leading asset management business focused on real estate and real estate related investment activities; former Chairman/Chief Executive Officer of Unibail.
- Financial expertise
  - began his career at Chase Manhattan Bank in Paris, before joining Midland Bank Group in 1978 to establish its Paris office; former Chairman of the Executive Board of Midland Bank SA.
- EU market experience
  - experience in European fashion and retail as former Chairman and Chief Executive of Jeanne Lanvin and Lanvin Parfums and former board member of Habitat and FNAC; experience in European real estate through Aermont Capital and in former position as Chairman/Chief Executive Officer of Unibail.
- UK market exposure and expertise
  - experience investing in real estate and real estate-related opportunities in the UK through Aermont Capital.

MS JULIE AVRANE-CHOPARD

AC MEMBER

Independent

- Graduate of the École nationale supérieure des télécommunications de Paris and of the Collège des Ingénieurs and has an MBA from INSEAD.
- Former Senior Partner with McKinsey & Company in France.
- Prior to joining McKinsey in France, worked for two years as a business analyst in McKinsey's London office from 1995 to 1997 and as a researcher with Bull Honeywell in Boston in 1993 and Cogema (Areva) in 1994.

BORN ON:
June 11, 1971

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
1,000

OTHER CURRENT FUNCTIONS AND MANDATES

Listed company

- Independent Director of Valeo, representing FSP.

Other companies/engagements

- Independent Director of Groupe Monnoyeur.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- N/A

Further experience:

- Relevant active executive or senior leadership experience
  - former Senior Partner with McKinsey & Company in France and member of the committee that elects partners of McKinsey; a board member of Valeo and Groupe Monnoyeur.
- Financial expertise
  - board member of Valeo and member of the audit and risks committee, representing FSP.
- EU market experience
  - served major clients across Europe in high technology, aerospace and defence, transportation and mobility as a Senior Partner with McKinsey & Company in France.
- Digital/e-commerce
  - 25 years' experience in management consulting, with expertise in digital, corporate strategy, growth, organisation, transformation, mergers and culture and change; projects ranged from large-scale transformations and turnarounds to growth strategies and Industry 4.0; co-led the McKinsey high-tech skills practice worldwide.
- Corporate Governance
  - extensive experience advising boards of French and international listed companies on governance and strategy at McKinsey & Company.

MS CECILE CABANIS

SB VICE-CHAIR(1) AND AC CHAIR

Independent

- Graduated from the Institut National Agronomique Paris-Grignon as an agricultural engineer.
- CFO, Technology & Data, Cycles & Procurement, and member of the Executive Committee of Danone SA (listed) until February 2021; served in a range of key positions in finance since joining Danone in 2004.
- Former Deputy Director Mergers & Acquisitions at France Télécom.
- Began career in 1995 at L'Oréal in South Africa, as logistics manager and head of management control, then in France as an internal auditor.

BORN ON:
December 13, 1971

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
1,300

OTHER CURRENT FUNCTIONS AND MANDATES

Listed companies

- Vice-Chair of the Board of Danone SA.
- Director and Chair of the Audit and Risks Committee of Schneider Electric SE.
- Member of the Supervisory Board of 2MXOrganic.

Other companies/engagements

- Member of the Supervisory Board of Société Editrice du Monde.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- CFO and member of the Executive Committee of Danone SA (listed).
- Member of the Supervisory Board of Mediawan (listed).

Further experience:

- Relevant active executive or senior leadership experience
  - significant experience in operational management and corporate governance as CFO and Vice-Chair of the Board of Danone; extensive independent director experience in France in a variety of sectors including consumer goods, media and energy.
- Financial expertise
  - broad knowledge of the finance function as both active CFO and non-executive director; served in a range of key positions in finance at Danone since 2004, including Corporate Finance Director, head of Business Development and Vice President Finance for the Fresh Dairy Products division; Chief Financial Officer and member of the Executive Committee from 2015 to 2021; in-depth knowledge of strategic M&A developed as Deputy Director Mergers & Acquisitions at France Télécom.
- Risk oversight and compliance experience
  - extensive listed company experience in risk oversight and audit as Director and Chair of the Audit and Risks Committee of Schneider Electric SE and member of the Audit Committee of Mediawan.
- International experience
  - experience in a variety of international and emerging markets as CFO of Danone, a global leader in the food and beverage sector.
- Digital
  - in-depth experience with digital as Head of Information Systems and Technologies at Danone.

(1) As of March 3, 2021.

MR COLIN DYER

AC MEMBER

Independent

- MBA, INSEAD.
- Bachelor of Science, Mechanical Engineering, Imperial College, London.
- Former CEO of Worldwide Retail Exchange.
- Former CEO of Courtaulds Textiles where he held numerous other positions including Executive Division Director and Head Strategic Planning.
- Former consultant at McKinsey & Company.

BORN ON:
September 17, 1952

NATIONALITIES:
American and British

NUMBER OF STAPLED SHARES HELD:
650

OTHER CURRENT FUNCTIONS AND MANDATES

Listed companies
- Non-Executive Director of Paramount Group, Inc. (US).
- Non-Executive Director of Altus Group Limited (Canada).

Other companies/engagements
- N/A

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- SB Chairman and GNC Chairman of URW from 2017-2020.
- President and CEO of Jones Lang LaSalle Inc. from 2004-2016 (USA) (listed).
- Non-Executive Director of Jones Lang LaSalle Inc. (USA) (listed).

Further experience:

- Relevant active executive and senior leadership experience
  - strong leadership and management skills, having served as CEO of JLL, a listed diversified real estate services and investment management company; Courtaulds Textiles, a UK-based clothing manufacturer; GDL Retail, a Dutch retail chain; and Worldwide Retail Exchange, an internet-based business-to-business exchange. At JLL, he led the transformation strategy which saw the real estate services company grow more than fivefold in revenue and market capitalisation over his 12-year tenure.
- International experience and regional market exposure
  - experienced strategist who has focused on international businesses throughout his career; as CEO of JLL, a Fortune 500 company, he oversaw clients in 75 countries and the integration of more than 70 acquisitions; he has a truly international perspective having lived and worked in France, The Netherlands, the UK and the US.
- Real estate and real estate asset management experience
  - in-depth knowledge of both real estate and retail; as CEO of JLL, oversaw a management portfolio of more than 3 billion square feet of commercial real estate, and a real estate investment portfolio of over $50 Bn in value across multiple asset classes and countries.
- Financial expertise
  - extensive operational and financial expertise as CEO of JLL, Courtaulds Textiles, GDL Retail and Worldwide Retail Exchange.
- Risk oversight and corporate governance experience
  - former Chairman of URW's Governance and Nomination Committee; experience on US, Canadian and UK listed company boards with robust risk oversight and corporate governance practices; committed to ethical and inclusive business practices; during his tenure, JLL was recognised by the Ethisphere Institute as one of the "World's Most Ethical Companies" for ten consecutive years.

MRS SUSANA GALLARDO

GNRC MEMBER

Independent

- BSc degree in Economics And Politics from Oxford Polytechnic and graduated from IESE Business School (Advance Management Program); also studied at City of London Polytechnic.
- Chair of the family council of Landon Grupo Corporativo, which is active in real estate, private equity and other financial investments, in addition to its controlling interests in Almirall and Goodgrower.
- Former director of Abertis (an infrastructure company which owns Sanef), CaixaBank (LaCaixa Group) and Criteria Caixa; former Vice-President of Pronovias.
- Began her career in finance at Banco de Europa as a money market trader.

BORN ON:
December 2, 1964

NATIONALITY:
Spanish

NUMBER OF STAPLED SHARES HELD:
1,950(1)

OTHER CURRENT FUNCTIONS AND MANDATES

Listed company
- N/A

Other companies/engagements
- Chair-elect of the Family Council of Landon. Grupo Corporativo (Spain).
- Director of Goodgrower (Spain).
- Chairman of Fundacion Bienvenido (Spain).
- Member of the Advisory Board of Universitat International de Catalunya in Barcelona (Spain).
- Director of the Fundacion Aurea (Spain).

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Director of Abertis (Spain).
- Director of Saba Infraestructuras (Spain).

Further experience:
- Relevant active executive or senior leadership experience
  - chair of the family council of Landon Grupo Corporativo; experience as independent director in various sectors including banking and infrastructure; 28-year career at Pronovias as vice-president.
- Corporate Governance/Remuneration
  - experience in family office governance and as independent director of Spanish listed company boards with robust corporate governance practices; former Chairman of the Appointments and Remuneration Committee of CaixaBank (LaCaixa Group); former Director of Criteria Caixa and Chairman of the Audit Committee.
- Real estate/asset management
  - member of the investment committee of her family office for 20 years with large investments in real estate, fixed income and equity investments as well as private equity.
- EU market experience
  - significant knowledge of the Spanish and European market through 28-year career in fashion and investments in European real estate, private equity, pharmaceuticals and healthcare.
- Retail experience
  - seasoned executive with 28 years of experience as vice-president of Pronovias, a leading global bridalwear brand with an extensive international presence in Europe, US and Asia.

(1) Of which 100 shares are held in nominative form.

MS JILL GRANOFF

GNRC MEMBER

Independent

- MBA, Columbia University and Bachelor's, Duke University.
- Current CEO of Eurazeo Brands and member of Eurazeo's Executive Committee.
- Former CEO of Vince, Kellwood Company and of Kenneth Cole Productions.
- Former Group President, Direct-to-Consumer and then EVP, Direct Brands at Liz Claiborne.
- Held several positions at L Brands including President of Victoria's Secret Beauty.
- Former VP Business Planning and Development and then Senior VP Strategic Planning, Finance and Information Systems of Estée Lauder.
- Started career at A.T. Kearney management consulting.

BORN ON:
April 7, 1962

NATIONALITY:
American

NUMBER OF STAPLED SHARES HELD:
343

OTHER CURRENT FUNCTIONS AND MANDATES

Listed company
- N/A

Other companies/engagements
- CEO of Eurazeo Brands (Branded Consumer and Retail Private Equity), a division of Eurazeo SE (France)(1).

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Chairman and CEO of Vince Holding Corporation (listed).
- Director of Demandware (now Salesforce Commerce Cloud).

Further experience:
- Relevant active executive or senior leadership experience
  - extensive operational and leadership experience as CEO of Eurazeo Brands, and CEO of two listed companies, Vince Holding Corporation (where she led the IPO) and Kenneth Cole Productions; executive positions at Kellwood Company, Liz Claiborne, Victoria's Secret and The Estée Lauder Companies.
- Retail and consumer products experience
  - accomplished executive with over 27 years' experience building brands in the fashion, beauty and retail industries; since 2017, CEO of Eurazeo Brands, a global private equity firm investing in high growth consumer and retail companies; former director of the Fashion Institute of Technology Foundation; former CEO of two listed American fashion brands, Vince Holding Corporation and Kenneth Cole Productions, and held executive positions in apparel, accessories and beauty at Kellwood Company, Liz Claiborne, Victoria's Secret and The Estée Lauder Companies, with management responsibility for over 1,000 retail stores.
- Digital and e-commerce experience
  - significant marketing and digital experience at Eurazeo Brands, where she oversees investments in and expansions of direct-to-consumer businesses; in-depth exposure to e-commerce as Director at Demandware, now Salesforce Commerce Cloud, a global leader in digital commerce.
- International experience
  - US market expert through 27-year career in the beauty, fashion and retail industries; international experience as CEO of Eurazeo Brands where she oversees consumer growth equity investments globally, as well as operating roles at Victoria's Secret where she launched the brand into the international market through the Travel Retail channel.
- Real Estate experience
  - responsible for real estate strategy, site selection, lease negotiation, store build out and store operations at Victoria's Secret, Liz Claiborne (Kate Spade, Juicy Couture, Lucky Brand), Kenneth Cole Productions and Vince Holding Corporation.

(1) Pursuant to the Afep-Medef Code, mandates related to Eurazeo Brands are not taken into account as Eurazeo Brands' main activity is to invest and hold interests in those companies.

MS DAGMAR KOLLMANN

GNRC MEMBER

Independent

- Master's of Law (focus on International and Business Law) from Universität Wien, Austria.
- Former Board member of Morgan Stanley International Ltd (UK) and Morgan Stanley and Co. International Ltd (UK).
- Former MB Chair, Country Head and CEO – Germany and Austria, Morgan Stanley Bank AG (Germany).

BORN ON:
July 9, 1964

NATIONALITY:
Austrian

NUMBER OF STAPLED SHARES HELD:
725

OTHER CURRENT FUNCTIONS AND MANDATES

Listed companies
- SB Vice-Chair and AC Chair of Deutsche Pfandbriefbank AG (Germany).
- SB Member and AC Chair of Deutsche Telekom AG (Germany).
- Non-executive Board Member of Coca-Cola European Partners plc (UK).

Other companies/engagements
- SB Member of KfW IPEX-Bank GmbH (Germany).
- Commissioner of the Monopolies Commission (Germany).

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- SB Member of Bank Gutmann AG (Austria).
- SB Vice-Chair and AC Chair of HRE Holding AG (Germany).

Further experience:
- Relevant active executive or senior leadership experience
  - over 20 years' senior management experience; former CEO of Morgan Stanley Bank AG; through key transactions and M&A deals in consumer, industrial and service sectors, she gained invaluable insights into strategic and tactical challenges of global businesses in transformation.
- Financial expertise
  - high level of financial expertise gained through various senior management positions in finance and banking, including responsibility for Corporate Finance, Mergers and Acquisitions, Real Estate Advisory and Principal Investments, including IPOs, Secondary Offerings and Debt Capital Markets; extensive experience in valuation, value creation, market positioning and critical success factors for large listed companies.
- Risk oversight and corporate governance experience
  - significant experience in risk management as Chair of audit committees of Deutsche Telekom AG, Deutsche Pfandbriefbank AG and previously Hypo Real Estate AG; extensive experience in anti-trust competition regulation in a wide range of segments including but not limited to consumer goods, financial and digital markets as one of five Commissioners of the Monopolies Commission in Germany, serving since 2010; detailed work in corporate real-estate lending as member of risk and liquidity committees of Hypo Real Estate AG and pbb AG.
- International experience
  - multi-national, multi-cultural background; she worked in senior positions in the US, in the UK and Continental Europe, and lived in Asia; extensive experience in executive and non-executive roles in global bulge-bracket financial institutions as well as blue-chip listed and non-listed companies.
- CSR & sustainability
  - long-standing focus on sustainability, diversity, talent and change management, in both executive and non-executive positions.

MR JOHN MCFARLANE

AC MEMBER

Independent

- MA, University of Edinburgh, MBA, Cranfield School of Management. Studied Finance at the London Business School.
- Independent Non-Executive Director and Chairman of Westpac (AU) (listed).
- Former Non-Executive Chairman of Barclays plc (UK) (listed).
- Former Executive and Non-Executive Chairman of Aviva plc (UK) (listed).
- Former CEO of Australia and New Zealand Banking Group Ltd (AU) (listed).
- Former Group Executive Director of Standard Chartered PLC (UK/HK) (listed).
- Former Non-Executive Director of the Royal Bank of Scotland Group PLC (UK) (listed).
- Former Head of Citicorp/Citibank (UK).
- Former Non-Executive Director Capital Radio plc (UK) (listed).
- Former Council Member London Stock Exchange (UK) (unlisted).
- Former Director, Executive or member of various public and private organisations including Economic Research Institute for ASEAN and East Asia, Australian Government Foreign Affairs Council, Australian Government Financial Literacy Board, Australian Government Business Regulation Advisory Group, Australian Business Arts Foundation, Australian Financial Markets Foundation for Children, Australian Graduate School of Management, Business Council of Australia, Australian Bankers Association, Citicorp, Ford Motor Company, Bank of England Financial Law Panel, Auditing Practices Board, The Securities Association.

BORN ON:
June 14, 1947

NATIONALITIES:
British and Australian

NUMBER OF STAPLED SHARES HELD:
922(1)

OTHER CURRENT FUNCTIONS AND MANDATES

Listed company

- Independent Non-Executive Director and Chairman of Westpac (AU).

Other companies/engagements

- Non-Executive Director of Old Oak Holdings Ltd (UK).
- Director of The International Monetary Conference (US).

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- Non-Executive Chairman of Barclays plc (UK) (listed).
- Non-Executive Chairman of TheCityUK (professional financial organisation).
- Non-Executive Director of Westfield Corporation Ltd (AU).
- Non-Executive Director of Westfield America Management Ltd (AU).
- Non-Executive Chairman of Barclays Bank plc (UK).

Further experience:

- Relevant active executive or senior leadership experience
  - experienced listed company chairman, CEO and director; he has served the banking and finance sector for 45 years in a number of countries and executive roles, 12 years' experience on listed real estate investment trust boards and as chairman and director of various government and industry bodies.
- Financial expertise
  - former executive and non-executive Chairman of Barclays and Aviva and former non-executive Chairman of FirstGroup; senior expert in banking, particularly in bank strategy and the restructuring of major banks following crises.
- Risk oversight and compliance experience
  - as a non-executive director of the UK securities regulator and in leading the restructuring of major banks following crises, he had ongoing interaction with governments, central banks and regulators at the most senior levels and gained important insights into governance, risk management and regulation.
- International experience
  - diverse international experience, including as CEO of ANZ in Australia; current board member of the International Monetary Conference and member of the Asia Business Council; former Chairman of the Australian Bankers Association; and former member of the European Financial Services Roundtable, the European Banking Group and the Institut International d'Études Bancaires.
- UK market exposure and expertise
  - current non-executive director of Old Oak Holdings, a boutique investor in the UK; former Chairman of TheCityUK; former member of the UK Financial Services Trade and Investment Board; former Group Executive Director of Standard Chartered and head of Citicorp/Citibank in the UK and Ireland.

(1) Held in the form of Australian Chess Depositary Interests (CDI) listed on the Australian Securities Exchange. 20 CDIs collectively represent a beneficial ownership interest in 1 Stapled Share.

MR RODERICK MUNSTERS

GNRC CHAIRMAN

Independent

- Master's in Economics and Finance, Tilburg University.
- Former Executive Director and CIO of ABP Pension Fund & APG All Pensions Group.
- Former Managing Director and CIO of PGGM Pension Fund.
- Various positions in the Investment Department of NV Interpolis Insurance.

BORN ON:
July 19, 1963

NATIONALITIES:
Dutch and Canadian

NUMBER OF STAPLED SHARES HELD:
1,000

OTHER CURRENT FUNCTIONS AND MANDATES

Listed company

- N/A

Other companies/engagements

- SB Member of PGGM Investments (NL).
- SB Member of Moody's Investors Service – EU (UK).
- Independent non-executive director of the Bank of New York Mellon SA/NV (BE).
- Member of the Financial Investments Strategy Committee of Capital Guidance.

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- SB Member of Edmond de Rothschild Asset Management (France) SA.
- CEO of Edmond de Rothschild Asset Management (France) SA.
- CEO of Robeco Group NV.
- Member of the Capital Markets Committee of the Dutch Authority for the Financial Markets (AFM).

Further experience:

- Relevant active executive or senior leadership expertise
  - 20+ years of executive and non-executive experience in the financial services industry, as CEO and CIO, in asset management, private equity and real estate; extensive international M&A experience, on both buy- and sell-side.
- Real estate and asset management experience
  - both hands-on and executive experience for over 30 years, with 15 years as CIO at Europe's two largest pension funds, ABP and PGGM as CEO of Robeco Group and of Edmond de Rothschild Asset Management, responsible for European asset management companies with a global presence and a large client-base in the US and Asia; former non-executive director at Amvest Real Estate and AlpInvest Private Equity Partners.
- Financial expertise (audit, finance)
  - significant experience with debt and equity markets, from running investment portfolios to capital market teams and currently as an independent non-executive director at Moody's Investors Service – EU; as a CEO, responsible for audit and compliance in various markets; in-depth knowledge of global financial markets, including various alternative investment strategies.
- Corporate governance and compensation expertise
  - founding Board member and former chairman (ten years) of Dutch Institutional Corporate Governance platform; currently a Dutch government appointed member of the committee overseeing corporate governance standards for Dutch-listed companies; hands-on experience in the design and implementation of new remuneration policies following regulatory and legislative developments.
- CSR and sustainability expertise
  - actively involved in developing and setting sustainability standards and strategy for 20+ years; responsible for the start and implementation of sustainability investing at two of Europe's largest pension funds, PGGM and ABP.

MR XAVIER NIEL

GNRC MEMBER

Independent

- Founder, main shareholder and former CEO of Groupe Iliad.
- Extensive experience in technology, the Internet and telecommunications industry since the end of the 1980s.
- Recognised investor in venture capital through the Kima Ventures Fund as well as a long-time active real estate and media investor.

BORN ON:
August 25, 1967

NATIONALITY:
French

NUMBER OF STAPLED SHARES HELD:
9,925,625[1]

OTHER CURRENT FUNCTIONS AND MANDATES

Listed companies

- Chairman of the Board of Directors of Groupe Iliad.
- Member of the Board of 2MX Organic.
- Director of KKR & Co. Inc (US).

Other companies/engagements

- Chairman of NJJ Holding, NJJ Boru, NJJ Immobilier, NJJ Strategy, NJJ Telecom Europe, SE51, 1 bis Place des Vosges, Holdco, Invest SB, Sons Holdco and La Compagnie des Immeubles Parisiens.
- Manager (gérant) of SCI Paris Grenelle and Elysées Capital.
- Member of the Supervisory Board of La Société Editrice du Monde and Le Nouvel Observateur du Monde.
- Director of Nice Matin Group.
- Director of Eircom Holdings Ireland.
- Director of Monaco Telecom.
- Director of Salt Mobile AG (Switzerland).
- Director of Telma Comores Holding (Comores).

PREVIOUS MANDATES DURING THE LAST FIVE YEARS

- COO of Iliad SA.
- Vice-Chairman of the Board of Directors of Iliad SA
- Member of the Supervisory Board of Le Monde S.A.
- Director of Ateme S.A.
- Chairman of NJJ Animation S.A.S., NJJ Project Four S.A.S., SEHF S.A.S., Golf du Lys Chantilly S.A.S., NJJ Capital S.A.S., NJJ Market S.A.S., NJJ Capital Monaco Acquisition S.A.S., NJJ Indian Ocean S.A.S., NJJ Invest Tel S.A.S., NJJ Media S.A.S., NJJ Suisse Acquisition S.A.S., NJJ Investco S.A.S., NJJ North Atlantic S.A.S., NJJ Project Two S.A.S., NJJ Project Three S.A.S., NJJ Exclusive S.A.S., NJJ Innovation S.A.S., NJJ Presse S.A.S., NJJ Tara S.A.S., NJJ Galway S. A.S., NJJ Télécom S.A.S., NJJ Project Five S.A.S., IT Solutions Factory S.A.S., Kima Ventures S.A.S., Kima Ventures II S. A.S., Station F S.A.S. and Square Vergennes S.A.S.
- Manager of OH4S SNC and 9 rue de Lagny S.A.R.L.
- Chairman of the Supervisory Board of BlackPills S.A.S.
- Co-Manager of Diderot S.A.S. and Kléber Levallois S.N.C
- Member of the Board of Salt Network S.A. (Switzerland).

Further experience:

- Relevant active executive or senior leadership experience
  - founder and chairman of the board of Iliad SA, a French telecommunications company that owns the internet provider Free and the mobile operator Free Mobile; involved in the data communications, internet and telecommunications industry since the late 1980s.
- Digital/e-commerce
  - in 2010, founded Kima Ventures SAS, which is an active early-stage investor that has invested in hundreds of start-up companies around the world; in 2013, created 42, a school that trains computer specialists in France and the United States; in 2017, opened Station F, a startup campus located in Paris.
- Consumer products
  - through his fully-owned private investment vehicle NJJ Holding, has minority stakes in various consumer products companies.
- Real estate/asset management
  - member of the board of directors of KKR, a leading global investment firm that manages multiple alternative asset classes including private equity, energy, infrastructure, real estate and credit.
- EU market exposure and expertise
  - through his fully-owned private investment vehicle NJJ Holding, owns majority stakes in telecom operators in various countries in Europe.

(1) Owned directly or indirectly via Rock Investment (holding company).

INDEPENDENCE ANALYSIS OF SUPERVISORY BOARD MEMBERS

INDEPENDENCE PROCEDURE AND CRITERIA

Every year, the GNRC and the SB carry out an in-depth independence analysis of each SB Member pursuant to the criteria of the Afep-Medef Code. These criteria are included in the SB Charter.

In accordance with the Afep-Medef Code and the specific supplementary criteria of the SB Charter, the following are taken into account by the GNRC and the SB:

	Afep-Medef Code independence criteria
1	Not an employee or executive officer of the Company, or an employee, executive officer or director of its parent or of one of its consolidated subsidiaries, and has not been one during the previous five years.
2	Not an executive officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such, or a current or former (during the previous five years) executive officer of the Company is a director.
3	Not (nor directly or indirectly) linked to a customer, supplier, investment or commercial banker or consultant: (i) that is material to the Company or its Group, or (ii) for which the Company or its Group represents a significant part of the entity's activity. Materiality analysis: examine, for both entities when possible, the financial relationship, the continuity over time, the intensity of the relationship and the position of the SB Member in the Company.
4	Not related by close family ties to an executive officer of the Company.
5	Not an auditor of the Company within the previous five years.
6	Not a member of the Supervisory Board of the Company for more than 12 years.
7	Has not received any personal financial remuneration from the Company, including any remuneration related to the performance of the Company (no STI or LTI), other than the fees received as an SB Member.
8	Not representing any major shareholder of the Company (> 10%).
	Specific SB Charter criteria
9	Not a director of a company in which an MB Member of the Company holds a director role (which they are therefore responsible for controlling) (cross ties).
10	Has not temporarily managed the Company during the preceding 12 months while members of the MB were absent or unable to fulfil their duties.

When any kind of business relationship exists (criterion no. 3), a further quantitative and qualitative analysis is conducted on a case-by-case basis to analyse the significance of the relationship and to assess the independence of that particular SB Member.

MEMBER INDEPENDENCE ANALYSIS AS AT DECEMBER 31, 2020

100% of the SB Members were found to be independent as at December 31, 2020.

The table below illustrates the GNRC and the SB assessment of the members' independence:

SB Members as at 12/31/2020	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8	Criterion 9	Criterion 10	Result
Mr Léon Bressler Chairman	✓	✓	✓ (see analysis)	✓	✓	✓ 0 years (appointed in 2020)	✓	✓	✓	✓	Independent
Ms Julie Avrane-Chopard	✓	✓	✓ (see analysis)	✓	✓	✓ 0 years (appointed in 2020)	✓	✓	✓	✓	Independent
Ms Cecile Cabanis	✓	✓	✓ (see analysis)	✓	✓	✓ 0 years (appointed in 2020)	✓	✓	✓	✓	Independent
Mr Colin Dyer	✓	✓	✓	✓	✓	✓ 3.5 years (appointed in 2017)	✓	✓	✓	✓	Independent
Ms Susana Gallardo	✓	✓	✓	✓	✓	✓ 0 years (appointed in 2020)	✓	✓	✓	✓	Independent
Ms Jill Granoff	✓	✓	✓ (see analysis)	✓	✓	✓ 2.5 years (appointed in 2018)	✓	✓	✓	✓	Independent
Ms Dagmar Kollmann	✓	✓	✓ (see analysis)	✓	✓	✓ 6.5 years (appointed in 2014)	✓	✓	✓	✓	Independent
Mr John McFarlane	✓	✓	✓ (see analysis)	✓	✓	✓ 2.5 years (appointed in 2018)	✓	✓	✓	✓	Independent
Mr Roderick Munsters	✓	✓	✓ (see analysis)	✓	✓	✓ 3.5 years (appointed in 2017)	✓	✓	✓	✓	Independent
Mr Xavier Niel	✓	✓	✓ (see analysis)	✓	✓	✓ 0 years (appointed in 2020)	✓	✓	✓	✓	Independent

DETAILED ANALYSIS OF CERTAIN CRITERIA FOR CERTAIN SUPERVISORY BOARD MEMBERS

A quantitative and qualitative analysis of the business relationship was carried out by the GNRC, then by the SB, to assess the independence of Mr Léon Bressler, given his role as SB Chairman, and of Ms Julie Avrane-Chopard, Ms Cecile Cabanis, Ms Dagmar Kollmann, Mr Roderick Munsters and Mr Xavier Niel given their other roles outside the Group during 2020.

Independence analysis of the SB Chairman, Mr Léon Bressler

The Afep-Medef Code makes no presumption related to the independence of an SB Chairman. However, the French Financial Market Authority (AMF) recommends that the independence of an SB Chairman be justified in detail. In a dual corporate governance structure in which the SB's role is to only exert oversight and control over the actions of the MB, and governed by a principle of non-interference in the executive duties of the MB, the risks of a conflict of interest are limited. A specific quantitative and qualitative independence analysis was conducted for Mr Léon Bressler, SB Chairman. While Mr Léon Bressler is the Managing Partner of Aermont Capital, a significant shareholder of the Group, the Aermont Capital position is well below the threshold of >10% that would impact independence pursuant to the SB Charter as well as the Afep-Medef Code. The shareholder agreement ("action de concert") that was previously entered into between Aermont Capital and NJJ Holding, Mr Xavier Niel's fully-owned private investment vehicle, was dissolved on December 21, 2020 and the entities no longer act in concert. As demonstrated by the chart above, other than as a non-executive Chairman of the SB and member of the AC, he has no relationship of any kind with the Group or its management. His former position as Chairman and CEO until 2006 of Unibail (now URW), does not impact his independence under the Afep-Medef Code as he held it more than five years ago. In addition, as SB Chairman in a two-tier governance structure, Mr Léon Bressler has no executive function and is not involved in day-to-day operations nor the operational decisions of the Group. Other than the nominal fees received for his contribution provided as an SB Member, he has not received personal financial remuneration, including any remuneration in the form of shares nor any remuneration related to the performance of the Group (no STI or LTI), from the Group.

Accordingly, based on the work of the GNRC, the SB concluded that Mr Léon Bressler is independent.

Analysis of Ms Julie Avrane-Chopard's business relationship

Ms Julie Avrane-Chopard's independence was further analysed given the following mandate:

- Non-Executive Board member of the Monnoyeur Group.

The following criteria were assessed for the Monnoyeur Group:

- The legal entities signing contracts;
- The total euro amount paid for services in 2020; and
- The date a business relationship was first established, the overall duration and the continuity of same.

As a Non-Executive SB Member of URW SE and as a Non-Executive Board member of the Monnoyeur Group, Ms Avrane-Chopard is not involved in the day-to-day operations nor the operational decisions of the involved companies. She is not and has never been an employee nor Executive Director of the companies. Service contracts between the companies are awarded following a tender. They are routine agreements for the companies and entered into on an arm's length basis. With respect to both companies, the service fees paid to a subsidiary of the Monnoyeur Group by the Group are marginal compared to each group's total turnover. Discussions on service contract terms and conditions and their negotiation never rise to the SB level nor to the Group Monnoyeur Board level. Therefore, Ms Avrane-Chopard does not participate in negotiations and has no influence over negotiations between the entities. Other than the remuneration received for her contribution provided as an SB Member, she has not received personal financial remuneration, including any remuneration in the form of shares or any remuneration related to the performance of the Company (no STI or LTI), from the Group.

Accordingly, based on the work of the GNRC, the SB concluded that Ms Avrane-Chopard is independent.

Analysis of Ms Cecile Cabanis' business relationship

Ms Cecile Cabanis' independence was further analysed given the following mandates:

- Executive Vice-President, Chief Financial Officer, Technology & Data, Cycles & Procurement, member of the Executive Committee (until February 19, 2021) and Vice-Chair of the Board of Directors of Danone; and
- Non-Executive Director of Schneider Electric.

The following criteria were assessed for Schneider Electric:

- Type of business relationship;
- Total euro amount paid for services in 2020; and
- Date a business relationship was first established, the overall duration and the continuity of same.

As a Non-Executive SB Member at both companies she is not involved in the day-to-day operations nor the operational decisions of the group. She is not and has never been an employee nor Executive Director of the groups. The contracts between the companies are entered into between subsidiaries of each group and not at the parent level. The contracts between the companies are routine agreements and entered into on an arm's length basis. With respect to both companies, the service fees paid by the Group are marginal compared to each group's total expenses/revenues or total turnover. In addition, discussions on specific contract terms and their negotiation never rise to the level of the SB of the groups. Therefore, she does not participate in negotiations and has no influence over negotiations between the entities. Other than the remuneration received for her contribution provided as an SB Member, Ms Cabanis has not received personal financial remuneration, including any remuneration in the form of shares or any remuneration related to the performance of the Group (no STI or LTI), from the Group.

The following criteria were assessed for Danone SA:

- The legal entities signing contracts;
- The number of centres represented in the consolidated Group portfolio in 2020;
- The euro amount of fees received in 2020;
- The significance of Danone SA in comparison to other commercial partnerships and brand experiences with the Group; and
- The date a business relationship was first established, the overall duration and the continuity of same.

Notably, as a Non-Executive SB Member of URW SE she is not involved in the day-to-day operations nor the operational decisions of the group. She is not and has never been an employee nor Executive Director of URW SE. The contracts are entered into between Danone SA's advertising agencies and subsidiaries of URW SE, and are routine agreements entered into on an arm's length basis. With respect to both companies, the fees are marginal compared to each group's total expenses/revenues or total turnover. In addition, discussions on specific contract terms and their negotiation never rise to the SB level. Therefore, from the URW SE perspective, Ms Cabanis does not participate in negotiations and has no influence over negotiations. Other than the remuneration received for her contribution provided as an SB Member of URW SE, she has not received personal financial remuneration, including any remuneration in the form of shares or any remuneration related to the performance of the Group (no STI or LTI), from the Group.

Accordingly, based on the work of the GNRC, the SB concluded that Ms Cabanis is independent.

Analysis of Ms Dagmar Kollmann's business relationship

Ms Dagmar Kollmann's independence was further analysed given the following mandates:

- SB Member of Deutsche Telekom; and
- Non-Executive Director of Coca-Cola European Partners plc.

The following criteria were assessed for Deutsche Telekom:

- The legal entities signing lease contracts;
- The percentage represented at Group level:
  - out of all stores,
  - of GLA,
  - of minimum guaranteed rent for the Group's consolidated portfolio in 2020; and
- The date a business relationship was first established at Group level.

As a Non-Executive SB Member at both companies she is not involved in the day-to-day operations nor the operational decisions of the group. She is not and has never been an employee nor Executive Director of the groups. The lease contracts between the companies are entered into between subsidiaries of each group and not at the parent level. The lease contracts between the companies are routine agreements and entered into on an arm's length basis. With respect to both companies, the rents received by the Group are marginal compared to each group's total lease expenses/revenues or total turnover. In addition, discussions on specific contract terms and their negotiation never rise to the level of the SB of the groups. Therefore, she does not participate in negotiations and has no influence over negotiations between the entities. Other than the remuneration received for her contribution provided as an SB Member, Ms Kollmann has not received personal financial remuneration, including any remuneration in the form of shares or any remuneration related to the performance of the Group (no STI or LTI), from the Group.

The following criteria were assessed for Coca-Cola European Partners plc:

- The legal entities signing contracts;
- The number of centres represented in the consolidated Group portfolio in 2020;
- The euro amount of fees received in 2020;
- The significance of Coca-Cola European Partners plc in comparison to other commercial partnerships and brand experiences with the Group; and

- The date a business relationship was first established, the overall duration and the continuity of same.

Notably, as a Non-Executive SB Member at each company she is not involved in the day-to-day operations nor the operational decisions of the group. She is not and has never been an employee nor Executive Director of the groups. The contracts are entered into between Coca- Cola European Partners plc's advertising agencies and subsidiaries of URW SE, and are routine agreements entered into on an arm's length basis. With respect to both companies, the fees are marginal compared to each group's total expenses/revenues or total turnover. In addition, discussions on specific contract terms and their negotiation never rise to the level of the SB of the groups. Therefore, Ms Kollmann does not participate in negotiations and has no influence over negotiations between the entities. Other than the remuneration received for her contribution provided as an SB Member of URW SE, she has not received personal financial remuneration, including any remuneration in the form of shares or any remuneration related to the performance of the Group (no STI or LTI), from the Group.

Accordingly, based on the work of the GNRC, the SB concluded that Ms Kollmann is independent.

Analysis of Mr Roderick Munsters' business relationship

Mr Roderick Munsters' independence was further analysed given the following mandates:

- SB Member of Moody's Investors Service – EU; and
- SB Member of PGGM Investments.

The following criteria were assessed for Moody's:

- Type of business relationship;
- The legal entities signing contracts;
- The euro amount of fees paid to Moody's in 2020; and
- The date a business relationship was first established, the overall duration and the continuity of same.

Moody's rates tens of thousands of issuers, financials instruments, sovereign nations and banks on an ongoing basis. The ratings of the Group are conducted on an arm's length basis. The business relationship between Moody's and the Group began before Mr Munsters joined the SB of either entity. The rating service contract between Moody's and the Group are entered into between subsidiaries of each group and not at the parent level. With respect to both companies, the service fees paid by the Group to Moody's are marginal compared to each group's total service fees expenses/revenues or total turnover. Discussions on the contract terms and conditions and their negotiation never rise to the SB level of either company. Furthermore, Moody's has a "Director and Shareholder Affiliation Policy" which ensures that ratings of any company or any pending actions are not discussed at the SB level. Therefore, he does not participate in discussions and does not have an impact on the relationship between the entities.

The following criteria were assessed for PGGM Investments:

- Type of business relationship; and
- Date a business relationship was first established, the overall duration and the continuity of same.

PGGM has been a long standing shareholder of the Group. The relationship between PGGM and the Group began before Mr Munsters joined the SB of either entity. PGGM's shareholdings are well below the thresholds that would impact independence pursuant to the SB Charter as well as the Afep-Medef Code. As an SB Member of Unibail-Rodamco-Westfield SE, Mr Munsters considers the interests of all shareholders equally.

Furthermore, as a Non-Executive SB Member of URW SE, he is not implicated in the day-to-day operations nor the operational decisions of the Group. He is not and has never been an employee nor Executive Director of the Group. Other than the fees received for his contribution provided as an SB Member, he has not received personal financial remuneration, including any remuneration in the form of shares nor any remuneration related to the performance of the Group (no STI or LTI), from the Group.

Accordingly, based on the work of the GNRC, the SB concluded that Mr Munsters is independent.

Analysis of Mr Xavier Niel's business relationship

Ms Xavier Niel's independence was further analysed given the following mandates:

- Owner (through controlled entities) of 11.40% of URW share capital, of which 7.17% is held directly and includes voting rights, and of which 4.23% corresponds to financial instruments; and
- Chairman of the Board of Directors of Groupe Iliad and majority shareholder.

On February 26 and March 3, 2021, the Company received two formal notifications (the "Notifications") from NJJ Holding, an entity fully controlled by Mr Niel, that it had crossed the 10% threshold of share capital through two subsidiaries (Rock Investment and NJJ Market). The upward crossing of the threshold results from the use of financial instruments giving NJJ Holding economic exposure to URW shares, which are treated by Article L.233-9 1° of the French Commercial Code as equivalent to ownership of capital and voting rights for the sole purpose of reporting the crossing of thresholds. The Notifications also included confirmation that Mr Niel (a) does not intend to take over the Company but will continue to purchase shares depending on market conditions, (b) does not demand additional seats on the SB and (c) supports the strategy defined by the SB and MB as well as operations related to the implementation of such strategy. The shareholder agreement ("action de concert") that had previously been entered into with Aermont Capital was dissolved on December 21, 2020 and the entities no longer act in concert.

In accordance with the Afep-Medef Code, which imposes this requirement above a threshold of 10% in capital or voting rights, the GNRC and the SB have examined the qualification of Mr Niel as an independent member.

Upon recommendation of the GNRC, the SB confirmed the independent membership of Mr Niel considering that (i) under the Afep-Medef Code (the reference corporate governance code to which the Company adheres), the crossing of the threshold of 10% in capital or voting rights by a member of the SB does not systematically impact independence, (ii) in this case, the crossing of the threshold results from the structure of the financial instruments entered into for the purposes of structuring the financial transaction carried out, (iii) neither Mr Niel nor the entities controlled by him are in a position to exercise the voting rights attached to the URW shares underlying these financial instruments, (iv) taking into account only the percentage (direct or indirect) of the share capital effectively held and the voting rights effectively exercisable, excluding assimilation, the threshold of 10% of the share capital and voting rights would not be crossed, (v) in addition, Mr Niel continues to meet the other independence criteria of the Afep-Medef Code and the SB charter, (vi) Mr Niel is not related to any other shareholder other than the entities he controls, (vii) it results from the declaration of intent contained in the declaration of crossing that Mr Niel does not intend to take control of the Company, and (viii) consequently, there is no conflict of interest that could compromise his freedom of judgment.

The Company will continue to monitor the situation closely and update the independence analysis as appropriate.

In determining his independence as Chairman and majority shareholder of Groupe Iliad, the following criteria were assessed:

- The legal entities signing contracts;
- The percentage represented at Group level:
  - out of all stores,
  - of GLA,
  - of minimum guaranteed rent for the Group's consolidated portfolio in 2020; and
- Total euro amount paid and received for services in 2020;
- Date a business relationship was first established, the overall duration and continuity.

As a Non-Executive SB Member at URW SE, he is not implicated in the day-to-day operations nor the operational decisions of the Group and is not nor has ever been neither an employee nor Executive Director of the Group. The lease contracts and service agreements between the companies are routine agreements and entered into on an arm's length basis. With respect to both companies, the rents received by the Group are marginal compared to each group's total lease expenses/ revenues or total turnover, and the service fees paid to Groupe Iliad by the Group are marginal compared to each group's turnover. In addition, discussions on specific contract terms and their negotiation never rise to the level of the SB of the groups. Therefore, he does not participate in negotiations and has no influence over the negotiations between the entities. Other than the nominal fees received for his contribution as an SB Member, he has not received personal financial remuneration, including any remuneration in the form of shares nor any remuneration related to the performance of the Group (no STI or LTI), from the Group.

Accordingly, based on the work of the GNRC, the SB concluded that Mr Niel is independent.

SUCCESSION PLANNING

Succession planning is key to the long-term competitiveness and growth of the Company. Departure of key people from the MB, top management, and from the SB is an identified risk factor for the Company.

SUPERVISORY BOARD SUCCESSION PLANNING AND SB MEMBER CANDIDATE SELECTION PROCESS

The SB succession plan is discussed on a regular basis to ensure proper rotation of members in terms of foreseeable departures as well as to anticipate any unforeseen departures. In order to maintain its diversity (in terms of gender, nationality and experience), the process provides for the definition of profiles for each potential vacancy by the GNRC in consultation with the SB and in dialogue with the MB. The profiles must reflect both the requirements included in the SB Member profile as described in Annex A of the SB Charter and any specific additional criteria in light of the Group's strategy and corporate governance principles. Each profile is subject to the approval of the SB. A short list of possible candidates is then determined, with the assistance of a global executive search firm, by the SB Chairman together with a small committee of GNRC Members and in consultation with the CEO and the CRO. Candidate interviews are conducted with the SB Chairman, at least two members of the GNRC, other SB Members, the CEO and the CRO. The SB Vice-Chair leads the process concerning the SB Chairman's succession. Selected candidates are then presented to the SB for approval prior to being proposed to shareholders for appointment at the General Meeting.

MANAGEMENT BOARD AND TOP MANAGEMENT (INCLUDING THE EXECUTIVE COMMITTEE) SUCCESSION PLANNING AND CANDIDATE SELECTION PROCESS

In order to ensure business continuity both for foreseeable and unforeseeable departures, the GNRC spends significant time discussing the MB and top management (including the Executive Committee) succession plan annually. The CEO, the CRO and the GNRC discuss succession of the critical leadership roles in detail. This discussion includes defining the desired profile of potential replacements with respect to the Group's strategy, diversity and the level of expertise and experience necessary for successful succession. Potential internal successors are discussed at length including steps to be implemented to reinforce such persons' continued professional growth.

Market screenings are regularly conducted with external consultants to ensure an identifiable pool of candidates for any position where an immediate successor is not identified. Diversity in terms of gender, nationality and international experience are key points of discussion for the identification of individuals. A "critical role crisis plan" is also in place to outline the immediate required actions should an unforeseen significant event occur impacting the MB. It also sets out the risk mitigation steps and external communication steps. The SB discusses the work done by the GNRC at each of its meetings immediately thereafter.

In order to promote the gender balance within the MB, the MB Charter has been modified to ensure, during the process of selecting a new member, the presence of at least one person per gender from among the candidates. In 2020, the MB presented to the SB the "Be You at URW" framework launched in 2020, including ambitious targets to accelerate development programmes and increase diversity in senior management roles, including a 60/40 gender balance by 2025.

In the event of succession of an MB Member, the process is led by the CEO together with the GNRC Chairman, and by the GNRC Chairman only where succession of the CEO is concerned. The desired profile for the role is fine-tuned to reflect specific criteria in light of the Group's strategy and corporate governance principles and is subject to the approval of the SB. Candidate interviews are conducted with the CEO, the CRO, the SB Chairman, and at least two other SB Members.

Upon the recommendation of the GNC, the SB decided to implement the succession plan in 2020 as part of the evolution in the Group's strategy. Please refer to Section 3.2.1 for a more detailed discussion of the recent changes to the MB.

3.2.2.2 SUPERVISORY BOARD MISSIONS

The functioning of the SB is governed by the Company's Articles of Association and the SB Charter whose main provisions are described in Section 7.6 and are available on the Company's website.

SUPERVISORY BOARD ACTIVITIES IN 2020

In 2020, the SB held additional ad hoc meetings and working sessions to monitor the evolution of the COVID-19 pandemic and related business implications as well as strategic initiatives relating to the balance sheet and proposed capital raise. In total, the SB held 23 meetings in 2020 (including 17 ad hoc meetings) as well as 20 working sessions. The SB can meet without the MB (non-executive sessions) whenever deemed necessary and does so on a regular basis. Twenty-five non-executive sessions were held in 2020. The member attendance rate was 99% for all SB meetings, including ad hoc meetings and non-executive sessions.

In addition to the matters within its statutory scope, the SB discussed all major actions carried out in 2020, both internally (e.g. organisational matters, key appointments within the Group, internal audits, risk management, Anti-Corruption Program) and externally (acquisitions, disposals, Group strategy, including CSR strategy – "Better Places 2030", development projects, financial policy, etc.) with specific attention to the evolution of the COVID-19 pandemic and deleveraging strategies, including an equity raise that was proposed to shareholders, further disposals and ways to ensure access to capital markets.

SB Members were also informed of the work and recommendations of its specialised committees and that of the Statutory Auditors. The minutes and documents of all the meetings of the AC and GNRC are systematically made available to all SB Members through a secure electronic platform.

Principal responsibilities of the Supervisory Board	Key areas discussed, reviewed and/or approved in 2020
Group strategy	• Strategic initiatives relating to the balance sheet, including deleveraging, access to capital and an equity raise that was proposed to shareholders; • Development projects, investment and divestment operations; • Regular updates: on share price evolution and business activities, including the impact of COVID-19 evolution and related restrictions (operations, finance, human resources, legal, CSR, development, IT, compliance/risk management, etc.); • Digital and data strategy.
Group Financial Policy and financial performance and reporting	• Review and discussion of the disposal programme; • 2020 Group Budget; • Follow-up on NAV and EPRA performance measures; • Financial commitments and guarantees; • Provisions for risks and litigation; • Consolidated accounts and quarterly financial statements; • The Group's 5-year Business Plan, financial resources and borrowing requirements; • The Group's dividend distribution payment policy and annual allocation/distribution of profits, and impact of COVID-19; • Relationship with the Statutory Auditors including auditor's reporting for the coming year; • Non-audit services provided by the Statutory Auditors (including the amount of fees related thereto); • Development pipeline, overall balance sheet planning and rating agencies; • Liquidity forecasts and Loan-to-Value (LTV) ratio; • COVID-19 impacts on NAV, goodwill and tenant negotiations and collection.
Internal Audit, Risk Management and control systems	• Monitoring Group risk management, internal audit, compliance, and insurance Programmes; • 2020 internal audit plan; • Internal audits, internal control system and compliance matters; • In-depth review of the Group's risk management and risk mapping; • Focused review of selected risk management topics (2020 focus includes: corruption, money laundering and fraud; material misstatement and unreliable forecast; REIT status/tax; and health and safety.
Governance and compliance with relevant laws and regulations	• Annual Group compliance report and updates to the Group's compliance program (including the Group Anti-Corruption Program, Anti-Money Laundering Policy) and completing Anti-Corruption Program training; • The Group's compliance with the Afep-Medef Code; • Annual review of the independence of SB Members; • Regular updates on regulatory/legal changes, including those relating to the COVID-19 pandemic; • Updates to the SB and MB Charters; • Confirming absence of related party agreements.
Succession planning	• Annual review of the SB and committee profile, composition and rotation; • Succession planning and overall composition of the SB, MB and EC; • SB committee composition and merger of GNC and RC; • SB Member selection/recruitment process; • Recruitment, appointments and onboarding of new SB Members; • Departure and retirement of former MB Members; • Appointments of new MB Members.
Group Remuneration Policy and performance assessments	• 2020 MB Member and SMT remuneration (including FI, level of attainment of annual STI and LTI targets); • 2020 LTI envelope and Company Savings Plan; • 2021 MB Remuneration Policy (including LTI market benchmark and adjustment following feedback from shareholder engagement); • 2021 SB Remuneration Policy; • Annual evaluation of the functioning and efficiency of the MB; • Annual evaluation of the functioning and efficiency of the SB (self-assessment process); • MB and SB COVID-19 solidarity reductions and donations.
CSR	• CSR strategy – "Better Places 2030"; • Diversity and inclusion policy, including launch of "Be You at URW" framework.
Human Resources	• Talent management; • HQ location considerations.
Shareholder outreach and engagement	• Extensive shareholder and proxy advisor engagement and feedback (relating to FY results, HY results, Q3-2020 results and the Extraordinary General Meeting called to approve the proposed capital raise); analysis of 2020 General Meeting and Extraordinary General Meeting voting results; corporate governance roadshow and communications; • Updates on shareholder composition; • 2020 General Meeting and Extraordinary General Meeting materials (agenda, resolutions, etc.); • Universal Registration Document 2019 (SB Chairman's report, governance, MB/SB Remuneration Policy, risk management and internal control systems, etc.).

KEY TOPICS

The following key topics are an important part of the Group's strategy and are closely followed by the SB. They are discussed in detail in other sections of this Universal Registration Document (please refer to the following sections for further detail):

- CSR/Sustainability – Chapter 2;
- Diversity and Inclusion – Chapter 2;
- Risk Management Framework – Section 6.1;
- Compliance – Section 3.4; and
- Strategy, including the disposal programme – Section 1.3.

COMPANY SHAREHOLDER ENGAGEMENT POLICY

The Group's shareholder base is 99.63% free float, with no shareholder (acting alone or jointly) holding more than 10% of the share capital or voting rights[1]. The Group's shareholder base is therefore diverse, with its 100 largest shareholders representing approximately 70% of the share capital only. This diversity is reflected in the composition of the SB, which is entirely independent. The diversity of the shareholder base and investor profiles, both on a geographic and investment strategy basis, makes it all the more important to have extensive and regular interactions with shareholders.

To formalise this commitment to shareholders, a Shareholder Engagement Policy has been published and is available on the Group's website. It provides information to shareholders on the engagement process and highlights the importance of clear communication, transparent shareholder engagement and the Group's commitment to non-selective information and equal treatment among shareholders.

In 2020, the SB led a major shareholder outreach on governance and compensation topics before the Annual General Meeting. In addition, when the SB considers that a resolution may be or has been the subject of relevant opposition, it may take the initiative to send a public letter (also published on the Company's website) to shareholders to communicate the decisions adopted by the SB to clarify any potential concern.

On September 16, 2020, the Group announced a €9+ Bn RESET plan to strengthen its balance sheet and increase financial flexibility. The RESET plan included a proposed €3.5 Bn capital raise, subject to approval by URW's shareholders. The MB and SB conducted a major shareholder outreach ahead of the vote, however, following the rejection by the November 10, 2020 General Meeting, the MB with the approval of the SB will pivot the deleveraging plans towards more disposals and cash savings and implementing a programme to significantly reduce the Group's financial exposure to the US.

As a result of the shareholder vote at the November 10, 2020 General Meeting, three new SB members were elected and of these new SB members, Mr Leon Bressler was appointed SB Chairman. In addition, a new MB structure was announced, discussed in further detail in Section 3.2.1.1.

The dialogue initiated by the Company with its shareholders is primarily focused on three areas:

(i) Strategy and financial performance, including deleveraging and disposals, for which the Investor Relations team, regularly accompanied by MB Members, meets investors during post-results roadshows during the year, as well as during the 15-20 investor conferences they attend globally each year (albeit in 2020 the Group attended only 10 conferences due to the COVID-19 restrictions), and the Investor Days that are organised biannually. These discussions are focused on the Group's strategy, financial information and performance. In 2020, the team undertook 404 meetings (mainly virtual) with 142 existing investors representing over 80% of the institutional shareholder base, and over 300 potential investors.

(ii) Corporate Social Responsibility (CSR) and extra-financial performance for which the CSR team together with the Investors Relations team, meets with investors' dedicated CSR teams or extra-financial rating agencies in order to promote the CSR strategy reflected in the "Better Places 2030" project, its implementation, and the Group's extra-financial performance.

(iii) Corporate Governance involving Legal, Compensation, Investor Relations and CSR teams. In order to improve the quality of exchanges and to provide relevant feedback to the SB and its committees, Corporate Governance roadshows typically take place over two distinct periods:
   - from November to January, in order to discuss topics of interest to shareholders (e.g. specific expectations, clarifications or explanations, feedback based on voting, new voting policies, CSR policy, risk management, compliance, and compensation). These meetings allow the Group to clarify the positions adopted by the SB during the year and discuss any concerns. Due to the additional shareholders' meeting in November and the consequent changes in corporate governance, in 2020 the Group did not perform this off-season engagement, but remains committed to continue this best practice in 2021.
   - from March to April, after release of the Universal Registration Document and prior to the Annual General Meeting of shareholders, in order to discuss all the resolutions proposed to shareholders' vote (including but not limited to approval of the financial statements and allocation of the profits, financial authorisations, compensation policy, and remuneration report).

As part of the ongoing dialogue, shareholders are offered the opportunity to exchange views with the SB Chairman, GNRC Chairman or AC Chair. The feedback from these meetings is shared with the GNRC and the SB to better understand the questions, opposition or support on key issues, and points of interests raised by shareholders, and to encourage informed reflections.

The Company implements a similar engagement policy with the main proxy advisors and investor organisations.

STRATEGIC MEETINGS

Once a year, the SB and MB typically take the opportunity to visit a country where the Group operates to discuss strategic matters and market developments in-depth and to interact directly with the local management teams. Due to the travel restrictions and confinement measures that were implemented from mid-March 2020, meetings took place via videoconference. In 2020, given the evolution of the COVID-19 pandemic and related business implications, the SB and MB focused on the response to COVID-19 and balance sheet, capital structure management and rating agency implications. Throughout 2020, extensive discussions took place that covered the Group's strategic objectives, challenges and opportunities in retail and the market generally. While SB Members regularly conduct site visits and meet with local teams, in 2020, due to the COVID-19 disruptions and restrictions, such visits did not take place.

SB MEMBER TRAINING

Each new SB Member takes part in an induction programme individually tailored to their particular skill sets, experiences and expertise. The induction programme provides the new member with information unique to the Group and its business activities, its financial reports, legal affairs and compliance. New members also meet with key people within the organisation, with virtual meetings as necessary in function of local COVID-19 guidelines, and conduct site visits of Group assets as well as major competitors. Individual visits with local management resumed in 2021, in compliance with applicable local COVID-19 recommendations, as part of the new SB Member induction programme.

(1) As at the date of release of this Universal Registration Document.

An annual training day is held for all SB Members which often includes Group asset visits. In 2020, one major session was held, focusing on the Group Anti-Corruption Program, led by the Group Compliance Officer and external legal counsel.

SUPERVISORY BOARD MEMBER SHARE OWNERSHIP REQUIREMENT

In accordance with the Afep-Medef Code and with Article 3.3 of the SB Charter, in order to promote the alignment of interests between shareholders and SB Members, all SB Members must hold within two years of their appointment a number of Stapled Shares at least equal to one year of SB Member fees. As at the date of release of this Universal Registration Document all SB Members except, for one SB Member nominated on December 23, 2020, comply with this share ownership requirement.

3.2.2.3 SPECIALISED SUPERVISORY BOARD COMMITTEES

In accordance with Article 5 of the SB Charter, the SB has two committees: the Audit Committee and the Governance, Nomination and Remuneration Committee, each of which focuses on, and explores in-depth, specific topics of its overall competence. Each committee operates based on the SB's Charter, which describes its composition, role, responsibilities, organisation, and functioning. The committees make recommendations and advise the SB within their scope of responsibility. The SB is, however, ultimately responsible for all the decisions and actions taken on the committees' recommendations.

CSR GOVERNANCE

CSR is a core component of URW's long-term competitive strategy. CSR is monitored at the SB level and part of the regular SB reporting and discussion. It is also monitored in detail by the Audit Committee, as non-financial risks are integrated into the global Group risk management approach, and is a topic regularly included as part of annual strategic meetings and SB member onboarding and ongoing training. CSR is monitored at the operational level by the CSR Steering Committee, which is described in detail in Section 2.1.5.

3.2.2.3.1 AUDIT COMMITTEE (AC)

The composition, functioning and responsibilities of the AC are governed by the AC Charter, established by the SB.

AUDIT COMMITTEE COMPOSITION

The AC is chaired by Ms Cecile Cabanis and consists of five independent members.

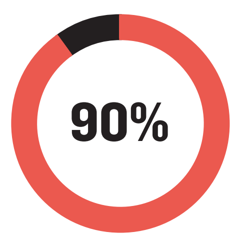
The AC Members are selected by the SB, upon the recommendation of the GNRC. They are appointed by the SB for their strong skills in finance and accounting.

Pursuant to French Commercial Code requirements and the Afep-Medef Code, every AC Member is an expert in finance and in accounting for listed companies or for other large companies which apply the IFRS accounting standards.

GENDER OF MEMBERS

PERCENTAGE OF INDEPENDENT MEMBERS

PARTICIPATION RATE



AUDIT COMMITTEE MEETINGS

Typically, the CEO, the CFO, the Chief Resources Officer (CRO) and the General Counsel attend AC meetings, unless decided otherwise by the AC. Other Management Committee members may also attend meetings. The AC may decide to meet without the MB Members or to meet only with the CEO, the CFO or the Statutory Auditors. The Director of Tax, the Director of Consolidation and Accounting, the Director of Control, the Director of Risk Management and the Director of Internal Audit attend AC meetings at the request of the AC.

AC Members receive the meeting documents which include a detailed agenda and comprehensive papers at least three days before each meeting. To allow for optimal preparation for the review of the accounts, the AC meets at least 48 hours prior to the SB Meeting at which the full-year and half-year financial statements are reviewed. The SB is informed of the proceedings and recommendations of the AC at its meeting directly following that of the AC.

AUDIT COMMITTEE ACTIVITIES

The AC met five times in 2020 (four times in the presence of the Statutory Auditors). Four non-executive sessions were held in 2020, all of which were together with the Statutory Auditors. The member attendance rate was 90% for all meetings, including ad hoc meetings.

The AC deals with a number of recurring issues, such as accounting and financial elements (interim and annual financial statements), internal control, risk management and net asset value. It examines and supervises the Company's publication of financial information. It also ensures the relevance and efficiency of the Group's accounting and financial standards, tax and funding policies, internal audit, risk management and control procedures. As part of its risk management scope, the AC also deals directly with CSR topics such as climate change, societal risks and the Group insurance programme.

The AC may also carry out specific examinations on its own initiative or at the request of the SB. The AC may solicit the advice of external advisors as it deems necessary. In addition to the regular contact that the AC has with the MB and its Statutory Auditors, it is free to interview experts in particular fields (e.g. accounting, finance, risk and audit managers) without MB Members being present. The AC also has access to valuations carried out by independent appraisers.

Principal responsibilities of the AC	Key areas discussed, reviewed and/or recommended for approval to the SB in 2020
Group Financial Policy	• Strategic initiatives relating to the balance sheet, including deleveraging, access to capital and an equity raise that was proposed to shareholders; • 2020 Group Budget; • Follow-up on NAV and EPRA performance measures; • The Group's 5-year Business Plan, financial resources and borrowing requirements; • The Group's dividend distribution payment policy and annual allocation and distribution of profits, and impact of COVID-19; • Relationship with the Statutory Auditors including auditor's reporting for the coming year; • Non-audit services provided by the Statutory Auditors (including the amount of fees related thereto.
Financial performance and reporting	• COVID-19 impacts on NAV, goodwill and tenant negotiations and collection; • Review and discussion of the disposal programme; • Consolidated accounts and quarterly financial statements; • Net asset value, corporate risks and off-balance sheet commitments; • Financial commitments and guarantees; • Provisions for risks and litigation; • Regular tax updates; • Regular updates on regulatory/legal changes including legal audit reform; • Development pipeline, overall balance sheet planning and rating agencies; • Liquidity forecasts and Loan-to-Value (LTV) ratio.
Internal Audit, Risk Management and control systems	• Monitoring Group risk management, internal audit, compliance, and insurance programmes; • Updates on digital and IT strategy, tools and projects; • 2020 internal audit plan; • Internal audits, internal control system and compliance matters; • In-depth review of the Group's risk management and risk mapping; • Focused review of selected risk management topics (2020 focus includes: corruption, money laundering and fraud; material misstatement and unreliable forecast; REIT status/tax; health and safety.
AC Governance	• Annual evaluation of the functioning and efficiency of the AC (self-assessment process); • Appointment of new AC Chair and new AC Members.
Shareholder outreach and engagement	• Extensive shareholder engagement and feedback (including in connection with the Extraordinary General Meeting called to approve the proposed capital raise).

3.2.2.3.2 THE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE (GNRC)

At the SB meeting of December 23, 2020, pursuant to the Governance and Nomination Committee (GNC) recommendation, the SB approved the combination of the GNC and Remuneration Committee (RC), chaired by Mr Roderick Munsters, effective January 1, 2021, given the interrelatedness of the topics and members and in order to improve efficiency. The composition, functioning and responsibilities of the GNRC is governed by the GNRC Charter, which is established by the SB.

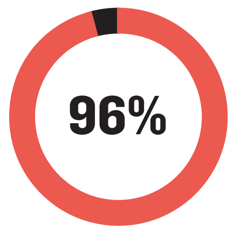
GOVERNANCE AND NOMINATION COMMITTEE COMPOSITION

The GNC was chaired by Mr Colin Dyer prior to the merger of the GNC and the RC, and consisted of five independent members as at December 31, 2020.

GENDER OF MEMBERS

PERCENTAGE OF INDEPENDENT MEMBERS

PARTICIPATION RATE



GOVERNANCE AND NOMINATION COMMITTEE MEETINGS

The CEO and the CRO typically attend GNC Meetings, except for meetings concerning their own evaluation. The GNC may decide to meet without the CEO and/or the CRO. At least twice a year, during the annual self-assessment of the GNC as well as during assessment of the MB, the GNC meets without the CEO or CRO. The GNC may solicit the advice of external advisors and is free to interview such advisors without MB Members being present as deemed necessary. At least once a year, the Director of Internal Audit presents a compliance report to the GNC. Additionally, other persons may be invited to attend by the GNC Chairman. Members receive the meeting documents which include a detailed agenda and comprehensive papers at least three days before each meeting. The SB is informed of the GNC's proceedings and recommendations at its meeting directly following that of the GNC.

GOVERNANCE AND NOMINATION COMMITTEE ACTIVITIES

The GNC met 10 times in 2020 (including six ad hoc meetings). Eight non-executive sessions were held in 2020. The member attendance rate was 96% for all meetings, including ad hoc meetings.

The GNC is responsible for reviewing and advising the SB on: (a) MB and SB Member profiles and selection criteria, (b) the scope, composition and functioning of the MB and the SB, (c) the independence of SB Members, (d) the (re)appointment of MB and/or SB Members through application of the established succession plans which are regularly discussed, (e) the Group's corporate governance rules and practices, and (f) Group talent management, including MB, EC, and top management succession planning.

Principal responsibilities of the GNC	Key areas discussed, reviewed and/or recommended for approval to the SB in 2020
Governance and compliance with relevant laws and regulations	• Annual Group compliance report and review and updates to the Group compliance program (including the Anti-Corruption Program and Anti-Money Laundering Policy); • The Group's compliance with the Afep-Medef Code; • Annual review of the independence of SB Members; • Regular updates on regulatory/legal changes; • Updates to the SB and MB Charters; • Confirming absence of related party agreements.
Succession planning	• Annual review of the SB and committee profile, composition and rotation; • Succession planning and overall composition of the SB, MB and EC; • SB Member selection/recruitment process; • SB committee composition and merger of GNC and RC; • Recruitment, appointment and onboarding of new SB Members; • Departure and retirement of former MB Members; • Appointments of new MB Members.
Human Resources	• Talent management; • Annual review of diversity and inclusion policy; • HQ location considerations.
GNC Governance	• Annual evaluation of the functioning and efficiency of the SB and GNC (self-assessment process, including approach).
Shareholder outreach and engagement	• Extensive shareholder engagement and feedback (including as relates to governance and remuneration); • AGM materials (agenda, resolutions, etc.); • Universal Registration Document 2019 (corporate governance).

3.2.2.3.3 THE REMUNERATION COMMITTEE (RC)

The composition, functioning and responsibilities of the RC are governed by the RC Charter, which is established by the SB.

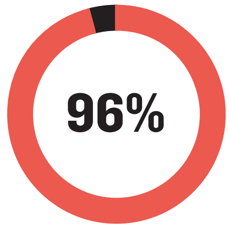
REMUNERATION COMMITTEE COMPOSITION

The RC was chaired by Mr Roderick Munsters prior to the merger of the RC and GNC, and consisted of five independent members as at December 31, 2020.

GENDER OF MEMBERS

PERCENTAGE OF INDEPENDENT MEMBERS

PARTICIPATION RATE



REMUNERATION COMMITTEE MEETINGS

The CEO and the CRO typically attend RC Meetings, except for meetings concerning their own remuneration. The RC may decide to meet without the CEO and/or the CRO. At least twice a year, during the annual self-assessment of the RC as well as during assessment of and the decision on the MB remuneration, the RC meets without the CEO and the CRO being present. The RC may solicit the advice of external advisors and is free to interview such advisors without MB Members being present as deemed necessary. Additionally, other persons may be invited to attend by the RC Chair. Members receive the meeting documents which include a detailed agenda and comprehensive papers at least three days before each meeting. The SB is informed of the RC's proceedings and recommendations at its meeting directly following that of the RC.

REMUNERATION COMMITTEE ACTIVITIES

The RC met nine times in 2020 (including five ad hoc meetings). Six non-executive sessions were held in 2020. The member attendance rate was 96% for all meetings, including ad hoc meetings.

The RC is responsible for reviewing and advising the SB on (a) the Remuneration Policy for the CEO and the other MB Member(s) (fixed income, short-term incentives, long-term incentives and other benefits) and (b) the SB Remuneration Policy.

Principal responsibilities of the RC	Key areas discussed, reviewed and/or recommended for approval to the SB in 2020
Company Remuneration Policy and performance assessments	• 2020 (and before) MB Member and SMT remuneration (including FI, level of attainment of annual STI and LTI targets); • 2020 LTI envelope and Company Savings Plan; • 2021 MB Remuneration Policy; • 2021 SB Remuneration Policy; • Annual evaluation of the functioning and efficiency of the MB; • MB and SB COVID-19 solidarity reductions and donations.
RC Governance	• Annual evaluation of the functioning and efficiency of the RC (self-assessment process).
Governance and compliance with relevant laws and regulations	• Regular updates on regulatory/legal changes.
Shareholder outreach and engagement	• Extensive shareholder engagement and feedback (including as relates to governance and remuneration, analysis of 2020 AGM results).

3.2.2.4 EVALUATION OF THE SUPERVISORY BOARD

SUPERVISORY BOARD ANNUAL EVALUATION PROCESS

In accordance with the Afep-Medef Code and the SB Charter, an assessment of the SB is carried out annually with a more formal and detailed assessment carried out every three years.

Prior to the governance changes that took place in November and December 2020, the SB conducted a formal annual assessment which consisted of a detailed questionnaire completed by each SB Member on a confidential basis to assess the performance of the SB, its committees and its members (including of the Chairs of the SB and its committees) and of the overall functioning of the SB. In addition, the AC, the GNC and the RC carried out a similar evaluation of their composition and functioning.

The assessment was summarised and discussed during an SB meeting as well as at AC and GNRC meetings in the presence of all of its members but in the absence of the MB. The MB was provided with a summary of improvement areas discussed and the SB Chairman and the CEO also discussed the summary separately.

ANALYSIS OF THE RESULTS

As the 2020 SB self-assessment was conducted prior to the governance changes that took place in November and December 2020, the SB agreed that the 2021 SB self-assessment will be particularly relevant as it will integrate the feedback of the SB Members who joined in 2020. For the 2020 period, the SB Members noted, in particular, the adaptability of management and fellow SB Members given the challenges of COVID-19, including the transition to virtual meetings and the regular operational updates on the COVID-19 evolution and impact. This evaluation also included reflections on succession planning and the mix of SB skills, experience and expertise and the desire to bolster the SB by nominating additional French members, which was accomplished in 2020.

Furthermore, the following areas of improvement were identified and will continue to be a priority in 2021:
- Focus on key Group strategy items for 2021, such as deleveraging, disposals and access to capital;
- Focus on the competitive and retail environment as well as industry and market trends with respect to the Group's strategic objectives;
- Focus on data and innovation and consumer behaviours and trends.

3.2.2.5 ADDITIONAL INFORMATION RELATED TO MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS

STATEMENTS OF THE MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

NO CONVICTIONS OR OFFENCES

To the best of the Company's knowledge and based on their individual declaration, none of the SB or MB Members has, over the past five years:
- Been convicted of fraud;
- Been associated as an executive with a bankruptcy, receivership or liquidation;
- Been found guilty of an offence and/or publicly and officially sanctioned by a statutory or regulatory authority.

DECLARATION OF REGISTERED STAPLED SHARES

As at December 31, 2020, the SB and MB Members declared in writing that all of the Company Stapled Shares they held were registered, in accordance with the provisions of Article L. 225-109 of the French Commercial Code and the Afep-Medef Code.

CONFLICTS OF INTEREST

NO CLOSE FAMILY RELATIONSHIPS

To the knowledge of the Company, there are no family ties between the SB or MB Members of the Company.

MANAGEMENT OF CONFLICTS OF INTEREST

To the knowledge of the Company, there are no conflicts of interest or potential conflicts of interest between the Company and the SB and/or MB Members with respect to their personal interests or their other obligations.

In order to ensure that each SB and MB Member acts with loyalty, independence and professionalism and in accordance with Article 11 of the SB Charter and Article 7 of the MB Charter (see Section 7.6 of this Universal Registration Document), each SB Member and MB Member must immediately report any potential conflicts of interest with the Company to the SB Chairman and to the other SB and MB Members, respectively, providing all information relevant to the conflict of interest. Such conflicted member must abstain from discussions and the decision-taking process on the subject or transaction in relation to which he/she has a conflict of interest.

Additionally, the SB and MB Members must seek prior SB approval before accepting any new mandates of any type, including in another company, in order for the SB to conduct, among other things, a conflict of interest and independence analysis.

The SB and the MB are also subject to the rules established in the Group's Code of Ethics and Anti-Corruption Program applicable to all Group employees (for more details, please see Section 3.4 of this Universal Registration Document).

INFORMATION ON RELATED PARTY AGREEMENTS

Within the meaning of Article L. 225-86 of the French Commercial Code, one agreement has been authorised by the Supervisory Board (SB) in the year ending on December 31, 2020, and no previously approved agreements continued during the financial year.

On November 18, 2020, on the recommendation of the Remuneration Committee (RC), the Supervisory Board (SB) authorised a settlement agreement between the Company and Mr Christophe Cuvillier, Group Chief Executive Officer, to settle amicably and definitively the terms and consequences of terminating his term of office. This settlement agreement is subject to the legal provisions of the regulated agreements procedure.

As part of its decision, the SB examined and considered the specific terms, form and timeframe within which Mr Cuvillier's term of office as Group Chief Executive Officer and member of the Management Board was prematurely terminated.

The RC and SB noted that operational management of the Group during the COVID-19 crisis had been satisfactory, but also noted a divergence in strategy with a significant proportion of shareholders over the need for a capital increase and the validity of the RESET plan which led to the rejection of an equity raise at the EGM held on November 10, 2020 and the appointment of three new SB members, one of which being appointed as SB Chair. In light of this observation, of the unusual and particularly unforeseeable aspect of the situation, and the existence of a major divergence over Group strategy between the SB and Mr Cuvillier, the SB considered, on recommendations from the RC, that it was in the best interests of the Company and its shareholders to put the quest for a settlement solution to a shareholders' vote. By this approach, the SB gave priority to safeguarding the URW Group's interests and has thus enabled a smooth transition within the corporate bodies avoiding any governance crisis and thus the continuity of the Group's operational activity.

In the absence of any predetermined contract severance allowance in the Remuneration Policy, the SB deemed that the compensation put to the shareholders' vote should be for a strictly limited sum. On recommendation of the RC, this settlement compensation was set at a sum corresponding to six months' gross average remuneration (fixed income and short term incentive) paid to Mr Cuvillier in 2019 and 2020, i.e. about a fifth of the maximum over two years fixed by the Afep-Medef code. In addition, given the circumstances and the reasons that led to Mr Cuvillier's departure, the SB did not deem it appropriate to include a non-compete clause in the settlement agreement, which would have required an additional compensation payment.

Beyond the irrevocable and mutual waiver of any legal proceedings or action in connection with the fulfilment and/or premature termination of Mr Cuvillier's roles, the settlement agreement includes paying settlement compensation of €936,500 and the pro rata reduction of previous awards made as long term incentives. This reduction has resulted in the immediate cancellation of performance shares of 46% in the process of being awarded and 35% of performance stock options. These awards remain fully and compulsorily subject to actually achieving the performance results specified in the relevant plans, only the presence condition having been waived. This settlement agreement also includes the usual stipulations relating to confidentiality, cooperation and non-denigration, as well as limited and temporary tax aid, in the amount of €15,000.

Due to the circumstantial factors stated above, the Board considered that this settlement agreement is in line with URW SE's corporate interests by protecting it against any legal action and by ensuring a smooth transition and the start of a new chapter for the Group, considering:

- The economic situation generated by the COVID-19 crisis and the difficulties currently facing the Group,
- The need to establish new senior management to engage the Group's new strategy immediately and fully,
- The clause by the parties to waive any action based on the fulfilment and/or termination of Mr Cuvillier's roles within the Group, and
- The fact that this proposal follows the principles and spirit of the Group's benchmark corporate governance code.

This settlement agreement will be submitted to the shareholders for approval in a binding vote at the forthcoming May 12 General Meeting.

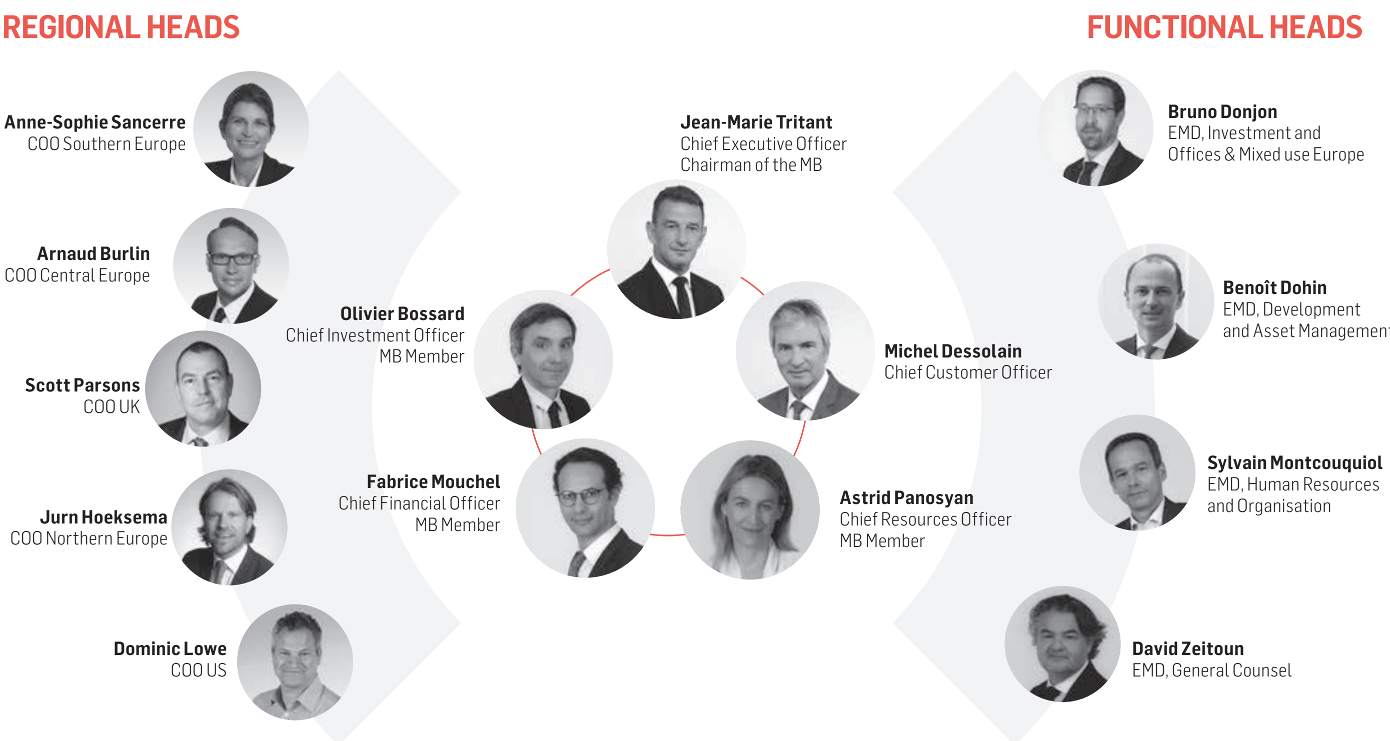
In order to give full effect to the shareholders' vote, this mechanism goes beyond the legal provisions applicable to regulated agreements. In the event of a vote against the resolution, the aforesaid compensation and the reduced proportion of long term incentives would not be paid; the other parts of the agreement, including the waiver of legal action, would remain in effect.

This information is included in the special Statutory Auditors' report (see Section 5.8).

PROCEDURE FOR THE IDENTIFICATION AND MONITORING OF RELATED PARTY AGREEMENTS AND COMMON AGREEMENTS AND CONDUCTED UNDER NORMAL CONDITIONS

In accordance with Article L. 225-87 of the French Commercial Code, the SB has adopted on December 10, 2019, upon the recommendation of the Audit Committee, a procedure for the identification and qualification (ex-ante) and monitoring (ex-post) of related party agreements or common agreements. After a reminder of the legal framework, this procedure formalises the various stages of verification ensuring an effective detection and monitoring of regulated party agreements and common agreements, its qualification by the Corporate Legal Department until its signing and, as the case may be, prior approval by the SB and approval by the General Meeting for related party agreements. This procedure was disclosed within the Group and is available on the Group Intranet website.

3.2.3 THE EXECUTIVE COMMITTEE[1]



Chaired by Mr Jean-Marie Tritant, as CEO, the Executive Committee is made up of the Group's 14 main executives, representing the geographical areas in which the Group operates as well as the corporate functional units.

The Executive committee is in charge to implement in a concrete and coherent way the financial and strategic orientations set by the Management Board in consultation with the Supervisory Board. The Executive Committee meets on average once a month to evoke the performance objectives of the Group and the advancement of strategic priorities.

(1) The Executive Committee has been implemented on January 7, 2021. Before Executive Committee implementation, the Senior Management Team was the coordinating body for Unibail-Rodamco-Westfield SE and Unibail-Rodamco-Westfield N.V. responsible for the definition of their shared strategy and their business policy and for providing advice on key business decisions. The Senior Management Team was composed of 8 members.

3.3 MANAGEMENT AND SUPERVISORY BOARDS REMUNERATION

A WORD FROM THE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE CHAIRMAN

Dear shareholders,

2020 has been a very challenging year for Unibail-Rodamco-Westfield. After a good start of the year, with encouraging results for the first two months, the global COVID-19 pandemic has impacted our business in an unprecedented way, with a severe impact on our retailers, their clients and our operations and financials, and our assets closed for long periods in most countries where we operate.

During that time, the Management Board (MB) adapted immediately and worked relentlessly to mitigate the pandemic impact and protect the future of the Group. At the same time, the MB (as well as a large number of Group executives) volunteered to reduce their salary by 25%, with a proportionate reduction in the 2020 Short-Term Incentive, then used the savings proceeds to support a number of local charities fighting against COVID-19 and its consequences.

Adjustments to our Remuneration Policy

This unprecedented and unforeseeable situation led the Supervisory Board (SB), upon Remuneration Committee (RC) recommendation, to use its room for discretion, as voted at the 2020 General Meeting, to make a number of small but necessary adjustments to the 2020 remuneration policy:

- The SB, upon recommendation of the RC, reassessed the Group's strategic priorities and adjusted the Short-Term Incentive performance indicators accordingly. The Commercial Partnerships objective, weighted 4% of the total Short-Term Incentive for the CEO, was therefore replaced with a Gross Administrative Cost reduction objective;
- The Adjusted Recurring Earnings Per Share (AREPS) component of the Short-Term and Long-Term Incentives is based on the achievement of the guidance disclosed annually by the Group. On March 23, 2020, given the uncertainties faced in the COVID-19 context, the Group announced the withdrawal of its 2020 AREPS guidance. Later, on November 1, 2020, a new AREPS outlook was published alongside our Q3 results. This new forecast was achieved. However, given the particular context of 2020, and in a concern for moderation and shared effort, the SB, upon Governance, Nomination and Remuneration Committee (GNRC) recommendation, exercised its discretion in making the following decisions:
  - For the AREPS component of the Short-Term Incentive, weighted 64% of the total Short-Term Incentive for the CEO, the achievement would be considered zero percent;
  - For the Long-Term Incentive, the achievement of the November forecast established for the year 2020 will not be taken into account, and consequently, the allocations likely to result from the AREPS criterion for the Long-Term Incentive plans 2018 to 2020 will be reduced by a third, in due proportion.

Assessment of the 2020 MB performance

At the end of 2020, the SB considered the achievements of the outgoing MB Members and decided to reward their 2020 performance as follows:

- AREPS target not achieved, as explained above,
- Disposals assessed at 75% achievement, justified by several major deals above book-value, including the closing of the breakthrough sale of a €1.5 Bn stake in five French shopping centres and the agreement on the €620 Mn sale of the SHiFT office building and the €213 Mn sale of the Villages offices, in a very challenging 2020 context,
- Net Debt reduction target not achieved,
- Gross Administrative Cost reduction fully achieved (€80 Mn savings achieved against an agreed cost reduction programme of €60 Mn)
- And the qualitative component, composed of 10 objectives for the CEO and 11 objectives for the CFO, assessed at 80% for both. Objectives were set pre-COVID-19 and assessed for their actions against these objectives in the COVID-19 context.

The resulting amounts are reduced in proportion to the 25% salary reduction volunteered over two months and remain subject to a binding shareholder vote at the General Meeting 2021.

New governance

The end of 2020 saw significant changes in the governance of URW. Pursuant to the Extraordinary General Meeting held on November 10, 2020, three new SB members were appointed, then at the November 13, 2020 SB meeting, four SB members resigned and a new SB Chairman was appointed. Since then, two new SB members were co-opted (and are to be ratified at the May 12, 2021 General Meeting). More recently, after five years of service, the governance transition having now taken place, Colin Dyer will resign from the SB at the 2021 General Meeting, and Jill Granoff will not stand for reelection. The entire MB was renewed and now includes four members: Jean-Marie Tritant (CEO), Fabrice Mouchel (CFO), Olivier Bossard (CIO) and Astrid Panosyan (CRO).

In addition, the governance structure of the SB was simplified, with the merger of the Governance and Nomination Committee and the Remuneration Committee to form the Governance, Nomination and Remuneration Committee (GNRC), to facilitate and accelerate decision-making.

Remuneration for the new MB Members

The remuneration policy for MB Members was applied to the new members with no change.

On the basis of the latest benchmarks available, the Fixed Income of the new MB Members was set at a lower level than that of their predecessors (CEO at €1 million for Jean-Marie Tritant vs. €1.25 million for his predecessor, CFO at €750,000 for Fabrice Mouchel vs. €800,000 for his predecessor, CIO and CRO both at €650,000). The CEO maximum Short-Term Incentive opportunity was set at 150% of Fixed Income vs. 200% previously, thereby reducing the maximum total cash remuneration of the CEO by 33%. The MB Long-Term Incentive opportunity remains unchanged, with a standard range between 70% and 90% of their Fixed Income. Other elements of remuneration policy remain unchanged.

End of mandate of the CEO and the CFO

In the absence of a prior approved severance package, the SB agreed a settlement agreement to be entered between URW and Mr Cuvillier to detail the conditions and consequences of the termination of his MB mandate which took place on December 31, 2020. This settlement agreement includes an irrevocable and mutual waiver, a general release of claims and subject to a binding approval at the 2021 General Meeting, the payment of a termination indemnity of €936,500 (about a fifth of the maximum recommended by the Afep-Medef code) and the partial maintenance pro rata temporis of the existing Long-Term Incentive grants subject to performance conditions. It also includes usual provisions related to confidentiality, cooperation, non-disparagement, tax preparation assistance and the temporary benefit of a company car.

Mr Tonckens retired on January 4, 2021, and hence has no settlement agreement. His existing Long-Term Incentive grants will be partially maintained, pro rata temporis and remain subject to performance conditions.

2021 Long-Term Incentive grant

The 2020 Long-Term Incentive grants were made under a 2019 General Meeting resolution that was designed for two MB Members (total MB grant capped at 15% of the total Long-Term Incentive grant, CEO grant capped at 8% of the total). To allow for a Long-Term Incentive grant in line with our policy to all four (and going forward five) MB Members, the GNRC recommended to the SB to postpone the 2021 Long-Term Incentive grant, usually awarded in March, to after the 2021 General Meeting, where an updated resolution will be submitted for the approval of shareholders. This resolution will propose to shareholders to allow a maximum grant of 7% of the total for the CEO and 5% of the total for each other MB Member.

It is the SB's intention to grant all MB Members, immediately after the General Meeting, Performance Shares and Stock Options for a combined IFRS value of 70% of their respective Fixed Income, i.e. at the lower end of the targeted range, a grant value 20% below the CEO grant value in 2020, and in the bottom quartile of current CAC40 practices. Nevertheless, as specified last year, the GNRC will monitor the future evolution in the share price and would recommend the SB to exercise its discretion to adjust the Long-Term Incentive grant downwards, should it consider that MB Members potentially benefited involuntarily from a windfall due to market conditions at the time of the grant.

2021 outlook

During the course of 2021, the GNRC intends to review the URW executive remuneration policy, taking into account the new strategy of the Group, its updated governance, our shareholders' views and the latest developments in regulations, and Afep-Medef Code and the recommendations from the French Financial Markets Authority (AMF). We will keep engaging with a large number of our shareholders, as well as proxy advisors, to make sure that our revised policy provides the best possible alignment between our executives and our shareholders. Further to intensive shareholder engagement and exchanges, this updated remuneration policy will be submitted to the 2022 General Meeting for approval.

We look forward to receiving your support at the 2021 General Meeting, and I personally remain available to engage with shareholders who would want to do so.

Yours sincerely,

Roderick Munsters

Chairman of the Governance, Nomination and Remuneration Committee

3.3.1 REMUNERATION POLICY

3.3.1.1 MANAGEMENT BOARD REMUNERATION POLICY

The following remuneration policy applicable to the Management Board ("MB") Members as from 2021 will be submitted for shareholder approval (resolutions n°11 and n°12).

GOVERNANCE AND DECISION MAKING PROCESS

The remuneration of the MB Members is determined by the Supervisory Board ("SB"), upon recommendation of the Governance, Nomination & Remuneration Committee ("GNRC"), and in accordance with the Afep-Medef Code as revised in January 2020.

The SB designs the Group remuneration policy in line with best-in-class market practice and shareholder interests.

This policy ensures the alignment of the MB with shareholders and with Group strategy by:

- Creating a direct and explicit link between Group performance and each MB Member's remuneration;
- Ensuring a balanced approach between short- and medium-/long-term performance; and
- Targeting competitive remuneration levels.

Our decision-making process is driven by the GNRC which ensures transparency and independence:

STEP 1 January – February	**STEP 2** February – March	**STEP 3** March	**STEP 4** March – April	**STEP 5** May	**STEP 6** June – December
REMUNERATION BENCHMARK	GNRC MAKES RECOMMENDATIONS TO SB	SB DECIDES	FULL DISCLOSURE IN THE REGISTRATION DOCUMENT AND ON WEBSITE	GM APPROVAL OF REMUNERATION POLICY AND PREVIOUS YEAR POLICY IMPLEMENTATION	GNRC CONSULTS SHAREHOLDERS
External independent advisor	100% independent members	100% independent members	100% transparent process	Binding shareholder vote	Ongoing shareholder outreach

The remuneration policy of MB Members relies on:

5 OBJECTIVES

ATTRACT	MOTIVATE	RETAIN	REWARD	ALIGN
Attract high-potential candidates to boost the management team	Motivate to deliver on challenging short- and long-term objectives	Retain to maintain a highly-experienced and collaborative MB	Reward to achieve individual and collective objectives, and to make decisions that contribute to the Group's value creation and long-term success	Align the MB Members' interests with those of shareholders and stakeholders

5 GUIDING PRINCIPLES

BEST REMUNERATION GOVERNANCE STANDARDS	COMPREHENSIVE REMUNERATION ASSESSMENT	PAY FOR PERFORMANCE	TRANSPARENCY	INDEPENDENT EXTERNAL BENCHMARKING
The SB and GNRC commit to the highest standards of remuneration governance, and constantly strive to take account of the latest recommendations from national and international authorities as well as voting policies of shareholders and proxy advisors	MB Members have each component of their remuneration reviewed individually and collectively	Individual and Company performance-related remuneration is the cornerstone of the Remuneration Policy. It ensures the alignment of MB Members' interests with the long-term value creation objectives of the Group and its shareholders	The SB conducts significant outreach and engagement with shareholders and proxy advisors with respect to the remuneration policy. Continued efforts are made to explain and get feedback	A comparative analysis is conducted at the start of every mandate (or whenever a specific review is needed) with the support of an external independent advisor. The latest review was performed late-2020 to support the SB decision-making for the new MB Members. It took into account remuneration practices in companies relevant to the size and geographical scope of the Group

In particular, the rules below are strictly enforced by the SB:

Included

- ✓ Reasonable and balanced remuneration based on benchmarks provided by an external independent advisor
- ✓ Cap on Short-Term Incentives ("STI")
- ✓ Cap on overall Long-Term Incentives ("LTI") allocation
- ✓ 3-year vesting for Performance Shares
- ✓ 3-year vesting for Performance Stock Options
- ✓ Stringent performance conditions over a 3-year performance period
- ✓ CSR-related performance measures in STI and LTI
- ✓ Obligation to retain shares
- ✓ Clawback & Malus provisions

Excluded

- × No welcome bonus
- × No exceptional remuneration
- × No Service Agreement
- × No additional defined benefit pension ("*retraite chapeau*")
- × No intra-Group Board fees
- × No employment contract for the CEO and the CFO
- × No contractual severance package[(1)]
- × No contractual non-compete indemnity
- × No discount on Performance Stock Options subscription price
- × No profit-sharing scheme
- × No reward for underperformance

(1) Except for the CIO and the CRO who have a suspended employment contract during their mandate.

SUMMARY OF MAIN REMUNERATION FEATURES FOR 2021

The table below summarises the MB remuneration policy applicable in 2021, subject to GM approval. The 2021 remuneration policy is unchanged in principle from the 2020 one, which was approved at the 2020 GM. The Fixed Incomes ("FI") for the CEO and CFO are lower than that of their predecessors, pursuant to a benchmark review conducted late-2020 on companies of comparable size and/or sector. The FI of the CIO and the CRO have been set pursuant to a benchmark review of non-CEO Management Board roles in companies of comparable size and/or sector.

To encourage cooperation and ensure full MB alignment, the Short-Term Incentive ("STI") maximum opportunity has been set at 150% of FI for all MB members, and the target range of Long-Term Incentive ("LTI") grant size has been set at 70% to 90% of FI for all MB members. In the particular context of 2021, the weightings of STI performance metrics have been adjusted to focus the MB on crisis management measures. Whilst Corporate Social Responsibility ("CSR") measures were already included in the qualitative objectives of both MB members, from 2021 a specific CSR and Diversity & Inclusion performance measure is explicitly introduced.

Other elements of remuneration are unchanged from previous years.

Elements	Purpose and link to strategy	Operation	CEO	CFO	CRO	CIO
Fixed Income ("FI")	Attract high-calibre experienced individuals with a competitive remuneration level that reflects the scope, complexity and dynamics of the business.	Set at the start of each 4-year mandate.	€1,000,000	€750,000	€650,000	€650,000
Short-Term Incentive ("STI")	Drive short-term strategy and reward achievement of annual financial and operational objectives.	4 components: • Adjusted Recurring Earnings Per Share ("AREPS") • Financial priorities (in 2021, linked to deleveraging, rent collection and administrative cost reduction) • Corporate Social Responsibility/Diversity & Inclusion • Individual objectives	Maximum opportunity 150% of FI			
Long-Term Incentive ("LTI")	Retain and align with the medium-/long-term value creation objectives of the Group and its shareholders.	**KPIs** / **50% External** / **50% Internal** **90% Financial** / 45% TSR / 45% AREPS **10% CSR** / 5% CSR rating / 5% CSR goals	• Target range: 70% to 90% of FI (IFRS value) • Maximum grant value: 180% of FI (exceptional circumstances) • 3-year performance period • 3-year vesting period			
Supplementary Contribution Scheme	Provide access to a benefits scheme.	Annual contribution paid into a savings account.	€90,000 +10% of (FI+STI)	€45,000 +10% of (FI+STI)		
Other benefits		Health and life insurance, unemployment insurance, company car, international assignment extra-compensation (if needed) and company savings plan (no top-up contribution).	approx. €25,000			
Shareholding requirement	Further align the MB with shareholder interests.	Retain 30% of gains (net of tax) of SO exercised and 30% of PS vested until target % of FI is held.	300% of FI	200% of FI		
Clawback/ Malus	Enforce the URW Code of Ethics.	To the extent permitted by applicable law, in the event of gross misconduct or fraud causing a material adverse impact to the Group, in particular, resulting in a financial restatement, the SB reserves the right to reduce or cancel unvested LTI or STI amounts (malus), seek reimbursement of paid STI or vested LTI, or obtain damages (clawback).				

FIXED INCOME ("FI")

The FI is determined at the start of each mandate, and, in line with the recommendations of the Afep-Medef Code, shall remain unchanged during an MB Member's mandate. By exception, increases during a mandate may occur as a result of an enlarged scope of responsibilities or significant changes in the Group or the market.

The FI is determined taking into consideration:
(i) The level and complexity of the role;
(ii) The profile, experience and career within the Group or elsewhere; and
(iii) The comparative remuneration analyses for similar functions and responsibilities based on external benchmarks.

To set the remuneration at the right level, the SB and the GNRC seek guidance from an external independent advisor to benchmark remuneration practices and apply the best governance standards. URW's ability to attract, motivate and retain world-class talent through competitive remuneration levels is key to ensure strong Group performance.

Given the unique features of the Group among CAC40 and European real estate companies and its geographical scope, including the US and the UK markets, the benchmarking approach is based on the following peer groups (see list in the Glossary for further information):
- France General Industry (CAC40);
- Selected European and UK Real Estate; and
- Selected US Real Estate (for information and qualitative benchmarking only).

The Fixed Income of MB Members for 2021 has been set as follows:

Function	Name	Fixed Income 2021
Chief Executive Officer	Jean-Marie Tritant	**€1,000,000**
Chief Finance Officer	Fabrice Mouchel	**€750,000**
Chief Resources Officer	Astrid Panosyan	**€650,000**
Chief Investment Officer	Oliver Bossard	**€650,000**

In the event of the extension of the MB to additional members, in particular in the case of the planned recruitment of a Chief Customer Officer, the new MB Member's FI would be set according to the same benchmark and principles.

SHORT-TERM INCENTIVES ("STI")

The payment of the STI of MB Members is subject to prior approval by the GM (ex post vote).

STRUCTURE AND PERFORMANCE MEASURES

The structure of the STI is the same for all MB Members. The table below summarises the approach which will be taken by the GNRC, then the SB, to assess the 2021 performance of MB Members. The GNRC and SB will take account of results delivered vs. budgets and plans according to agreed payout formulae. The SB, upon recommendation of the GNRC, may make use of its discretion in determining or adjusting the STI payout if unforeseeable circumstances (such as the ongoing pandemic and related uncertainty) had significant effects on the level of achievement of one or more performance criteria, outside management control. This provision will allow the SB to ensure the alignment between the implementation of the remuneration policy and the performance of the MB Member and of the Group. Any exercise of discretion by the SB shall be disclosed, explained and justified in regard, amongst other considerations, of alignment with shareholders' interests, and would remain subject to a binding shareholder vote at the following GM.

In the particular context of 2021, the AREPS component has therefore been down-weighted to 20%, to allow for crisis management measures to weigh 50% of the STI.

		Weighting of performance measures applicable to all MB Members (% of maximum STI)	
Performance measure	Description	Regular weighting	2021 specific weighting
AREPS	Payment linked to the achievement in AREPS vs. budget	50%	**20%**
Financial Priorities	Selected financial performance measures, reflecting priorities for the year. Whilst normally weighted 20%, in 2021, the weighting is increased temporarily to 50%, to strengthen the focus on essential, immediate priorities which are: • Net debt reduction, weighted 30% • Gross admin cost reduction, weighted 10% • Rent collection, weighted 10%	20%	**50%**
Corporate Social Responsibility/ Diversity & Inclusion	One or two metrics related to our Better Places 2030 goals. In 2021, the selected goals are: • Reduction in greenhouse gas emissions, weighted 5% • Improvement in the proportion of women in the executive population, weighted 5%	10%	**10%**
Individual	Four individual objectives, specific to each MB Member	20%	**20%**

Targets are commercially sensitive and are therefore disclosed retrospectively.

LONG-TERM INCENTIVE ("LTI")

The SB considers that long-term remuneration in the form of Performance Shares ("PS") and Performance Stock Options ("SO") is particularly appropriate as these instruments align the MB Members' interests with that of the shareholders. The SB defines the ratio of SO and PS granted. The LTI plan is a key component of the Group remuneration policy and an effective incentive and retention tool. The number of participants was 480 in 2020 (i.e. c. 13% of total staff).

The vesting is calculated according to the plan rules described below. However, the SB, upon recommendation of the GNRC, may make use of its discretion in adjusting downwards the LTI grants and determining or adjusting LTI targets or vesting if unforeseeable circumstances (such as the ongoing pandemic and related uncertainty) had significant effects on the level of achievement of one or more performance criteria, outside management control. This provision will allow the SB to ensure the alignment between the implementation of the remuneration policy and the performance of the Group. Any exercise of discretion by the SB shall be disclosed, explained and justified in regard, amongst other considerations, of alignment with shareholders' interests.

PRINCIPLES

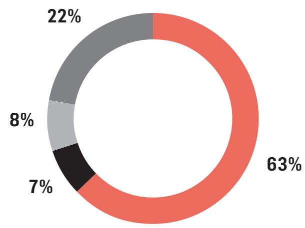
Each year, the SB, upon recommendation of the GNRC, determines the LTI envelope taking numerous factors into account, including (i) the Group's general financial performance, (ii) the overall performance of MB Members, (iii) the other remuneration components and (iv) the amount of LTI granted the previous year. PS and SO are both subject to presence and performance conditions with a 3-year vesting period. In addition, MB Members have a retention obligation in Stapled Shares.

Element		Description	Comments
Value		Target grant size range: 70% to 90% of FI (IFRS value) Maximum possible value: 180% of FI	The LTI award size was 70% in 2019 and 2020. A 70% award is proposed for 2021. The 180% maximum has never been used so far and would only be used, or approached, in genuinely exceptional circumstances.
Performance period		3 years	Performance-vesting is assessed once at the end of the 3-year performance period, both for SO and PS.
Vesting period		3 years	The rights to PS and SO vesting are fully acquired after 3 years, subject to performance conditions. The MB Member's presence is required at the time of vesting for PS and at exercise for SO.
Exercise period (SO only)		5 years	Options are exercisable between the 3rd and the 8th anniversary of the grant, subject to performance conditions.
Performance condition	External	45% Total Shareholder Return ("TSR") vs. peer group 5% CSR	See further details in the table below.
	Internal	45% AREPS 5% CSR	
Share retention obligation		30% of vested Performance Shares 30% of net gain on Stock Options at exercise	Retention obligation applies up to a Stapled Share ownership equivalent to 300% of FI for the CEO and 200% for other MB Members, until the end of their last mandate as MB Member. See further details below.
Additional notes		No discount on SO exercise price	

Performance conditions applicable to SO and PS in 2021

KPIs	50% External Performance conditions	50% Internal Performance conditions
90% Financial	**45% TSR:** vesting is conditioned to the Stapled Share TSR outperforming the Reference Index, designed to reflect URW's unique geographical footprint and diversity of assets.	**45% AREPS:** vesting is calculated based on AREPS compounded growth over the reference period, to measure URW's long-term profit growth (compared to the compounded annual guidance ranges communicated to investors), with progressive vesting:
10% CSR	**5% CSR rating:** URW ranking vs. sector peers by ISS-ESG over 3-year vesting period.	**5% CSR goals:** Overall achievement rate of the Better Places 2030 plan Group-wide, assessed by the SB over the vesting period. Progressive vesting straight-lined between 0% and 100%.

Reference Index composition



See Glossary for details of index member companies.

Below guidance	0%
At threshold of compounded guidance	30%
Between threshold and high end	30% to 100%
At or above high end of compounded guidance	100%

For 2021, in the absence of an annual guidance provided to shareholders, a targeted range (threshold and high end) has been agreed by the SB for the purpose of calculating a compounded achievement and will be disclosed on an ex-post basis.

Not "PRIME" in any year	0%
"PRIME" in 1 year out of 3	33%
"PRIME" in 2 years out of 3	66%
"PRIME" in 3 years out of 3	100%

Since 2019, 10% CSR-related long-term performance conditions are applicable to both PS and SO, and taking into account internal and external performance.

The internal CSR component is based on Group progress towards the Better Places 2030 strategy and will be assessed by the SB.

The external CSR component is based on the Group's ISS-ESG rating relative to its sector peers. The "Prime" threshold is awarded to companies achieving the best ESG scores in their sector (approximately the top decile). Remaining "Prime" implies keeping up with the progress on ESG metrics compared to all other peer companies.

SHARE RETENTION AND INVESTMENT OBLIGATIONS

To align the interests of MB Members with shareholders and pursuant to a SB decision (in line with the Afep-Medef Code), MB Members must meet retention and investment requirements in Stapled Shares. The share ownership requirement is 300% of the gross annual FI for the CEO and 200% for other MB Members. Until that requirement is met, when LTIs are delivered, MB Members must retain shares: at least 30% of their PS vested and 30% of their net gain on SO at exercise.

SUPPLEMENTARY CONTRIBUTION SCHEME ("SCS")

The SCS consists of an annual contribution paid into a blocked savings account available to MB Members at the earliest at the end of their last mandate.

Position	Fixed amount	Variable amount
CEO	**€90,000**	10% of the total cash remuneration earned each year (i.e. FI for year N plus STI for year N-1)
Other MB Members	**€45,000**	

OTHER BENEFITS

The MB Members benefit from:

- The Group health and life insurance;
- An unemployment insurance (GSC type);
- An expatriate health insurance and an International Assignment Extra-compensation, where applicable, for Non-French tax resident MB Members only;
- The company savings plan (without the benefit of the top-up contribution offered to employee participants); and
- A company car (hybrid or electric vehicles only).

CLAWBACK/MALUS

To align the Group's policies with the highest standards of corporate governance, its Code of Ethics reserves the right of action (including reimbursement or damages) with respect to MB Members to the extent permitted by applicable law, in the event of gross misconduct or fraud causing a material adverse impact to the Group, in particular, resulting in a financial restatement.

Additionally, in such a situation, the SB, upon recommendation of the GNRC, would assess the relevant MB Member's performance and take appropriate action on the annual STI payment and on the LTI, including cancelling all rights to any unvested SO and PS for such MB Member (malus).

3.3.1.2 SUPERVISORY BOARD REMUNERATION POLICY

The following remuneration policy applicable to the SB Members will be submitted to the approval of the shareholders (resolution n°13). The 2021 remuneration policy described below will take effect subject to shareholder approval. The 2020 remuneration policy approved at the 2020 GM remains applicable until then.

GOVERNANCE AND DECISION-MAKING PROCESS

The annual remuneration of the SB Members is intended to attract and retain high-calibre individuals with the right degree of expertise and experience. Typically, this includes having been at some point a member of the executive team of a company at least similar in size to URW. The SB remuneration policy is determined by the SB, upon recommendation of the GNRC and, in the case of the SB Chair's remuneration, in his absence. The annual remuneration policy for SB Members is designed to only be reviewed, under GNRC supervision, at long intervals. It may be reviewed in the event of significant changes in the Group or the market.

The proposed 2021 policy is unchanged from 2020 and the GNRC believes it keeps ensuring a reasonable remuneration while attracting and maintaining diverse and international members. It was originally designed on the basis of a Board remuneration benchmarking, conducted by an independent advisor. This analysis compared the remuneration of directors and Chairs in the home countries of the SB Members as well as in countries where they have extensive experience (France, The Netherlands, Germany, the UK and the US).

While attendance is mandatory for the SB Chair, SB Member attendance is also essential to the proper functioning of the SB and its Committees. Accordingly, a significant portion (67%) of the annual remuneration received by the other SB Members is based on attendance at both SB and Committee Meetings. Furthermore, a "Physical Presence Rule" applies to this variable portion. Attendance by video conference should not occur for more than 30% of scheduled meetings. The SB Members will not be paid the attendance-based portion for those meetings attended by video conference above this threshold. Due to the COVID-19 pandemic and the related restrictions on travel and physical gatherings, the physical presence rule was temporarily relaxed from March 1, 2020. The physical presence rule will be reinstated once the restrictions on international travel and physical meetings are lifted.

To account for the time spent on international travel, all SB Members also receive an out-of-country indemnity for time spent on their duties as SB Members outside their country of residence. Due to the travel restrictions and confinement measures that were implemented from March 2020, the majority of SB meetings in 2020 took place via video conference, without any corresponding out-of-country indemnities.

To ensure a high standard of supervision and monitoring of the Group strategy as well as to avoid any potential conflict of interest, the SB Members are prohibited from receiving any remuneration related to Group performance. To promote alignment between SB Members and shareholder interests, all SB Members are required to hold, within two years of appointment, a number of Stapled Shares at least equal to one year of remuneration.

In 2021, given the interrelatedness of topics and members, and in order to improve efficiency, the GNC and RC were combined and all committee member and chair fees were aligned. The overall SB remuneration envelope and SB remuneration structure remain unchanged and the SB Chairman and other SB Member remuneration remains lower than their median respective benchmark in most European countries and in the US.

Since being approved at the GM 2020, the SB remuneration envelope remains unchanged at €1.4 Mn, in addition to the SB Chairman remuneration.

Position		Fixed fee	Attendance-related fees	Total annual fee
Supervisory Board	Chairman	€225,000[(1)]		€225,000
	Member	€25,000	up to €50,000	up to €75,000
Additional fees				
SB Vice-Chair		€18,000		€18,000
Committees	Chair	€20,000		€20,000
	Member	€6,000	up to €12,000	up to €18,000
Out-of-Country indemnity	Intra-continental			€1,500 per event
	Intercontinental			€6,000 per event
Ad hoc meetings and additional special tasks	In-person meeting			€1,500 per meeting
	Call/Video conference			€1,000 per call
Share ownership requirement				
All SB members				100% of annual fees[(2)]

(1) Upon his own request, the total amount of fees to be paid to Mr Bressler as SB Chairman (including any committee, ad hoc fees and out-of-country indemnities), shall be €1 per year.
(2) SB members are required to reach this required ownership within two years of their appointment.

3.3.2 CORPORATE OFFICERS REMUNERATION REPORT

This report on the remuneration of the corporate officers will be submitted to the GM to be held on May 12, 2021 (resolution n°10). The payment of remuneration to the SB Members in 2021 is subject to this resolution being approved.

This report also provides all details on resolutions 6 to 9 to be submitted for separate approval. The payment of the STI for 2020 of Christophe Cuvillier and Jaap Tonckens (MB Members in 2020) is subject, respectively, to resolutions 6 and 7 being approved.

This remuneration report consists of two sections:

- The information to be disclosed pursuant to article L. 22-10-9 of the French Commercial Code (when not included in the 2020 Say-on-Pay); and
- The 2020 remuneration of the MB and SB Members resulting from the strict implementation of the approved remuneration policy; these remunerations will be subject to a specific binding vote at the 2021 GM.

The GNRC focuses on aligning pay with performance, while ensuring that the Group continues to attract and retain the talent key to delivering its strategy. Its primary aim is to reward sustainable performance aligned with shareholder interests.

In line with the current remuneration policy approved by the shareholders at the 2020 GM, the GNRC considered the MB Members' performance against the financial and strategic non-financial performance measures which had been set to reflect the Group's priorities for 2020. Separately, performance against each MB Member's personal objectives was assessed on an individual basis. The GNRC determined the outcomes of the 2020 STI and the value of the LTI awards, ensuring that they are appropriately balanced.

The GNRC reviewed the updated Afep-Medef Code and confirms that the Group's remuneration policy complies with its recommendations, except as presented in further detail in the 'comply or explain' table in Section 3.1.

In line with French regulations, this remuneration report will be submitted to the 2021 GM for shareholder approval[1].

(1) Further details can be found in the 2021 GM notice.

3.3.2.1 INFORMATION TO BE DISCLOSED PURSUANT TO ARTICLE L. 22-10-9 OF THE FRENCH COMMERCIAL CODE

COMPLIANCE WITH THE REMUNERATION POLICY IN 2020

The implementation of the approved Remuneration Policy is monitored by the SB with the assistance of the GNRC. In 2020, the remuneration policy was fully implemented with no deviation or exception, as summarised in the table below:

		Christophe Cuvillier, CEO		Jaap Tonckens, CFO	
		Maximum	Actual	Maximum	Actual
Variable pay maxima respected	Annual 2020 STI payout (% of FI)	200%	52%	150%	49%
	LTI 2020 grant value (% of FI)	180%	70%	180%	70%
Principles respected	Actual 2020 STI calculated according to KPIs presented at 2020 GM	A Gross Admin Cost KPI was introduced(1)			
	LTI vesting in 2020 calculated according to vesting formula	Yes			
	LTI 2020 performance criteria in line with approved Remuneration Policy	Yes			
	Fixed Income unchanged since start of each MB Member's term	Yes			
	Supplementary Contribution Scheme 2020 paid according to defined formula	Yes			
	Benefits 2020 paid in line with benefit policies	Yes			
	No commitment to welcome payment or post-mandate payment taken	Subject to GM approval(2)		Yes	
	No exceptional remuneration	Yes			
	MB Member shareholding requirement met	Yes		No(3)	

(1) In the context of the COVID-19 sanitary and economic crisis, the RC recommended the SB to exercise its discretion in replacing the Commercial Partnerships objective (respectively weighted 4% and 3.5% of total STI for the CEO and CFO) with a Gross Administrative Cost reduction objective, to focus the MB Members and management team on immediate new cost saving priorities. Other KPIs were unchanged.

(2) In the context of the end of the mandate of the CEO, and in the absence of prior approved severance package and to avoid a potential litigation in the context of the CEO's end of mandate, the RC decided to submit a settlement payment for Mr Cuvillier to the approval of shareholders at the 2021 GM. See related party agreement in Section 3.2.2.5. Mr Tonckens retired and no settlement payment has been discussed (or required).

(3) In the context of the planned retirement of Mr Tonckens on January 4, 2021, the SB, upon RC recommendation, authorised him to sell his 14,161 URW Stapled Shares on December 10 and 11, 2020.

EXCEPTIONAL EVENTS

In accordance with article L. 22-10-9 of the French Commercial Code, the SB confirms that none of the following events happened in 2020:

Application of Clawback/Malus	No
New MB Member	No
Change in MB Members' responsibilities	No
Anticipated revision of the MB Member remuneration	No

GENDER EQUITY AMONG THE SUPERVISORY BOARD

The composition of the SB as of December 31, 2020 reflects the Group commitment to promote gender parity. Its 50% female/50% male ratio complies with the 40% requirement set by article L. 22-10-3 of the French Commercial Code. The provisions of the article L. 225-45 (2°) of the French Commercial Code have therefore not been applied. See also further details in Section 3.2.2.

SHAREHOLDER ENGAGEMENT

The SB is committed to active shareholder engagement. Extensive and proactive consultation with shareholders on the remuneration policy has been a long-standing practice.

At the 2020 GM, the ex-ante vote on the CEO remuneration policy was approved by 74.5% of shareholder votes (81.0% for the CFO). The Remuneration Committee engaged with shareholders to understand how to improve shareholder support, and decided a number of policy adjustments: rebalancing and simplification of KPIs in STI, providing additional clarity on these KPIs, their payout mechanisms and removal of the possibility to outperform the maximum on AREPS. A more in-depth review will be undertaken by the GNRC in 2021, and the proposed changes, if any, will be discussed with shareholders in advance of the 2022 GM.

REMUNERATION RATIOS AND PERFORMANCE EVOLUTION

The table below sets out the 5-year history of the ratio between the total remuneration paid or granted to each MB Member and that of the remuneration of French employees. Due to the very limited headcount of URW SE[1], calculations have been made over the like-for-like employees of the fully-owned French entities of the URW Group, for a total of 467 employees on December 31, 2020, on a like-for-like basis[2].

		2016	2017	2018	2019	2020
CEO	Total remuneration paid or granted	€2,880,354	€2,971,676	€4,166,209	€4,129,005	**€4,077,112**
	Multiple of average remuneration	33.8	35.6	41.1	39.5	**38.9**
	Multiple of median remuneration	47.4	47.9	63.7	60.2	**59.5**
CFO	Total remuneration paid or granted	€1,473,875	€1,559,670	€2,390,107	€2,312,156	**€2,293,339**
	Multiple of average remuneration	17.3	18.7	23.6	22.1	**21.9**
	Multiple of median remuneration	24.1	24.3	25.1	36.5	**33.5**
Company remuneration	Average	€85,306	€83,578	€101,481	€104,409	**€104,867**
	Median	€60,773	€62,078	€65,431	€68,534	**€68,484**
URW performance in million EUR	Net Rental Income	€1,528.5	€1,582.6	€2,161.0	€2,491.2	**€1,790.2**
	Adjusted Recurring Earnings	€1,114.2	€1,202.1	€1,581.6	€1,711.6	**€1,008.5**

The ratios are slightly reducing in 2020 for the following reasons:

- The 2020 figures (for MB Members and the broader employee population) reflect 2020 salaries and STIs paid in respect of 2019. STI payouts were higher than usual for employees, whilst MB Members volunteered early-2020 to limit their 2019 STI payouts to the amounts paid in the previous year.
- In April and May 2020, both MB Members also volunteered, in the context of the COVID-19 crisis, to reduce their Fixed Income by 25%. A number of senior level employees also volunteered to reduce their Fixed Income, but in smaller proportions.
- The impact of partial activity measures on employee remuneration was limited (an overall 0.4% on average), due to the small proportion of partial activity (3.8% of total hours worked throughout the year) and the full income protection offered by the Company between March 24 and June 30, 2020.

The URW 2020 performance figures reflect the impact of the COVID-19 crisis in 2020. The impact of the crisis on MB Member remuneration will be more visible in 2021, with MB STI payouts significantly reduced (and reduced to a larger proportion than those of employees).

(1) URW SE has less than 0.5% of all Group employees in France. The ratio obtained on this very limited scope is therefore not statistically relevant. When calculated strictly on URW SE, the ratios would have been for the years 2016 to 2020, respectively:
- For the CEO: 53.0, 53.7, 70.9, 69.2 and 67.4;
- For the CFO: 27.1, 28.2, 40.7, 38.7 and 37.9.
Given the small size of the URW SE headcount, median and average ratios are the same.

(2) Total remuneration of all French fully-owned entities of URW Group (i.e. excludes 351 employees working for JVs). For comparability year after year, out of the 691 employees of fully-owned entities, excluded are 22 expatriates, 13 suspended contracts, 16 apprentices and 173 employees not 'like-for-like' (less than 2 years of service). A total of 467 French employees (as of December 31, 2020) were therefore included in this analysis. The inclusion of all URW employees internationally was considered but rejected to keep comparing remunerations on a like-for-like basis and to avoid exchange rate and changes in perimeter effects. The ratios would have been lower given the higher average compensations levels in several countries, including the UK and the US.

3.3.2.2 CORPORATE OFFICERS REMUNERATION IN 2020

The following remuneration elements paid or granted in 2020 are submitted for approval to the shareholders through a binding vote.

3.3.2.2.1 MANAGEMENT BOARD REMUNERATION

The following remuneration elements, paid during, or granted for 2020 to the CEO and the CFO, are submitted for approval to the shareholders through a binding vote. These remuneration elements include those paid by URW SE and all its affiliates for, respectively, the CEO and the CFO mandates. The payment of the STI of the MB Members will be conditioned to shareholder approval at the 2021 GM (resolutions 6 and 7).

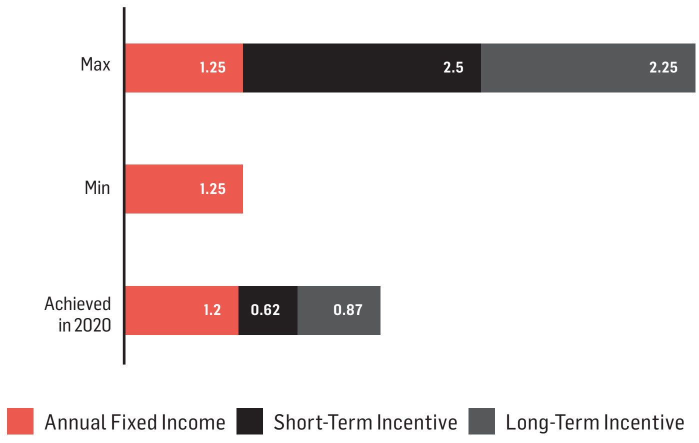
2020 PERFORMANCE OVERVIEW

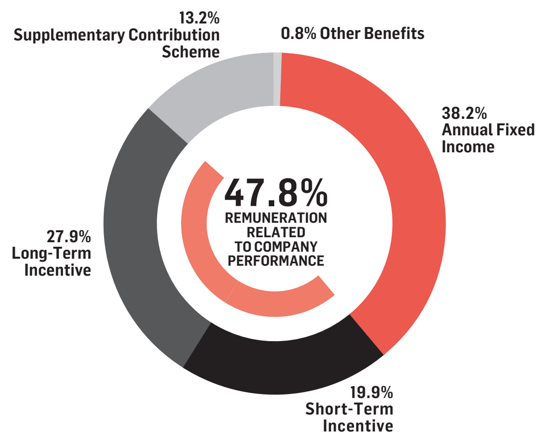
A summary of the performance assessment of each STI component applicable to both MB Members is presented in the table below:

Performance measure	Description	2020 Target	2020 Achieved	2020 Score	Comments
AREPS	Adjusted Recurring Earnings per Share vs. stretch target (top of guidance given to shareholders in February 2020).	Guidance withdrawn on March 23, 2020	€7.28 per share	**0%**	On March 23, 2020, the Group announced the withdrawal of its earnings forecast for 2020. On November 1, 2020, a 2020 AREPS outlook was provided with the Q3 accounts. This forecast was achieved; however, the SB, upon RC recommendation, decided to consider the AREPS objective not achieved for 2020, to take into account the shareholder experience.
Disposals	Assessment of disposals vs. budget, appropriateness of transactions in terms of type of assets and speed of execution.	€3.2 Bn	€1.49 Bn closed + signed on the sale of SHiFT (€0.62 Bn) and Les Villages (€0.21 Bn), for a total of €2.32 Bn	**75%**	Overall achievement (signed or closed deal) equivalent to 72.5% of the budgeted disposals. Disposals were achieved at a premium to book value in an extremely difficult 2020 context. The GNRC therefore recommended to the SB a 75% overall achievement on Disposals.
Gross Admin. Costs	Objective introduced, in the pandemic context, in replacement of the Commercial Partnerships objective originally set.	A €60 Mn cost savings programme was announced at the Q1-2020 results	€80 Mn savings achieved	**100%**	Out of these savings, largely above target, a large proportion (about €60 Mn) is sustainable on a run-rate basis. The GNRC therefore recommended to award 100% on this performance measure, which the SB endorsed.
Net Debt Reduction	Reduction in Net Debt vs. 2020 budget. Overall score to be assessed on types of actions taken to achieve these objectives as well as the market context.	Pre-COVID-19 objective set at €24.6 Bn (vs. €26.4 Bn as of December 31, 2019)	€26.1 Bn	**0%**	The Net Debt was targeted to reduce by €1.8 Bn before the COVID-19 outbreak. Post-COVID-19, the target became unrealistic but was not revised. The Net Debt reduced between 2019 and 2020 but without the objective being achieved.
Qualitative	Achievement of several individual pre-defined business and people/personal development objectives.	A series of individual objectives (for example, CEO objectives were around balance sheet management/deleveraging, strategic reorientation, Investor Relations, Public Affairs, Leasing, CSR, Executive team leadership, succession planning, governance, Diversity & Inclusion).		**80%**	See further details in the individual tables.

Corporate governance and remuneration
Management and Supervisory Boards Remuneration

MR CHRISTOPHE CUVILLIER, CHIEF EXECUTIVE OFFICER AND CHAIRMAN OF THE MANAGEMENT BOARD





Element	Amounts	Comments/details
Annual Fixed Income paid in respect of 2020	€1,197,921	In the context of the COVID-19 pandemic, the CEO's annual FI of €1,250,000 was reduced by 25% during April and May 2020. The amount paid as FI in 2020 was therefore €1,197,921.
Short-Term Incentive paid in 2021 (subject to a binding shareholder vote) in respect of 2020	€622,917 (52% of FI)	The STI 2020 for the CEO has been assessed by the SB, upon recommendation of the GNRC, and calculated on the basis of 200% of the reduced FI presented above, i.e. a maximum payable of €2,395,833.

	Weight	Score	Amount	Comments
AREPS	64%	0%	€0	SB assessment in the absence of a 2020 AREPS guidance
Disposals	8%	75%	€143,750	SB assessment (see details above)
Gross Admin Costs	4%	100%	€95,833	Fully achieved (see details above)
Net Debt Reduction	4%	0%	€0	Not achieved
Qualitative	20%	80%	€383,334	SB assessment (see details below)
TOTAL	**100%**	**26%**	**€622,917**	**i.e. -68% vs 2019**

The qualitative component (20% of the maximum STI) is determined according to the achievement of pre-determined individual objectives. In 2020, the achievement of some of these objectives set in early 2020 had to be assessed in the light of the immediate actions that had to be undertaken to address the pandemic and its implications. The RC considered that the CEO's response to this unprecedented situation was very efficient and recommended an 80% rating to the SB based on the CEO achievements in 2020 as presented below:

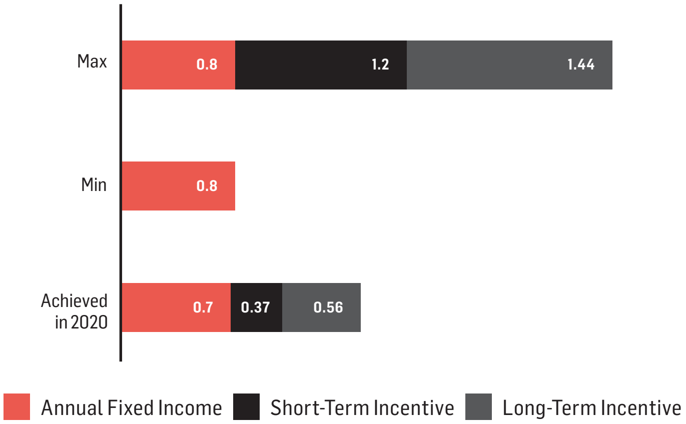
- **Operational response to the COVID-19 pandemic:** swift set up and implementation of very strict standards regarding health and safety for the employees, tenants and visitors of shopping centers, with external certification organised and obtained. This has been a driving force in engaging with governments and local authorities to keep open, or re-open, our shopping centres;
- **Protection of tenant business:** activated additional outdoor spaces for tenants, implemented 'click-and-collect' operations, launched an online appointment system to avoid queues at centers and improve customer experience;
- **Income protection:** a specific rent collection plan was set up and implemented in reaction to maximise the revenue despite shopping centres closing, whilst providing relief to smaller tenants;
- **Balance sheet management and deleveraging:** in the challenging COVID-19 environment, prepared, negotiated and delivered on the disposal of a portfolio of five shopping centers in France. To further strengthen the URW balance sheet, a strategy was planned and operationalised to accelerate asset disposals, limit cash dividends and reduce capital expenditure. Ample liquidity and low cost of debt maintained;
- **CSR:** Recognition for URW being a global leader on global climate transparency and action from the Carbon Disclosure Project. For its ESG practices, URW was also ranked among the leaders group (1st decile) among the real estate industry companies assessed by ISS. The greenhouse gas emission reduction targets of the URW Better Places 2030 CSR strategy was approved by the Science Based Targets initiative as consistent with levels required to meet the goals of the Paris agreements; and
- **Community support:** in response to the COVID-19 crisis, URW provided outstanding support to the communities in which it operates with 247 initiatives, including testing sites in our assets or support to local vulnerable target groups.

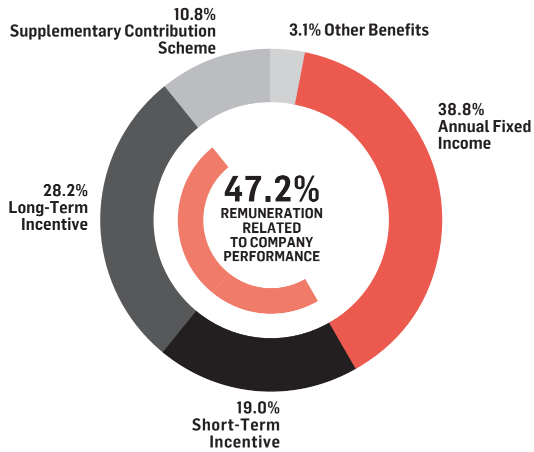
The 2020 STI is 68% below the 2019 STI paid in 2020 (i.e €1,979,388 – 79.18% of maximum STI).

<table>
<tr><th>Element</th><th>Amounts</th><th>Comments/details</th></tr>
<tr><td>Long-Term Incentives granted during 2020</td><td>€874,994
(70% of FI)</td><td>The SB, upon recommendation of the RC, decided that the LTI grant IFRS value for MB members would be at the low end of the target range, i.e. 70% of their respective FI.
<table>
<tr><th></th><th>Presence condition</th><th>Performance period</th><th>Performance condition</th><th>Number of units</th><th>Economic value (IFRS)</th><th>% of total grant (max. 8%)</th></tr>
<tr><td>PS</td><td rowspan="2">2 years of continuous presence at the date of vesting or exercise</td><td rowspan="2">3 years</td><td rowspan="2">45% AREPS
45% TSR
5% Internal CSR
5% External CSR</td><td>33,164</td><td>€873,371</td><td>6.78%</td></tr>
<tr><td>SO</td><td>60,000</td><td>€1,623</td><td>6.78%</td></tr>
</table></td></tr>
<tr><td>Supplementary Contribution Scheme paid during 2020</td><td>€412,939</td><td>Mr Cuvillier does not benefit from any additional defined benefits pension scheme (“retraite chapeau”).
He benefits from the SCS, an annual net contribution paid into a blocked savings account (available only after the end of his last mandate as MB Member) equivalent to:
• a fixed amount of €90,000;
• a variable amount of 10% of the total cash remuneration earned each year (i.e. FI for year N plus STI for year N-1).
Employer social security contributions are due on the above mentioned amount.</td></tr>
<tr><td>Group life and health insurance</td><td>n/m*</td><td>Mr Cuvillier benefits from the Group’s life and health insurance under the same terms as those applied to the category of employees he is affiliated with, with respect to social security benefits and other items of his remuneration.</td></tr>
<tr><td>Benefits in kind</td><td>€24,813</td><td>Mr Cuvillier benefits from a company car and an unemployment contribution (GSC type).</td></tr>
</table>

* n/m means not material

MR JAAP TONCKENS, CHIEF FINANCIAL OFFICER AND MANAGEMENT BOARD MEMBER





Element	Amounts	Comments/details
Annual Fixed Income paid in respect of 2020	€769,231	In the context of the COVID-19 pandemic, the CFO's annual FI of €800,000 was reduced by 25% during April and May 2020. The amount paid as FI in 2020 was therefore €769,231.
Short-Term Incentive paid in 2021 (subject to a binding shareholder vote) in respect of 2020	€376,625 (49% of FI)	The STI 2020 for the CFO has been assessed by the SB, upon recommendation of the GNRC, and calculated on the basis of 150% of the reduced FI presented above, i.e. a maximum payable of €1,150,000.

	Weight	Score	Amount	Comments
AREPS	56%	0%	€0	SB assessment in the absence of a 2020 AREPS guidance
Disposals	7%	75%	€60,375	SB assessment (see details above)
Gross Admin Costs	3.5%	100%	€40,250	Fully achieved (see details above)
Net Debt Reduction	3.5%	0%	€0	Not achieved
Qualitative	30%	80%	€276,000	SB assessment (see below)
TOTAL	100%	**33%**	**€376,625**	i.e. -58% vs 2019

The qualitative component (30% of the maximum STI) is determined according to the achievement of eleven individual objectives, pre-defined by the SB upon the recommendation of the GNRC.

The most significant CFO achievements in 2020 having led to the 80% rating are presented below:

- **Financial management:** maintained ample liquidity over the COVID-19 crisis period (€2.1 Bn of cash and €9.2 Bn of undrawn credit facilities) whilst keeping a low cost of debt (1.7%) and an average debt maturity of 8.4 years, supervised process to reduce administrative expenses by €80 Mn;
- **Balance sheet management:** led several important disposals (€2.3 Bn in total) in a highly challenging context, including a portfolio of five shopping centers in France and three regional malls in the US. Reoriented the strategy post-COVID-19 to increase asset disposals, limiting cash dividends and reducing capital expenditures (lead the process to reduce the Group's pipeline to €4.3 Bn, down from €8.3 Bn as at December 31, 2019);
- **Active engagement with the rating agencies** to manage the impact of the pandemic on the Group's ratings;
- **Financial team management:** successfully prepared succession plan and supervised several key financial director nominations. Further integrated the US financial organisation, optimised its organisation, supervised implementation of accounting, reporting and treasury systems and processes in the US; and
- **CSR:** Led several initiatives to communicate and obtain recognition for URW being a global CSR leader.

The 2020 STI is 58% below the 2019 STI paid in 2020 (i.e €901,662 – 75.14% of maximum STI).

<table>
<tr><th>Element</th><th>Amounts</th><th>Comments/details</th></tr>
<tr><td>Long-Term Incentives granted during 2020</td><td>€559,997
(70% of FI)</td><td>The SB, upon recommendation of the RC, decided that the LTI grant IFRS value for MB members would be at the low end of the target range, i.e. 70% of their respective FI.
<table>
<tr><th></th><th>Presence condition</th><th>Performance period</th><th>Performance condition</th><th>Number of units</th><th>Economic value (IFRS)</th><th>% of total grant (max. 8%)</th></tr>
<tr><td>PS</td><td rowspan="2">2 years of continuous presence at the date of vesting or exercise</td><td rowspan="2">3 years</td><td rowspan="2">45% AREPS
45% TSR
5% Internal CSR
5% External CSR</td><td>21,225</td><td>€558,958</td><td>4.34%</td></tr>
<tr><td>SO</td><td>38,400</td><td>€1,039</td><td>4.34%</td></tr>
</table></td></tr>
<tr><td>Supplementary Contribution Scheme paid during 2020</td><td>€215,166</td><td>Mr Tonckens does not benefit from any additional defined benefits pension scheme (“retraite chapeau”).
He benefits from the SCS, an annual net contribution paid into a blocked savings account (available only after the end of his last mandate as MB Member) equivalent to:
• a fixed amount of €45,000;
• a variable amount of 10% of the total cash remuneration earned each year (i.e. FI for year N plus STI for year N-1).</td></tr>
<tr><td>Group life and health insurance</td><td>n/m*</td><td>Mr Tonckens benefits from the Group’s life and health insurance under the same terms as those applied to the category of employees he is affiliated with, with respect to social security benefits and other items of his remuneration.</td></tr>
<tr><td>Benefits in kind</td><td>€62,449</td><td>Mr Tonckens benefits from an expatriate health insurance policy, an International Assignment Extra-Compensation and a company car.</td></tr>
</table>

* n/m means not material

3.3.2.2.2 REMUNERATION OF THE CHAIRMAN OF THE SUPERVISORY BOARD

The following remuneration elements, paid during or granted for financial year 2020 to the successive SB Chairmen, are submitted to the approval of the shareholders (resolution n° 8 and 9).

MR COLIN DYER, CHAIRMAN OF THE SUPERVISORY BOARD UNTIL NOVEMBER 13, 2020

	2019	2020
SB Chairman remuneration	€225,000	€182,812
GNC Chairman remuneration[1]	€73,500	€78,342

(1) Including the out-of-country indemnities and ad hoc meetings.

No other elements of remuneration were paid to Mr Dyer. Mr Dyer stepped down from his position as SB Chairman on November 13, 2020, and as GNC Chairman and RC member on December 31,2020. The governance transition having now taken place, Mr Dyer will resign from the SB at the 2021 GM.

MR LEON BRESSLER, CHAIRMAN OF THE SUPERVISORY BOARD FROM NOVEMBER 13, 2020

	2019	2020
SB Chairman remuneration (inclusive of committee membership and attendance based fees)	n/a	€1

n/a means not applicable

Mr Bressler asked to have his remuneration limited to €1 per year for the duration of his mandate.

3.3.3 SUPPLEMENTARY INFORMATION

3.3.3.1 EVOLUTION OF THE MANAGEMENT BOARD REMUNERATION

Pursuant to the AMF recommendations and the Afep-Medef Code concerning the remuneration of executive officers of listed companies, the tables hereinafter present:

- The gross remuneration received in respect of the financial years 2016 through to 2020, i.e. including the STI due in respect of financial year N and paid in Year N+1 after the publication of the results of financial year N (Table no. 1); and
- The gross remuneration paid during 2019 and 2020 respectively, and including the STI that was paid in Year N due in respect of the previous year (Table no. 2).

FI, STI, LTI AND OTHER BENEFITS ALLOCATED TO MANAGEMENT BOARD MEMBERS IN RESPECT OF THE REFERRED YEARS (TABLE NO. 1 OF AMF/AFEP-MEDEF RECOMMENDATIONS)

Including the STI due in respect of financial year N and paid in Year N+1, after publication of the results of financial year N.

Mr Christophe Cuvillier
Chief Executive Officer (between April 25, 2013, and December 31, 2020)

	Year 2016	Year 2017	Year 2018	Year 2019	**Year 2020**
Fixed Income	€913,988	€1,000,000	€1,141,865	€1,250,000	€1,197,921
Short-Term Incentive(1)	€1,359,192	€1,500,000	€1,979,388	€1,979,388	€622,917
Pension	€313,797	€325,919	€354,187	€412,939	€412,939
Other benefits	€21,209	€24,212	€24,371	€24,620	€24,813
Remuneration due in respect of the financial year	**€2,608,186**	**€2,850,131**	**€3,499,811**	**€3,666,947**	**€2,258,590**
Evolution year N vs. year N-1 (in %)	*4.2%*	*9.3%*	*22.8%*	*4.8%*	*(38.4%)*
Annual SO IFRS valuation allocated during the financial year(2)	€359,522	€301,907	€204,424	€144,894	€1,623
Evolution year N vs. year N-1 (in %)	*2.8%*	*(16.0%)*	*(32.3%)*	*(29.1%)*	*(98.9%)*
Annual PS IFRS valuation allocated during the financial year(2)	€261,654	€286,365	€495,589	€730,103	€873,371
Evolution year N vs. year N-1 (in %)	*7.9%*	*9.4%*	*73.1%*	*47.3%*	*19.6%*
LTISI (Additional PS in view of successful integration of Westfield) only applicable for 2018(3)			€799,960		
	€3,229,362	**€3,438,403**	**€4,999,784**	**€4,541,944**	**€3,133,584**
Evolution year N vs. year N-1 (in %)	*4.4%*	*6.5%*	*45.4%*	*(9.2%)*	*(31.0%)*

(1) Short-Term Incentive indicated in column "Year N" is Short-Term Incentive due in respect of Year N and paid Year N+1.
(2) The value corresponds to the value of the SO, PS and Additional PS at the time they were allocated according to IFRS 2 requirements (based on the evaluation conducted by Willis Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the Group after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.
(3) Approved by 97.88% of shareholder votes at the 2018 GM.

Mr Jaap Tonckens
Chief Financial Officer (MB Member between September 1, 2009, and January 4, 2021)

	Year 2016	Year 2017	Year 2018	Year 2019	**Year 2020**
Fixed Income	€550,000	€650,000	€735,119	€800,000	€769,231
Short-Term Incentive(1)	€538,945	€650,000	€901,662	€901,662	€376,625
Pension	€152,745	€163,895	€183,512	€215,166	€215,166
Other benefits	€23,612	€23,790	€30,028	€50,523	€62,449
Remuneration due in respect of the financial year	**€1,265,302**	**€1,487,685**	**€1,850,321**	**€1,967,351**	**€1,423,471**
Evolution year N vs. year N-1 (in %)	*0.8%*	*17.6%*	*24.4%*	*6.3%*	*(27.6%)*
Annual SO IFRS valuation allocated during the financial year(2)	€215,713	€181,144	€137,566	€92,732	€1,039
Evolution year N vs. year N-1 (in %)	*2.8%*	*(16.0%)*	*(24.1%)*	*(32.6%)*	*(98.9%)*
Annual PS IFRS valuation allocated during the financial year(2)	€157,100	€165,791	€317,448	€467,239	€558,958
Evolution year N vs. year N-1 (in %)	*7.4%*	*5.5%*	*91.5%*	*47.2%*	*19.6%*
LTISI (Additional PS in view of successful integration of Westfield) only applicable for 2018(3)			€519,946		
	€1,638,115	**€1,834,620**	**€2,825,281**	**€2,527,322**	**€1,983,468**
Evolution year N vs. year N-1 (in %)	*1.7%*	*12.0%*	*54.0%*	*(10.5%)*	*(21.5%)*

(1) Short-Term Incentive indicated in column "Year N" is Short-Term Incentive due in respect of Year N and paid Year N+1.
(2) The value corresponds to the value of the SO, PS and Additional PS at the time they were allocated according to IFRS 2 requirements (based on the evaluation conducted by Willis Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the Group after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.
(3) Approved by 97.88% of shareholder votes at the 2018 GM.

DETAILS OF THE REMUNERATION PAID IN 2019 AND 2020 (TABLE NO. 2 OF AMF/AFEP-MEDEF RECOMMENDATIONS)

Including the STI paid during financial year N but which was due for the previous financial year.

Mr Christophe Cuvillier Chief Executive Officer (between April 25, 2013, and December 31, 2020)	Financial year 2019		**Financial year 2020**	
	Amounts granted	Amounts paid	**Amounts granted**	**Amounts paid**
Fixed Income	€1,250,000	€1,250,000	€1,250,000	€1,197,921
Short-Term Incentive	€1,979,388	€1,979,388	€622,917	€622,917
Pension	€412,939	€412,939	€412,939	€412,939
Other benefits	€24,620	€24,620	€24,813	€24,813
Total direct remuneration	**€3,666,947**	**€3,666,947**	**€2,310,669**	**€2,258,590**
SO IFRS valuation allocated during the financial year(1)	€144,894	€144,894	€1,623	€1,623
PS IFRS valuation allocated during the financial year(1)	€730,103	€730,103	€873,371	€873,371
	€4,541,944	**€4,541,944**	**€3,185,663**	**€3,133,584**

(1) The value corresponds to the value of the SO, PS and Additional PS at the time they were allocated according to IFRS 2 requirements (based on the evaluation conducted by Willis Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the Group after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.

Mr Jaap Tonckens Chief Financial Officer (MB Member between September 1, 2009, and January 4, 2021)	Financial year 2019		**Financial year 2020**	
	Amounts granted	Amounts paid	**Amounts granted**	**Amounts paid**
Fixed Income	€800,000	€800,000	€800,000	€769,231
Short-Term Incentive	€901,662	€901,662	€376,625	€376,625
Pension	€215,166	€215,166	€215,166	€215,166
Other benefits	€50,523	€50,523	€62,449	€62,449
Total direct remuneration	**€1,967,351**	**€1,967,351**	**€1,454,240**	**€1,423,471**
SO IFRS valuation allocated during the financial year(1)	€92,732	€92,732	€1,039	€1,039
PS IFRS valuation allocated during the financial year(1)	€467,239	€467,239	€558,958	€558,958
	€2,527,322	**€2,527,322**	**€2,014,237**	**€1,983,468**

(1) The value corresponds to the value of the SO, PS and Additional PS at the time they were allocated according to IFRS 2 requirements (based on the evaluation conducted by Willis Towers Watson "WTW"), notably after taking into account any discount related to performance criteria and the probability of presence in the Group after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.

PERFORMANCE STOCK OPTIONS (“SO”)

PERFORMANCE STOCK OPTIONS (“SO”) GRANTED DURING FINANCIAL YEARS 2016 TO 2020 (TABLE NO. 4 OF AMF/AFEP-MEDEF RECOMMENDATIONS)

On March 21, 2020, the SB, upon the recommendation of the RC, granted to Group employees and MB Members a total of 885,291 SO, representing 0.62% of the fully diluted share capital on December 31, 2020.

98,400 SO (11.11% of the total SO granted) were allocated to the MB Members, of which 60,000 (6.78%) to the CEO, as detailed in the table below:

Plan Number	Plan performance n°8		Plan performance n°9	Plan performance n°10	Plan performance n°11
Date of Grant	March 8, 2016	March 7, 2017	March 5, 2018	March 19, 2019	**March 21, 2020**
Opening of exercise period (at the opening of trading day)	March 9, 2020	March 8, 2021	March 6, 2022	March 20, 2022	March 22, 2023
End of exercise period (at the end of the trading day)	March 8, 2023	March 7, 2024	March 5, 2025	March 19, 2027	March 21, 2028
Exercise Price per SO	€227.24	€218.47	€190.09	€144.55	€92.03
Type of SO	Share subscription or purchase Stock Options subject to performance and presence conditions and with no discount				

Names of Management Board members	Number of SO granted	Value of SO granted(*)	Variation 2016 vs 2015 in value	Number of SO granted	Value of SO granted(*)	Variation 2017 vs 2016 in value	Number of SO granted	Value of SO granted(*)	Variation 2018 vs 2017 in value	Number of SO granted	Value of SO granted(*)	Variation 2019 vs 2018 in value	**Number of SO granted**	**Value of SO granted(*)**	**Variation 2020 vs 2019 in value**
Christophe Cuvillier Chief Executive Officer	42,500	€359,522	2.80%	42,500	€301,907	(16.0%)	42,500	€204,425	(32.3%)	42,500	€144,894	(29.1%)	**60,000**	**€1,623**	**(98.9%)**
Jaap Tonckens Chief Financial Officer	25,500	€215,713	2.80%	25,500	€181,144	(16.0%)	28,600	€137,566	(24.1%)	27,200	€92,732	(32.6%)	**38,400**	**€1,039**	**(98.9%)**

(*) The value corresponds to the value of the SO at the time they were allocated according to IFRS 2 requirements (based on the evaluation conducted by Willis Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the Group after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.

PERFORMANCE STOCK OPTIONS (“SO”) EXERCISED BY MANAGEMENT BOARD MEMBERS DURING THE 2020 FINANCIAL YEAR (ARTICLE L 225-184 OF THE FRENCH COMMERCIAL CODE) (TABLE NO. 5 OF AMF/AFEP-MEDEF RECOMMENDATIONS)

MB Members	Plan number – Tranche year	Number of SO exercised during the financial year	Date of exercise	Exercise price per SO	Number of SO exercised	Overall market performance of URW SE	Performance of the applicable Reference Index	Achievement of the Performance Condition at the exercise date
Mr Christophe Cuvillier CEO	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mr Jaap Tonckens CFO	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

PERFORMANCE SHARES (“PS”)

The detail on the plans in force, in particular the PS Plan (Performance Shares Plan no. 3) applicable to employees and MB Members is presented in Section 3.3.4.

On March 21, 2020, a total of 489,440 PS were granted to Group employees and MB Members, of which 54,389 (11.11%) to MB Members, of which 33,164 (6.78%) to the CEO.

The grant of PS to MB Members is presented in detail in Tables no. 6 and 7 in accordance with the recommendations of the Afep-Medef Code.

DETAILS OF THE PERFORMANCE SHARES GRANTED TO EACH MANAGEMENT BOARD ("MB") MEMBER DURING FINANCIAL YEAR 2020 (ARTICLE L. 225-197-4 OF THE FRENCH COMMERCIAL CODE) (TABLE NO. 6 OF AMF/AFEP-MEDEF RECOMMENDATIONS)

	Performance Shares Plan no. 4 – Tranche 2020 (March 21, 2020)				
MB Members	Number of PS granted	Economic value of the PS grant(1)	Share transfer date(2)	Availability date (at the end of the trading day)(2)	Presence and performance conditions(3)
Mr Christophe Cuvillier	33,164	€873,371	March 22, 2023	March 22, 2023	Mandatory
Mr Jaap Tonckens	21,225	€558,958	March 22, 2023	March 22, 2023	Mandatory
TOTAL PLAN MARCH 21, 2020	**54,389**	**€1,432,329**			

(1) The value corresponds to the value of the PS at the time they were attributed according to IFRS 2 requirements (based on the evaluation conducted by Willis Towers Watson), notably after taking into account any discount related to performance criteria and the probability of presence in the Group after the vesting period, but before taking into account the effect of the spread of the charge during the vesting period according to IFRS 2.
(2) The potential share transfer date is subject to the attainment of the performance condition on the third anniversary of the date of grant. If the performance condition is not met, all rights shall be definitively lost on the following day.
(3) The presence condition is partially waived on a prorata temporis basis for Mr Cuvillier (subject to shareholder approval at the 2021 GM) and for Mr Tonckens considering his retirement.

PERFORMANCE SHARES ("PS") BECOMING AVAILABLE FOR SALE BY EACH MANAGEMENT BOARD MEMBER DURING FINANCIAL YEAR 2020 (TABLE NO. 7 OF AMF/AFEP-MEDEF RECOMMENDATIONS)

MB Members	Plan number and date	Number of PS becoming available for sale in 2020
Mr Christophe Cuvillier	Performance Shares Plan no. 1 - March 3, 2015	2,561
	Performance Shares Plan no. 2 - April 21, 2016	n/a
	Performance Shares Plan no. 2 - March 7, 2017	n/a
	Performance Shares Plan no. 2 - March 5, 2018	n/a
	Performance Shares Plan no. 3 - March 19, 2019	n/a
	Performance Shares Plan no. 4 - March 21, 2020	n/a
Mr Jaap Tonckens	Performance Shares Plan no. 2 - April 21, 2016	1,536
	Performance Shares Plan no. 2 - March 7, 2017	n/a
	Performance Shares Plan no. 2 - March 5, 2018	n/a
	Performance Shares Plan no. 3 - March 19, 2019	n/a
	Performance Shares Plan no. 4 - March 21, 2020	n/a

n/a means the Performance Shares granted with respect to this Performance Plan are not yet available.

DETAILS OF PERFORMANCE SHARES ("PS") VESTED FOR MB MEMBERS DURING 2020

MB Member	Plan number	Number of PS being fully vested before Performance condition	Achievement of the performance condition	Number of PS being fully vested in 2020
Mr Christophe Cuvillier(1) CEO	Performance Shares Plan no. 2 - March 7, 2017	2,766	72.83%	2,012
	Performance Shares Plan no. 2 - March 5, 2018 Performance Shares Plan no. 3 - March 19, 2019 Performance Shares Plan no. 4 - March 21, 2020	n/a		
Mr Jaap Tonckens(2) CFO	Performance Shares Plan no. 2 - April 21, 2016	1,536	Yes(3)	1,536
	Performance Shares Plan no. 2 - March 7, 2017 Performance Shares Plan no. 2 - March 5, 2018 Performance Shares Plan no. 3 - March 19, 2019 Performance Shares Plan no. 4 - March 21, 2020	n/a		

(1) 3 years vesting period with 2 years holding period for a French tax resident.
(2) 4 years vesting period and no holding period for a non-French tax resident.
(3) Pursuant to the Westfield Transaction, the SB, upon the recommendation of the RC, assessed all outstanding PS plans performance conditions. As disclosed in the Prospectus, the reference period was adapted as most of the performance period had already elapsed. The performance of the 2016 PS plan was then deemed achieved.

2017 PS PLAN – PERFORMANCE ASSESSMENT

Performance measure	Description	Target	Achieved	Weight	Score	Vesting	Comments
Performance between grant and Westfield Acquisition				41.74%	100%	41.74%	Pursuant to the Westfield Transaction, the SB, upon the recommendation of the RC, assessed all outstanding PS plans performance conditions. For the plan 2017, the performance from grant to June 7, 2018 was deemed met.
REPS 2018	Recurring Earnings per Share for Unibail-Rodamco on a standalone basis vs. stretch target (top of guidance given to shareholders).	2018 AREPS guidance: Bottom €12.75 Top €12.90	€12.91	9.5%	100%	9.5%	The REPS for Unibail-Rodamco in 2018 was €12.91, exceeding the top bracket of the guidance (€12.90).
TSR 2018 vs. EPRA Index	UR TSR evolution compared to the EPRA Eurozone Index.	Outperformance of EPRA Eurozone Index	No	9.5%	0%	0%	
AREPS 2019	Adjusted Recurring Earnings per Share vs. stretch target (top of guidance given to shareholders).	2019 AREPS guidance: Bottom €11.80 Top €12.00	€12.03	17.67%	100%	17.67%	AREPS reported result was €12.37. The RC adjusted it for the impact of foreign exchange, IFRS16 and delays in planned disposals. After adjustment, AREPS was €12.03 vs. the stretch target of €12.00.
TSR vs. Reference Index	URW TSR evolution compared to the Reference Index, designed to reflect URW's unique geographical footprint and diversity of assets.	Outperformance of Reference Index	No	17.67%	0%	0%	
CSR Rating	URW ranking vs sector peers by ISS-ESG.	PRIME Rating	Yes	1.96%	100%	1.96%	URW was rated 'Prime' by ISS-ESG in 2019.
CSR Goal	Achievement rate of the Better Places 2030 plan Group-wide.	Achieve commitments on Continental Europe and integration of Westfield into the CSR Agenda	Yes	1.96%	100%	1.96%	Assessed fully achieved by the SB.
TOTAL				**100%**		**72.83%**	

PERFORMANCE SHARES VESTING IN 2021 – 2018 PS PLAN – PERFORMANCE ASSESSMENT

In view of the uncertainties related to the COVID-19 crisis, the extreme volatility of market conditions and governments having implemented severe restrictions with tough impact on the Group operations, the Group announced on March 23, 2020 the withdrawal of its earnings forecast for 2020.

On the occasion of the publication of its accounts for the third quarter of 2020, the Group published on November 1 a new 2020 AREPS outlook. This public earnings forecast was achieved as mentioned in the 2020 annual financial statements published on February 10, 2021.

However, in view of the particular context of the year 2020 and in a concern for shared effort, on the proposal of the MB and upon the recommendation of the GNRC, the SB decided that the achievement of the forecast established for the year 2020 would not be taken into account. Consequently, making use of its discretionary power provided for in the remuneration policy approved at the 2020 GM, the SB decided to reduce in proportion the allocations likely to result from the AREPS criterion for the LTI plans 2018 to 2020, all other terms and conditions remaining entirely unchanged.

Performance measure	Description	Target	Achieved	Weight	Score	Vesting	Comments
REPS 2018	Recurring Earnings per Share for Unibail-Rodamco on a standalone basis vs. stretch target (top of guidance given to shareholders).	2018 AREPS guidance: Bottom €12.75 Top €12.90	€12.91	16.67%	100%	16.67%	The REPS for Unibail-Rodamco in 2018 was €12.91, exceeding the top bracket of the guidance (€12.90).
TSR 2018 vs. EPRA Index	UR TSR evolution compared to the EPRA Eurozone Index.	Outperformance of EPRA Eurozone Index	No	13.79%	0%	0%	
AREPS 2019	Adjusted Recurring Earnings per Share vs. stretch target (top of guidance given to shareholders).	2019 AREPS guidance: Bottom €11.80 Top €12.00	€12.03	15.00%	100%	15.00%	AREPS reported result was €12.37. The RC adjusted it for the impact of foreign exchange, IFRS16 and delays in planned disposals. After adjustment, AREPS was €12.03 vs. the stretch target of €12.00.
AREPS 2020	Adjusted Recurring Earnings per Share vs. top of guidance given to shareholders.	2020 guidance withdrawn, then provided on November 1, 2020: Bottom €7.20 Top €7.80	€7.28	15.00%	0%	0%	Although the AREPS was achieved within the range provided on November 1, 2020, the GNRC considered the year 2020 not achieved.
TSR vs. Reference Index	URW TSR evolution compared to the Reference Index, designed to reflect URW's unique geographical footprint and diversity of assets.	Outperformance of Reference Index	No	32.30%	0%	0%	
CSR Rating	URW ranking vs sector peers by ISS-ESG.	PRIME Rating	Yes	3.62%	100%	3.62%	URW was rated 'Prime' by ISS-ESG in 2019 and 2020.
CSR Goal	Achievement rate of the Better Places 2030 plan Group-wide.	Achieve commitments on Continental Europe and integration of Westfield into the CSR Agenda	Yes	3.62%	100%	3.62%	Assessed fully achieved by the SB.
TOTAL				**100%**		**38.91%**	

INFORMATION ON THE PERFORMANCE STOCK OPTIONS ("SO") ON DECEMBER 31, 2020 (TABLE NO. 8 OF AMF/AFEP-MEDEF RECOMMENDATIONS)

	Performance Plan no. 7		Performance Plan no. 8			Performance Plan no. 9	Performance Plan no. 10	**Performance Plan no. 11**
Plans	2013 Tranche	2014 Tranche	2015 Tranche	2016 Tranche	2017 Tranche	2018 Tranche	2019 Tranche	**2020 Tranche**
Date of GM authorisation	April 27, 2011	April 27, 2011	April 23, 2014	April 23, 2014	April 23, 2014	April 25, 2017	May 17, 2018	May 17, 2019
Date of grant	March 4, 2013	March 3, 2014	March 3, 2015	March 8, 2016	March 7, 2017	March 5, 2018	March 19, 2019	March 21, 2020
Total number of SO granted	617,066	606,087	623,085	611,608	611,611	630,135	748,372	885,291
Effective grant as a % of the fully diluted shares(1)	0.63%	0.61%	0.62%	0.60%	0.61%	0.62%	0.53%	0.62%
Effective grant to the MB Members(2) as a % of the fully diluted shares(1)	0.11%	0.15%	0.15%	0.15%	0.15%	0.15%	0.05%	0.07%
To MB Members:	**124,100**	**125,800**	**127,500**	**148,750**	**148,750**	**151,000**	**69,700**	**98,400**
Mr Christophe Cuvillier	42,500	42,500	42,500	42,500	42,500	42,500	42,500	60,000
Mr Jaap Tonckens	25,500	25,500	25,500	25,500	25,500	28,600	27,200	38,400
Mr Olivier Bossard	20,400	20,400	20,400	20,400	20,400	20,400	n/a(3)	n/a(3)
Mr Fabrice Mouchel	15,300	17,000	18,700	18,700	18,700	17,000	n/a(3)	n/a(3)
Ms Astrid Panosyan	n/a(4)	n/a(4)	n/a(4)	18,700	18,700	17,000	n/a(3)	n/a(3)
Mr Jean-Marie Tritant	20,400	20,400	20,400	22,950	22,950	25,500	n/a(3)	n/a(3)
End of vesting period (at the opening of the trading day)(5)(6)	March 5, 2017	March 4, 2018	March 4, 2019	March 9, 2020	March 8, 2021	March 6, 2022	March 20, 2022	March 22, 2023
Expiry date (at the end of the trading day)(5)(6)	March 4, 2020	March 3, 2021	March 3, 2022	March 8, 2023	March 7, 2024	March 5, 2025	March 19, 2027	March 21, 2028
Strike price (€)	173.16	186.10	256.81	227.24	218.47	190.09	144.55	92.03
Exercise terms (if the plan has more than one tranche)	See section 3.3.4	See section 3.3.4	See section 3.3.4	See section 3.3.4	See section 3.3.4	See section 3.3.4	See section 3.3.4	See section 3.3.4
Number of SO subscribed	355,337	23,466	0	1,913	0	0	0	0
Number of SO cancelled	261,729	217,621	213,153	159,595	115,608	82,880	87,813	34,236
OUTSTANDING STOCK OPTIONS	**0**	**365,000**	**409,932**	**450,100**	**496,003**	**547,255**	**660,559**	**851,055**

n/a means any information relating to a period within which the person involved was neither an MB Member nor an employee of the Group.
(1) On the basis of the fully diluted shares as at December 31, N-1.
(2) MB Members at the time of the grant.
(3) These participants were not MB members from June 7, 2018 to January 2021.
(4) Ms Astrid Panosyan was appointed as Chief Resources Officer effective September 1, 2015.
(5) Provided that the performance and presence conditions are met.
(6) Indicative dates which must be adjusted to take into account non-business days.

INFORMATION ABOUT PERFORMANCE SHARES ("PS") ON DECEMBER 31, 2020 (TABLE NO. 9 OF AFEP-MEDEF RECOMMENDATIONS)

Plans	2016	2017	2018	Additional LTISI	2019	2020
Date of GM authorisation	April 21, 2016	April 21, 2016	April 21, 2016	May 17, 2018	May 17, 2018	May 17, 2019
Date of grant	April 21, 2016	March 7, 2017	March 5, 2018	May 24, 2018	March 19, 2019	March 21, 2020
Total number of PS granted:	36,745	39,770	82,539	38,130	172,174	489,440
To MB Members:	8,963	9,680	19,955	23,055	16,029	54,389
Mr Christophe Cuvillier	**2,561**	**2,766**	**5,616**	**6,472**	**9,774**	**33,164**
Mr Jaap Tonckens	**1,536**	**1,659**	**3,779**	**4,418**	**6,255**	**21,225**
Mr Olivier Bossard	**1,229**	**1,327**	**2,696**	**3,106**	**n/a**(1)	**n/a**(1)
Mr Fabrice Mouchel	**1,127**	**1,217**	**2,247**	**2,588**	**n/a**(1)	**n/a**(1)
Ms Astrid Panosyan	**1,127**	**1,217**	**2,247**	**2,588**	**n/a**(1)	**n/a**(1)
Mr Jean-Marie Tritant	**1,383**	**1,494**	**3,370**	**3,883**	**n/a**(1)	**n/a**(1)
Starting date of the vesting period	April 21, 2016	March 7, 2017	March 5, 2018	May 24, 2018	March 19, 2019	March 21, 2020
Vesting date and if any starting date of the holding period(2)						
for French tax residents(3)	April 21, 2019	March 7, 2020	March 5, 2021	May 24, 2021	March 19, 2022	March 21, 2023
for non-French tax residents(3)	April 21, 2020	March 7, 2021	March 5, 2022	May 24, 2022	March 19, 2022	March 21, 2023
End of holding period (at the end of the trading day)(2)						
for French tax residents(4)	April 21, 2021	March 7, 2022	March 5, 2023	May 24, 2023	n/a	n/a
for non-French tax residents(5)	n/a	n/a	n/a	n/a	n/a	n/a
Performance Conditions	Yes	Yes	Yes	Yes	Yes	Yes
Number of Performance Shares vested (unavailable)	18,432	14,235	0	0	0	0
Number of Performance Shares vested (available)	10,395	0	0	0	0	0
Number of cancelled/expired PS	7,918	12,517	10,842	1,252	20,174	18,930
OUTSTANDING PS (UNVESTED)	**0**	**13,018**	**71,697**	**36,878**	**152,000**	**470,510**

(1) These participants were not MB members from June 7, 2018 to January 2021.
(2) Indicative dates which must be adjusted to take into account non-business days.
(3) Provided that the performance and presence conditions are met.
(4) Holding period is no longer applicable for French tax resident starting from the 2019 grant.
(5) Holding period is not applicable.

INFORMATION REQUIRED BY THE AMF ON THE SITUATION OF MANAGEMENT BOARD MEMBERS ON DECEMBER 31, 2020 (TABLE NO. 11 OF AMF RECOMMENDATIONS)

MB Members	Employment contract	Supplementary Contribution Scheme	Additional defined benefits pension scheme ("*retraite chapeau*")	Contractual severance package	Contractual non-compete indemnity
Mr Christophe Cuvillier, CEO End of current mandate: December 31, 2020	No	Yes	No	No	No
Mr Jaap Tonckens, CFO End of current mandate: January 4, 2021	No	Yes	No	No	No

Pursuant to the Afep-Medef Code, the employment contract of Jean-Marie Tritant was terminated on December 31, 2020 before his appointment as CEO.

The employment contract of Fabrice Mouchel was also terminated before his appointment as CFO. Those of Astrid Panosyan and Olivier Bossard are suspended for the duration of their mandate.

3.3.3.2 SUPERVISORY BOARD MEMBERS REMUNERATION 2019/2020

REMUNERATION OF THE SB MEMBERS FOR 2019 AND 2020 FINANCIAL YEARS

SB Members	2019[1]	2020[1]
Ms Julie Avrane-Chopard[2]	n/a	€0
Ms Cécile Cabanis[2]	n/a	€0
Mr Philippe Collombel[3]	€99,500	€92,079
Mr Colin Dyer[4]	€73,500	€78,342
Ms Susana Gallardo[5]	n/a	€24,021
Ms Jill Granoff	€116,000	€115,618
Ms Mary Harris[6]	€130,500	€42,598
Ms Dagmar Kollmann	€108,500	€120,318
Mr Peter Lowy[7]	€30,536	n/a
Mr John McFarlane	€113,500	€106,552
Mr Roderick Munsters[8]	€103,500	€125,693
Mr Xavier Niel[9][10]	n/a	€1
Ms Sophie Stabile[3]	€97,000	€88,905
Mr Jacques Stern[3][11]	€120,000	€118,454
Ms Jacqueline Tammenoms Bakker[3]	€103,500	€89,813
TOTAL (EXCLUDING SB CHAIRMAN REMUNERATION)	**€1,096,036**	**€1,002,392**
Percentage used of the annual envelope approved by GM	78.29%	71.60%

(1) Including the out-of-country indemnities, if any, and before withholding tax.
(2) No SB meetings held during her mandate in 2020 after her co-optation to the SB on December 23, 2020.
(3) Mandate as SB Member ended on November 13, 2020.
(4) SB Chairman mandate ended on November 13, 2020; GNC Chairman and RC member until December 31, 2020.
(5) Mandate as SB Member started on November 10, 2020 and GNC Member started on November 13, 2020.
(6) Mandate as SB Member ended on May 15, 2020.
(7) Mandate started on June 7, 2018 and ended on May 17, 2019.
(8) Mandate as RC Chairman started on May 15, 2020.
(9) Mandate as SB Member started on November 10, 2020 and RC Member started on November 13, 2020.
(10) Upon his own request, the total amount of SB fees to be paid to Mr Niel (including any committee, ad hoc fees and out-of-country indemnities), shall be €1 per year.
(11) Mandate as SB Vice-Chairman started on May 15, 2020.

3.3.3.3 SHARE AND LTI HOLDINGS (ARTICLE 15 OF APPENDIX 1 OF REGULATION EC 980/2019)

NUMBER OF SHARES, SO AND PS HELD BY MANAGEMENT BOARD MEMBERS ON DECEMBER 31, 2020

The table below summarises the share ownership of MB members on December 31, 2020 (including shares held within the Company savings fund). Note that Mr Jaap Tonckens was exceptionally allowed by the SB to sell his URW shares in December 2020, after the announcement of his planned retirement.

MB Members	Stapled Shares owned[1]	SO non-exercised	SO cancelled due to end of mandate	PS subject to vesting period	PS cancelled due to end of mandate
Mr Christophe Cuvillier[2]	111,189	250,208	64,792	29,659	25,367
Mr Jaap Tonckens	1,967	154,383	41,817	19,052	18,284

(1) Including the stapled shares equivalent to the number of units held in the company savings plan.
(2) Maintenance pro rata temporis of SO and PS and PS is subject to 2021 GM Approval.

3.3.3.4 TOP TEN SO AND PS GRANTS AND EXERCISES (TABLE NO. 9 – AMF RECOMMENDATIONS)

TOP TEN PERFORMANCE SO GRANTS/EXERCISES IN 2020 (ARTICLE L. 225-184 OF THE FRENCH COMMERCIAL CODE)

	Top ten of SO grants in 2020(1)	Top ten SO exercises in 2020(1)
Number of granted Stock Options/and subscribed or purchased option(2)	210,172	n/a
Weighted average price	€ 92.03	n/a
Plan no. 6 Tranche 2011	-	-
Plan no. 7 Tranche 2012	-	-
Plan no. 7 Tranche 2013	-	-
Plan no. 7 Tranche 2014	-	-
Plan no. 9 Tranche 2018	-	-
Plan no. 10 Tranche 2019	-	-
Plan no. 11 Tranche 2020	210,172	

(1) Excluding MB Members.
(2) The number of top grants may exceed 10 in the event that several participants have received the equal number of SO. Each year the option holders list may vary.

TOP TEN PS GRANTS/AVAILABLE IN 2020 (ARTICLE L. 225-197-4 OF THE FRENCH COMMERCIAL CODE)

	Top ten of PS grants in 2020(1)(2)	Top ten PS being definitively available in 2020(1)(2)
Number of Performance Shares granted/available	116,168	28,749

(1) Excluding MB Members.
(2) The number of top grants may exceed 10 in the event that several participants have received the equal number of PS. Each year the participants list may vary.

3.3.3.5 TRANSACTIONS OF CORPORATE OFFICERS ON GROUP SHARES (ARTICLE 223-26 OF THE AMF GENERAL REGULATION)

Name	Date	Nature of the transaction	Number	Unit price
MB Members				
Mr Christophe Cuvillier(1) CEO	09/03/2020	Performance Shares definitively vested	2,012	€93.76
	24/03/2020	Pledge of URW Stapled Shares	1,409	€154.65
	24/03/2020	Pledge of URW Stapled Shares	1,152	€154.65
	24/03/2020	Pledge of URW Stapled Shares	906	€93.76
	24/03/2020	Pledge of URW Stapled Shares	1,106	€93.76
	24/03/2020	Pledge of URW Stapled Shares	1	€187.85
Mr Jaap Tonckens(2) CFO	18/03/2020	Pledge of URW Stapled Shares	691	€187.45
	18/03/2020	Pledge of URW Stapled Shares	691	€142.80
	18/03/2020	Pledge of URW Stapled Shares	845	€142.80
	18/03/2020	Pledge of URW Stapled Shares	845	€187.45
	18/03/2020	Pledge of URW Stapled Shares	179	€234.95
	22/04/2020	Performance Shares definitively vested	1,536	€52.36
	22/04/2020	Sale of URW Stapled Shares	804	€51.92
	10/12/2020	Sale of URW Stapled Shares	7,150	€61.57
	11/12/2020	Sale of URW Stapled Shares	7,011	€61.61
SB Members				
Mr Jacques Stern(3) SB Member	05/03/2020	Acquisition of URW Stapled Shares	350	€100.90
	12/03/2020	Acquisition of URW Stapled Shares	300	€82.11
	12/03/2020	Acquisition of URW Stapled Shares	150	€75.96
	12/03/2020	Acquisition of URW Stapled Shares	150	€73.81
	16/03/2020	Acquisition of URW Stapled Shares	300	€58.26
	18/03/2020	Acquisition of URW Stapled Shares	500	€47.71
Mr Philippe Colombel(3) SB Member	17/03/2020	Acquisition of URW Stapled Shares	350	€52.50
Mr Xavier Niel SB Member	10/11/2020	Acquisition of call options of URW Stapled Shares(4)	983,200	n/a
	10/11/2020	Acquisition of URW Stapled Shares(5)	677,000	€54.57
	20/11/2020	Acquisition of URW Stapled Shares(5)	150,233	€55.90
	23/11/2020	Acquisition of URW Stapled Shares(5)	63,354	€57.85
	08/12/2020	Acquisition of URW Stapled Shares(5)	127,249	€61.69
	11/12/2020	Acquisition of URW Stapled Shares(5)	67,151	€61.67
	14/12/2020	Acquisition of call options of URW Stapled Shares(5)	3,729,964	n/a
	16/12/2020	Exchange of interest and dividend conditions against URW Stapled Share variations(5)	n/a	n/a
	21/12/2020	Exchange of interest and dividend conditions against URW Stapled Share variations(5)	n/a	n/a
Ms Susana Gallardo SB Member	10/11/2020	Acquisition of URW Stapled Shares(6)	1,850	€53.22
	03/12/2020	Acquisition of URW Stapled Shares	100	€63.62

(1) Mandate ended December 31, 2020.
(2) Mandate ended January 4, 2021.
(3) Mandate ended November 13, 2020.
(4) Through NJJ Market SAS.
(5) Through Rock Investment SAS.
(6) Through Susanvest SLU.

3.3.4 PERFORMANCE STOCK OPTIONS, PERFORMANCE SHARE PLANS AND EMPLOYEE SHAREHOLDING

The LTI equity compensation is an essential part of the Group's remuneration policy. It is a significant retention tool designed to strengthen the loyalty and engagement of participants in the Group's performance while aligning their interests with long-term value creation objectives of the Group and its shareholders.

The LTI is made up of two equity compensation instruments: Performance Shares ("PS") and Performance Stock Options ("SO") both subject to performance and presence conditions for all participants.

PS and SO are allocated to employees and MB Members in recognition of exemplary performance, for key roles within the Group and for their long-term contribution to the Group's performance.

The ratio of SO to PS is determined each year by the SB. Grants are not automatic in number nor frequency. They vary from year to year, both in terms of participants and of Stapled Shares allocated. In 2020, there were 480 LTI participants, i.e. c. 13% of the Group employees.

In accordance with the Afep-Medef Code, the holding and equity investment obligations applicable to MB Members are described in Section 3.3.1.1.

3.3.4.1 PERFORMANCE STOCK OPTION AND PERFORMANCE SHARE PLANS

AUTHORISATION PRIOR TO THE GENERAL MEETING OF SHAREHOLDERS

The General Meeting of shareholders authorises the MB to allocate SO and PS and sets out the following principles:

- An authorisation period limited to 38 months;
- A maximum envelope strictly limiting the potential dilutive effect;
- A maximum percentage of grant for the CEO;
- A maximum percentage of grant for the MB Members;
- The obligation to provide presence and performance conditions; and
- The obligation to provide a reference period for the determination of performance condition(s).

DETERMINATION BY THE SUPERVISORY BOARD

On an annual basis, the SB, upon recommendation of the GNRC:

- Determines the overall envelope of SO and PS to be granted taking into account the thresholds set by the General Meeting, the potential dilutive effect for shareholders and the financial cost of the grant to the Group;
- Sets the number of SO and PS granted to each MB Member; and
- Sets the share retention and investment obligations for MB Members.

IMPLEMENTATION BY THE MANAGEMENT BOARD

The MB determines the terms and conditions for grant of the plans, and specifically:

- The list of employee participants and their grant size, within the envelope determined by the SB;
- The terms and conditions of the plan, in particular the presence conditions;
- The performance conditions for the SO and PS; and
- The SO subscription price at grant is not discounted, and in line with the rules set out in the French Commercial Code.

3.3.4.2 GENERAL CONDITIONS APPLICABLE TO GRANTS OF SO AND PS TO EMPLOYEES AND MB MEMBERS

The SO and PS plans are based on the following principles:

- A stable and consistent grant period to avoid any windfall effect. Pursuant to Article L. 22-10-58 and L. 225-177 of the French Commercial Code, no grant may be made:
  - Less than 20 trading days after (i) the detachment of the shares from a coupon giving entitlement to a dividend or (ii) a capital increase;
  - Within 10 trading days preceding or following the date on which the consolidated financial statements or the annual financial statements are made public; and
  - Within the period between the date on which corporate bodies become aware of inside information and the date on which this information is made public.
- No discount on the strike price of the SO is allowed;
- A presence condition at exercise of SO and delivery of PS;
- Stringent performance conditions, calculated over a long period (minimum 3 years), directly linked to the Group's performance and long-term strategy;
- A cap on the grants to the CEO and to each MB Member; and
- A cap on the overall grant to restrict the potential dilutive effect and the financial cost to the Group.

CURRENT AUTHORISATIONS – POTENTIAL DILUTIVE EFFECT

- Performance Stock Options current authorisation:
  The authorisation of the General Meeting in force for the 2020 SO plan was granted on May 17, 2019 (resolution no. 20).
- Performance Shares current authorisation:
  The authorisation of the General Meeting in force for the 2020 PS plan was granted on May 17, 2019 (resolution no. 21).
- Overall potential dilutive effect:
  The total number of (i) SO granted but not yet exercised; (ii) PS granted but not yet vested; and (iii) SO and PS that may be granted under the unused part of the envelopes still in force, cannot give rise to a number of shares exceeding 6% of the fully diluted share capital.

The potential dilutive effect of these instruments remains therefore limited and managed by the Group. If all the required performance conditions were met over the specified period and no cancellations were to occur during the course of the plan, all the non-vested PS and non-exercised SO would amount to 3.42% of the fully-diluted capital as at December 31, 2020.

PRESENCE CONDITION

The SO and the PS may only vest for those participants who are present just prior to exercise or vesting. However, they would remain valid in the event of (i) retirement; (ii) termination of activity due to death or disability (Categories 2 or 3 as provided for in Article L. 341-4 of the French Social Security Code or equivalent under the applicable local regulations); (iii) explicit and justified MB or SB decision in exceptional circumstances; or (iv) employer substitution.

PERFORMANCE CONDITION

The SB ensures that the LTI promotes overall performance and does not encourage excessive risk taking. Measuring and taking into account the performance of the Group over the long-term to align shareholders' interests with those of the participants, be they employees or MB Members[1].

The SO and the PS have a single test of all their performance conditions at the end of the 3-year performance period.

(1) For more details on the performance conditions applicable to MB Members, please refer to the 2021 remuneration policy described in 3.3.1.1.

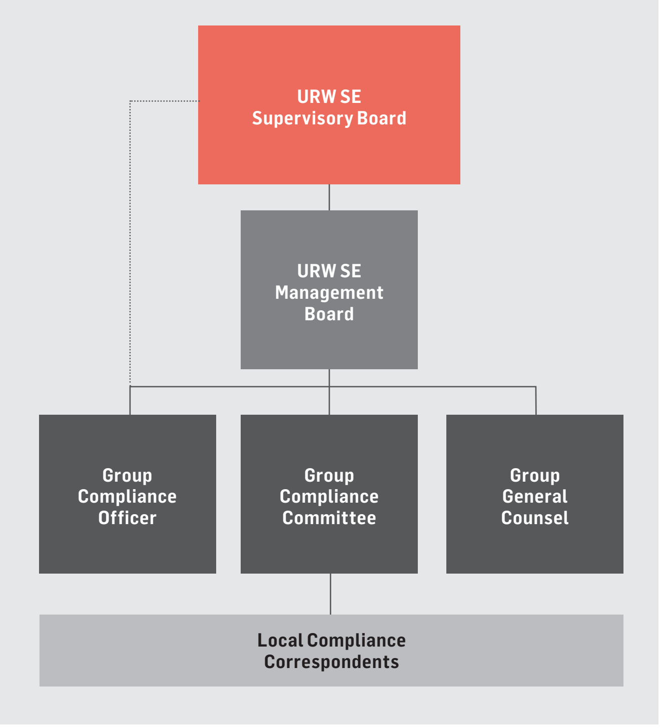
3.4 ETHICS AND COMPLIANCE WITHIN THE URW GROUP

3.4.1 ETHICS AND COMPLIANCE: A DAILY AND ESSENTIAL REQUIREMENT

Ethics is one of the Group's core values and the Group is committed to conducting business in an ethical and fair manner. The Group has a "zero tolerance" principle against all forms of unethical practices, such as inappropriate, disrespectful or unlawful behaviour, corruption, bribery, influence peddling and human rights violations. The Group's compliance procedures are based on a precise allocation of duties and responsibilities as well as promotion of compliance awareness through a "tone from the top" approach and active training programs to ensure accountability and strict and effective compliance within the Group.

3.4.2 ORGANISATIONAL STRUCTURE: THE TONE FROM THE TOP

Aiming to ensure appropriate sharing of information, right level of accountability, due and effective support and promotion, URW has set up a robust compliance organisation matching its geographical and local footprint.



MANAGEMENT AND SUPERVISORY BOARDS OF URW SE

The Management Board of URW SE is responsible, under the supervision of the Supervisory Board, for compliance with all laws and regulations applying to the Group. Promoting compliance awareness from the top on a recurring basis is one of the Management Board's responsibilities and part of the compliance framework. The Management Board reports all material compliance breaches to the Supervisory Board. The Annual Compliance Report and, if any, dedicated incident reports related to compliance matters, are presented and discussed with the Management Board and Supervisory Board.

GROUP COMPLIANCE OFFICER

The Group Compliance Officer (GCO) is appointed by the Supervisory Board of URW SE upon recommendation of the Chief Executive Officer. To ensure full independence, the GCO reports to the Chief Executive Officer and the Chairman of the Supervisory Board. The GCO is responsible for compliance matters for the entire Group. The GCO is directly responsible for the EU platform and through supervision for the US platform, in collaboration with the Compliance Officer of URW NV (CO URW NV). The GCO's scope of responsibility includes:

- Designing and monitoring the implementation of the compliance program (including the Code of Ethics, Anti-Corruption Program, Anti-Money Laundering Procedure and Whistleblowing Policy);
- Promoting compliance awareness for all employees and managers as well as for the Management and Supervisory Boards, through classroom trainings, e-learning courses and information sessions;
- Maintaining and updating the Group's anti-corruption risk mapping;
- Investigating possible compliance breaches, including breaches reported through the URW Integrity Line, the Group's whistleblowing platform;
- Regularly reporting to the Group Compliance Committee whether the Group complies with applicable laws and regulations; and
- Issuing and presenting the Annual Compliance Report to the Management and Supervisory Boards.

In addition to dedicated resources and budgets, the GCO and the CO URW NV have support from a Group Compliance Manager and a Local Compliance Correspondents Network to fulfill their tasks. They may also request support and/or input from any department, notably the Group legal department, as well as from external advisors.

GROUP COMPLIANCE COMMITTEE

The Group Compliance Committee is composed of four members, appointed by the URW SE Management Board. It is composed of the Chief Resources Officer (chairman), the Group Compliance Officer (GCO), the Group General Counsel and one Management Board member from URW SE or URW NV who is not directly involved in the matter which the committee is handling.

The Group Compliance Committee's responsibilities are:

- Hearing and reviewing the Annual Group Compliance Report prepared by the GCO;
- Making recommendations on compliance due diligences presented by the GCO or the CO URW NV on the business ethics environment in case of potential new market entry;
- Periodically reviewing the adequacy and effectiveness of the Group's Anti-Corruption Program with the Group General Counsel, the Local Compliance Correspondents (EU platform) and the CO URW NV (US platform) and suggesting possible improvement; and
- Participating in the crisis management in case of a material compliance breach.

GROUP GENERAL COUNSEL

Within URW, the following compliance matters fall under the scope of the Group General Counsel:

- Identifying and advising the Management Board of URW SE and the Governance and Nomination Committee on (emerging) corporate governance issues or significant developments in the law and/or corporate governance practices;
- Supervising the Group's regulatory compliance, in interaction with the GCO; and
- Determining and announcing (extra) closed periods.

LOCAL COMPLIANCE CORRESPONDENTS NETWORK

The network of Local Compliance Correspondents (LCC) exists to locally promote compliance awareness in the different regions where the Group conducts business as well as to monitor and provide support for the local implementation of the Group's compliance procedures. The LCC provides first level compliance advice at local level to URW staff, reports any (potential) compliance breach or issue to the GCO and makes appropriate suggestions to improve compliance procedures into the Anti-Corruption Program, to ensure effective implementation across the Group.

AUDIT AND INTERNAL CONTROL

In an ever-changing operating environment, the Group is audited by external and internal professionals, who have the responsibility to detect and counter any violation of the compliance's procedures.

3.4.3 CODE OF ETHICS

The Code of Ethics describes values and principles that every employee of the Group must observe in the course of their work. This year, to better highlight the "Together at URW" values and provide precise examples of the behaviour expected from employees and managers when acting within or on behalf of Unibail-Rodamco-Westfield, the Code of Ethics was redesigned and updated.

In particular, the Code of Ethics strictly prohibits the offering or receiving of illegal sums, establishes clear restrictions on the giving and/ or receiving of gifts and requires employees to comply with applicable laws and regulations. An annual training campaign (e-learning) is organised to raise the awareness of employees of the Group's ethical principles. Any violation of these principles may result in disciplinary actions and legal proceedings. The Code of Ethics can be found at https://www.urw.com/en/group/corporate-governance/code-of-ethics.

3.4.4 WHISTLEBLOWING PLATFORM: URW INTEGRITY LINE

All employees and contractors are invited to report cases or suspicions of criminal activities, violations of national and international laws and serious threats or harm to the general interest, or breaches to the Group's Code of Ethics relating to corruption by using the Group's whistleblowing platform. The platform is hosted by an external provider and is available 24/7 from any location worldwide in all languages spoken within the Group (https://urw.integrityline.org/). The whistleblowing platform allows anonymous reporting and ensures strict confidentiality of the identity of the reporter. The Group policy is to guarantee to not discipline, discriminate or retaliate against any employee or other person who in good faith reports information related to a violation. The GCO and the CO URW NV (for the US platform) investigate reported incidents but the Management Board is ultimately responsible for taking the appropriate actions. The GCO and the CO URW NV may also seek assistance of the LCC when investigating.

3.4.5 ANTI-CORRUPTION PROGRAM

ANTI-CORRUPTION PROGRAM DESIGN AND CONTEXT

The Group's Anti-Corruption Program (ACP) aims at combating and preventing corruption, bribery and influence peddling and has been created in order to comply with applicable laws, such as the French Sapin II Law, the UK Bribery Act and the US Foreign Corrupt Practices Act. The ACP includes risk mapping of the various operations in the different regions of the Group, such as the regulatory landscape, transactions, relationships with public officials and relationships with business partners. The Management Board of URW strictly enforces the Group's zero tolerance principle in regards to violations of the ACP.

The Group's ACP is built on eight pillars:

CODE OF CONDUCT

In addition to the Group's Code of Ethics, the ACP includes a code of conduct related to corruption, bribery and influence peddling. This code of conduct stresses the "zero tolerance" principle for breaches of the ACP and any violation may be sanctioned.

RISK MAPPING

The Group's corruption risk mapping points out potential corruption risks and consists of several criteria related to the Group's location and operations. The main risk areas are sponsorships/donations, investment/divestment, development, procurement processes and dealing with public officials. The corruption risk mapping was completely reviewed in 2020 to better comply with the requirements set forth by the French Sapin II law and will be finalised beginning 2021. The methodology applied to update the risk mapping is documented and includes interviews at corporate and local levels to validate and update potential risk scenarios related to corruption, bribery and influence peddling. Each scenario identified is mitigated by an internal control measures or will be subjected to an action plan that will reduce the level of risk (in progress).

INTERNAL ALERT SYSTEM

The Group has an externally-based whistleblowing platform (the "URW Integrity Line"), which enables all staff as well as contractors to confidentially, and anonymously, report incidents to the GCO and the CO URW NV (for the US platform). The whistleblowing procedure and platform are accessible at https://urw.integrityline.org/.

THIRD PARTY DUE DILIGENCE

The Group has a "Know Your Partner" procedure which consists of tailored due diligence to assess business partners' risk of exposure to corruption before entering into contractual relationships. The due diligence may consist of questionnaires, internal and/or external background checks and investigations. Under certain circumstances the GCO reports due diligence findings to the GCC to discuss the risk profile and provide recommendations.

Pursuant to the ACP, the Group also includes anti-corruption clauses in contracts with business partners, to contractually remind the contracting parties that corruption and/or unethical behaviour will not be tolerated by either of them.

ACCOUNTING CHECKS

The Group has a collective decision-making process regarding investment, divestment and procurement. The Group applies a "four eyes" principle when processing invoices and staff expenses reimbursement, meaning that the person approving the purchase order is different from the person approving the invoice. There is also a segregation of duties in the payment process. Manual entries in accounting are systematically reviewed by the chief accountant and accounts are reviewed by statutory auditors.

TRAINING

To raise awareness and entrench the compliance culture within the Group, employees are required to attend mandatory trainings on ethics but also on the Anti-Corruption Program ranging from general anti-corruption trainings to specific trainings regarding how to perform a due diligence. The most exposed departments that are identified in the URW corruption risk mapping are required to attend classroom trainings. There is also a mandatory Group-wide e-learning on anti-corruption for all employees and managers. In 2020, a awareness session has been carried out towards all Supervisory Board members on the eight pillars.

DISCIPLINARY SANCTIONS

Disciplinary sanctions may be taken in cases of corruption, bribery or breaches of the ACP based on the Group's zero tolerance principle.

ACP ASSESSMENT

To ensure compliance with the ACP and constant improvement, the ACP is part of the scope of the Internal Audit department and has been audited in 2020. Some improvement areas have been identified and the remediation plan is on-going.

GIFTS, MEALS AND ENTERTAINMENT

Hospitality, promotional or other business expenditure, received as well as given, need to be reasonable in value, infrequent, directly related to the promotion of the Group's assets, know-how, products or services, the execution of a contract, or to develop and maintain cordial business relations out of any tendering phase or in the frame of the Group's CSR policy, approved (as the case may be) and not given for any corrupt purpose or with the intent of receiving anything in return.

DEALING WITH PUBLIC OFFICIALS

The Group promotes dialogue with public institutions and non-governmental organisations in all countries where it operates. Relations with public officials must be conducted based on transparency and traceability. A reputational background screening must always be performed before entering into a business relationship with a public official.

SPONSORING AND CHARITABLE CONTRIBUTIONS

Donations to charities, non-profit initiatives or social projects comprise a risk of having funds or assets of value being diverted for the personal use or benefit of a public official or a private party. Particular caution needs to be observed if a potential contribution is directed towards an affiliation with a public official with whom the Group is doing, has done or is planning to do business. Any contributions above €/$/£15,000 must be prior validated by the Group CRO for European operations or by the URW President US for US operations. An annual list of all the Group's sponsoring and charitable contributions is kept and followed-up at Group level.

3.4.6 PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING

The procedure for prevention of money laundering and terrorism financing (AML) requires employees and managers to be vigilant and perform due diligences before entering into certain business relationships. These due diligences include identifying the risk profile of the partner/operation, performing sanctions list screening and investigating potential ultimate beneficial owners and politically exposed persons through background checks via databases and the answering of questionnaires.

3.4.7 PERSONAL DATA

Personal data represents a major concern for customers, employees, and partners and for the URW Group as well.

Their sense of responsibility is essential during the implementation and development of the experience offered to URW customers, in a framework conducive to guaranteeing protection and exemplarity in the daily management of personal data collected in accordance with applicable national laws.

The Group therefore has (i) a clear and efficient structure with governance bodies for matters relating to the collection, use and protection of personal data, (ii) a set of robust processes to better support the daily processing of data, and (iii) a regulatory watch organised to ensure the best level of compliance in a constantly evolving legal and regulatory context.

3.4.7.1 A CLEAR AND EFFICIENT GOVERNANCE OF PERSONAL DATA

While 2018 was marked by the implementation of numerous measures to comply with the new regulations relating to the protection of personal data General Data Protection Regulation (GDPR), 2019 was the first financial year during which initial feedback has been conducted on the compliance measures deployed and their effects.

2020 was a year of consolidation and initial feedback used for continuous improvement of those measures implemented and governance of the Group's compliance programme on personal data. The first penalties imposed by the national authorities also brought some clarification and reinforced the importance of keeping the Group's procedures up to date.

This active search for compliance, which represents a constantly renewed challenge, is based on a clear managerial willingness directly integrated into the various services of the Group. The Group shall ensure compliance with its legal and regulatory obligations while supporting marketing and commercial strategies, in order to offer even more innovative services to its customers, partners and other stakeholders.

The governance in place is based on different levels according to an escalation principle.

This governance is organised around:

- A Data Protection Officer (DPO) for the group registered with the CNIL:

  This Group DPO:
  - Leads a network of local data privacy correspondents or local DPOs in each continental European country where the group is present. Each local correspondent (some of whom have DPO status with local data protection entities) carries out legal and operational monitoring for the country for which they are responsible. All of the correspondents meet monthly in a dedicated committee to share best market practices.
  - Coordinates the Group's personal data protection strategy with the Privacy Counsel responsible for compliance with the California Consumer Privacy Act for the Group's activities in the State of California (USA).
- The management, in project mode, of personal data questions, allowing a "privacy by design" approach by the teams in charge of projects or services likely to involve the collection or use of personal data (IT, HR, marketing, brands, legal, etc.);
- A Data Protection Committee notably composed of the Group Chief Resources Officer, the US President, the Group General Counsel, the Group IT Director, the Group Commercial Director, the Chief Operating Officer Europe, the Group DPO, whose purpose is to ensure the proper application of the Group strategy relating to data protection, to review the impact assessments of certain projects and the risks of exposure of the data collected, and to adopt the risk management measures deemed appropriate.

3.4.7.2 MANAGE PERSONAL DATA ON A DAILY BASIS IN A RESPONSIBLE MANNER

Mindful of its responsibilities in this area, the Group is committed to ensuring effective protection and reasonable processing of the personal data collected.

A DAILY THOROUGHNESS

Each new project involving the processing of personal data is supported by legal department. In addition, significant efforts are made in terms of awareness and training on the management of personal data: each employee receives online GDPR training, and the most exposed departments are provided with personalised face-to- face training.

The Group has set up an access and complaints process open to its customers and has already deployed an integrated management tool in the United States, enabling it to respond quickly and appropriately to the requests of people exercising their rights in terms of personal data.

This management also involves strengthening the Group's relationships with its partners so that they engage in a compliance process.

A REASONED AND CONTROLLED USE OF PERSONAL DATA

Beyond the establishment of an internal framework suitable for ensuring compliance with regulations, the effective application of this framework is subject to regular monitoring and internal audit missions carried out by the Group's dedicated teams.

SUPPORT AN EVER-CHANGING LEGAL CONTEXT

Beyond the European Regulation on the Protection of Personal Data, each Member State of the European Union has interpreted the provisions of the GDPR by the enactment of national standards and by the jurisprudence developed by its national authorities (courts and local data protection authorities). At the same time, the State of California (USA), in which the Group operates, has implemented its own regulations.

This multiplication of applicable standards and regulations, combined with objectives or philosophies that may diverge, makes it increasingly complex to monitor regulatory developments. This is one of URW's endeavors to take up this major challenge on a daily basis, in order to maintain global compliance taking into account local specificities.

3.5 REPORT OF THE SUPERVISORY BOARD ON CORPORATE GOVERNANCE

In accordance with Article L. 22-10-20 of the French Commercial Code, at its meeting held on March 3, 2021, the SB agreed on the corporate governance report which will be submitted at the next General Meeting, at the same time as the observations of the SB concerning the MB report and the financial statements, it being specified that the observations are presented in the Notice of meeting of the 2021 General Meeting.

The report of the Supervisory Board on corporate governance is included in the paragraph 3 of the Management report available on Section 8.6.3.

CHAPTER 4

Activity review

(1) The Management Discussion & Analysis (MD&A) is based on the Financial statements prepared on a proportionate basis.

4.1 MANAGEMENT DISCUSSION AND ANALYSIS[1]

4.1.1 BUSINESS REVIEW AND 2020 RESULTS

4.1.1.1 ACCOUNTING PRINCIPLES AND SCOPE OF CONSOLIDATION

ACCOUNTING PRINCIPLES

Unibail-Rodamco-Westfield's ("URW" or "the Group") consolidated financial statements as at December 31, 2020, were prepared in accordance with International Financial Reporting Standards ("IFRS") as applicable in the European Union as at that date.

Since 2018, the Group also prepares financial statements in a proportionate format, in which the joint-controlled entities are accounted for on a proportionate basis, instead of being accounted for using the equity method under IFRS. The business review and results are presented based on the financial statements on a proportionate basis, with no impact on the net results.

For rent relief granted to tenants in relation to the COVID-19 pandemic and where such relief qualifies as a lease modification because the tenant agrees concessions (e.g. extension of a lease term or higher Sales Based Rent ("SBR")), IFRS 16 applies. Under IFRS 16, the relief is treated as a lease incentive which is straight-lined over the expected term of the lease as a reduction of the Gross Rental Income ("GRI").

Rent relief without changes to the lease contract is directly charged to the income statement as a reduction of the GRI.

Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by the management in the evolving context of the COVID-19 pandemic and of difficulties in assessing its impact and future prospects. In this context, management has taken into account these uncertainties on the basis of reliable information available at the date of the preparation of the consolidated financial statements, particularly with regards to doubtful debtors provisions and rent relief accruals, to the fair value of investment properties and financial instruments as well as the testing of goodwill and intangible assets.

Due to inherent uncertainties associated with estimates, the Group reviews those estimates based on regularly updated information. Actual results might eventually differ from estimates made at the date of the preparation of the consolidated financial statements.

96% of URW's property portfolio and intangible assets related to the Shopping Centres, Offices & Others, Convention & Exhibition and Services segments were valued by independent appraisers as at December 31, 2020.

SCOPE OF CONSOLIDATION

The principal changes in the scope of consolidation since December 31, 2019, are:

- On May 29, 2020, the disposal of five retail assets in France (Aéroville, So Ouest, Confluence, Toison d'Or and Rennes Alma) and one hotel (Novotel Lyon Confluence) to a joint venture (the "Entity") formed by Crédit Agricole Assurances and La Française, collectively with a 54.2% stake, and URW which holds 45.8%. The Entity has been accounted for using the equity method from May 30, 2020;
- The disposal of Westfield Meriden, a non-core Shopping Centre in the US on June 5;
- The disposal of units owned in Bobigny 2 in France on June 23;
- The acquisition of the 50% remaining stake in JVs holding five assets in Florida (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Sarasota) on October 30;
- The disposal of Westfield Siesta Key, a non-core Shopping Centre in the US on October 30;
- The disposal of Westfield Sunrise, a non-core Shopping Centre in the US on December 31.

OPERATIONAL REPORTING

URW operates in nine regions: France, the United States of America ("US"), Central Europe, Spain, the United Kingdom ("UK"), the Nordics, Austria, Germany and The Netherlands.

As France has substantial activities in all three business lines of the Group, this region is itself divided in three segments: Shopping Centres, Offices & Others and Convention & Exhibition ("C&E")[2]. The other regions operate almost exclusively in the Shopping Centres segment. In the US, the Group also operates an airport terminal commercial management business.

4.1.1.2 COVID-19 AND THE IMPACT ON URW'S BUSINESS

The COVID-19 pandemic has significantly impacted URW's business over the course of 2020. Consequently, many of the standard performance indicators are not meaningful. In this context, the Group is providing investors with the clearest possible view of conditions during the period.

CLOSING AND REOPENING OF THE GROUP'S SHOPPING CENTRES IN 2020

The operations in URW Shopping Centres in 2020 were impacted by a series of lockdown and restriction periods that affected the assets and activities of the Group. During the mandatory shutdowns, the Group's priority was to ensure safety of its employees, customers and suppliers, to ensure security and safety in the assets and prepare for reopenings.

Implementation of enhanced health and safety measures in all centres has been a key element in safely operating the business and reassuring customers and employees, in particular during reopening periods. These include:

- Additional cleaning, including deep cleaning of all public space, toilets in particular;
- Installing hand sanitisers throughout the centres;
- Providing Personal Protective Equipment ("PPE") to Shopping Centre employees and suppliers;
- Implementing social distancing requirements (e.g. floor stickers to mark social distancing spaces, seating areas closed and one-way foot traffic);
- Training Security and Guest Services teams to manage queuing systems and potential gatherings;
- Providing guidance to tenants through digital tools and direct communication with every single retailer to collaboratively manage visitor flows and numbers;
- Use of indoor and outdoor screens to display key messages.

URW has created a "Safe & Healthy Places" label to attest to the excellence of its HSE practices and to ensure compliance with the latest recommendations of local health authorities. As at January 31, 2021, 76 out of 87 centres have already been labelled following an independent audit by Bureau Veritas. The Group also passed all checks imposed by relevant authorities.

(1) The Management Discussion & Analysis (MD&A) is based on the Financial statements prepared on a proportionate basis.
(2) C&E includes the Les Boutiques du Palais retail asset.

During H1, due to the COVID-19 first wave, most of the Group's Shopping Centres had to close in mid-March, except for "essential" retailers, with the closure period varying by location. All of the Group's European centres had reopened by June 15, although restrictions, primarily on entertainment and the Food & Beverage ("F&B") sector, have remained in some regions. In the US, some centres opened later as noted below.

During the first half year, on average, the Group's Shopping Centres were closed for 67 days[(1)].

In the US, all of the Group's centres, except Westfield World Trade Center, had reopened by July. However, on July 13, California again ordered all indoor operations of Shopping Centres to close. The affected Californian centres outside Los Angeles reopened on September 2, while the Group's five indoor Los Angeles centres remained closed until October 7. Westfield World Trade Center reopened on September 9. Over the first half, on average, the Group's Shopping Centres in the US were closed 85 days[(1)].

During H2, following the increase in COVID-19 cases seen globally since September 2020, the authorities imposed new restrictions and/or lockdown periods mainly in Q4 in most of the Group's regions, which impacted the opening of URW's Shopping Centres. In many countries only "essential" retailers and those able to offer curbside pick-up or fulfil delivery orders from the store could continue to trade.

In the US, all of the centres have been open since October 7, despite the "Regional Stay at Home Order" in California in place from December 3. However, various municipalities imposed limitations on the capacity both within centres (typically between 20% and 50% depending on the state and county) and within individual stores. In addition, in some areas, indoor or outdoor dining as well as entertainment and fitness venues have been required to close at various times.

On average, the Group's Shopping Centres were closed for 26 days[(2)] in the second half.

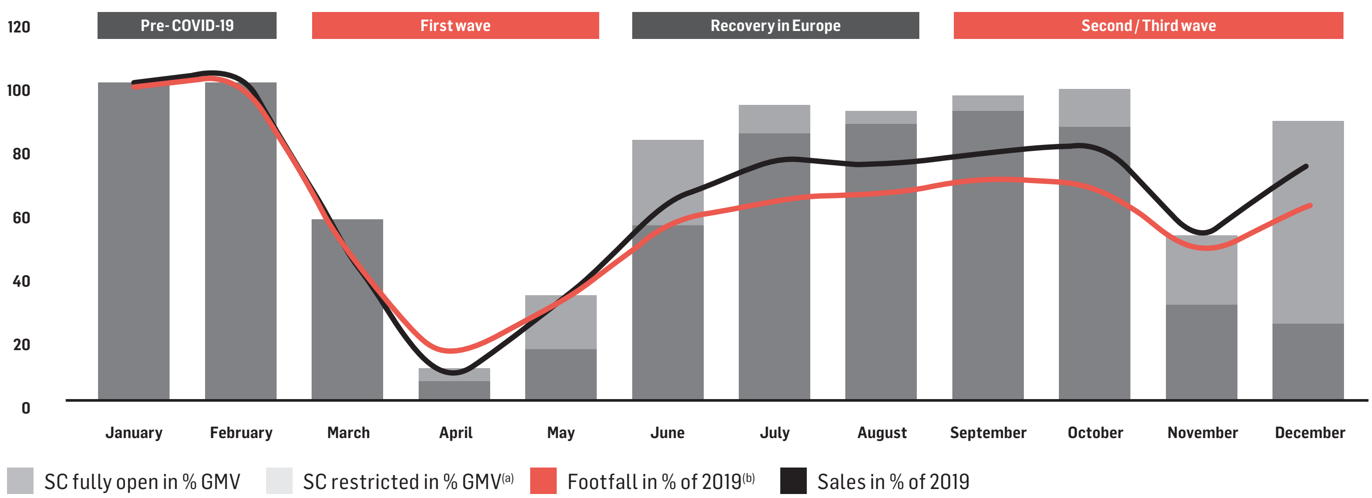
On average, our centres were impacted by specific restrictions (e.g. closure of F&B or other sectors, capacity restrictions, etc) for more than half the year, with many countries having such measures for the entire period after the first lockdown.

As at December 31, 2020, 44% of the Group's European centres by value were closed, except for "essential" stores, while all the US centres were open.

From the end of December, most of the regions the Group operates in applied some form of lockdown, with the exception of Sweden, certain regions in Spain and the US. As at February 10, 2021, 69% of the Group's European centres by value were closed, except for "essential" stores, and 52% at Group level.

FOOTFALL[(3)] AND TENANT SALES[(4)]

TOTAL URW SALES AND FOOTFALL EXCLUDING F&B/ENTERTAINMENT



(a) Restrictions are defined as closure of the F&B and/or entertainment sector. Capacity restrictions, shelter at home orders, curfews and other comparable measures are not taken into account. GMV weighted by restrictions and the proportionate impact on the month.
(b) US footfall only for those assets where reliable figures are available.

(1) Weighted by Shopping Centres' NRI in 2019.
(2) Weighted by Shopping Centres' NRI in 2019, closing periods until December 31, 2020, only (not counting days in 2021).
(3) Footfall data does not include Zlote Tarasy as it is not managed by URW. Footfall in URW's Shopping Centres in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. Carrousel du Louvre is excluded.
(4) European tenant sales data does not include Zlote Tarasy as it is not managed by URW. Tenant sales performance in URW's Shopping Centres (except The Netherlands) in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, newly acquired assets and assets under heavy refurbishment. Primark sales are based on estimates. Excluding Tesla sales. Carrousel du Louvre is excluded.

EUROPEAN FOOTFALL

Overall, FY-2020 footfall figures were heavily impacted by the lockdowns and the restrictions imposed by governments. In all countries and because of "work from home" recommendations, footfall was more heavily impacted in Shopping Centres situated in or close to business districts and/or connected to public transport hubs.

In Europe, FY-2020 footfall decreased by -37%. The Nordics, The Netherlands and Germany outperformed other countries, with a footfall at -25%, -30% and -31%, respectively. The United Kingdom was the most impacted country, -52%, because of the centre locations, relatively strict restrictions and strong emphasis on working from home.

Post initial reopening: footfall recovery

Following the initial reopenings in May/June, footfall in Europe increased regularly week after week[1], resulting in June footfall for centres open throughout the month at 74% of June 2019. Most regions reported footfall at 70–85% of 2019 levels three to four weeks after reopening.

Over Q3, this trend remained relatively stable, with footfall for Continental Europe at 74%, 77%, and 79% respectively of the prior year in July, August and September. On average, the footfall for Q3-2020 was 77% and 74% of the prior year for Continental Europe and Europe, respectively. Austria and the French centres not located in central Paris/La Défense were the strongest performers, while the UK saw a slower recovery with restrictions still in place for leisure operators, and people strongly encouraged not to return to offices or take public transport until late July.

Q4-2020 footfall trends: new lockdowns across Europe

In late October and early November, a number of countries the Group operates in re-applied various restrictions resulting from the second wave of COVID-19. This included new lockdowns in Austria, Central Europe, France and the UK, which had a significant impact on footfall. Footfall decreased by -58% in Europe in November.

Even when reopened, some key activities in the Shopping Centres, such as restaurants and cinemas, remained closed, affecting the footfall performances.

At the beginning of December, most countries reopened Shopping Centres but closed them again later in the month, making December footfall figures difficult to evaluate. In France, where Shopping Centres were open throughout the month, footfall reached 78% of the prior year, despite the impact of the continued closure of F&B and cinemas.

US FOOTFALL

Due to data limitations, footfall is not available for all centres[2] in the US. For those assets for which reliable data is available, weekly footfall in the fourth quarter when all centres had reopened, varied between c. 52% and 62% of the previous year. The Californian centres, in particular, have been impacted by the earlier mentioned "Regional Stay at Home Order".

EUROPEAN TENANT SALES

While tenant sales were impacted by the first and second waves of COVID-19, they showed encouraging resilience in periods when the Group's tenants were able to trade, outperforming footfall trends. In June, tenant sales in centres open throughout the whole month in Continental Europe reached 80% of June 2019 levels. During Q3, when all of the Group's European centres were open, tenant sales reached 81% of Q3-2019 levels or 86% in Continental Europe, outperforming footfall.

While Q4 was impacted by second wave restrictions, tenant sales in France in December (where centres remained open throughout the month, except for F&B and Entertainment) reached over 93% of the prior year level.

US TENANT SALES

Considering the closure of many centres between March and June and further closures in July through September/October (as discussed above) tenant sales data for FY-2020 compared to FY-2019 is not considered meaningful.

While most centres were open in the second half, tenant sales continue to be negatively impacted by government restrictions and reduced operating hours for centres across the US portfolio.

While the majority of Florida centres operated without capacity restrictions during the course of the US holiday period[3], other areas were subject to strict capacity restrictions varied by region and ranging from 10% - 25% in California and 20% - 25% in other URW markets in the US. California also saw strict trading restrictions which did not allow indoor or outdoor dining at restaurants, nor were entertainment uses or indoor fitness facilities allowed to operate. California markets were also under state-mandated stay-at-home orders, further limiting traffic to centres despite being open. Additionally, operating hours have been reduced to adjust to traffic and retailer staffing constraints.

(1) Data from the respective reopening dates through the week ending July 26, 2020, as discussed in the Group's half-year 2020 report.
(2) Only includes centres (20) for which at least one year of comparable Springboard or ShopperTrak data is available.
(3) From Thanksgiving to New Year's Eve.

The below table shows the evolution of sales in the US over H2-2020 and the current store opening status:

Month 2020	% Shops re-opened[(1)]	% GLA re-opened[(1)]	Tenant sales in centres open throughout each respective month[(2)] (% change vs. same month prior year)	Tenant sales pro-rated to reflect the same number of operating stores per days in both years[(2)(3)] (% change vs. same month prior year)
July	60%	81%	(34%)	(22%)
August	68%	85%	(33%)	(26%)
September	79%	90%	(24%)	(19%)
October	92%	95%	(26%)	(22%)
November	94%	94%	(33%)	(29%)
December	92%	93%	(34%)	(30%)
Average H2	81%	90%	(31%)	(26%)

(1) Based on leased spaces. Includes all tenants operating in any capacity (including curbside and online fulfilment) as of the end of each respective period.
(2) All sales metrics exclude Non-Reporting Centres, Non-Reporting Tenants, Non-Owned Spaces and Department Stores. Results also exclude Auto.
(3) Includes tenants open for in-store shopping during each respective period in both 2019 and 2020, and assumes the same number of operating days in both years. Monthly sales figures only include centres open the entire respective month.

In H2-2020, despite restrictions in place, and based on tenant sales pro-rated to reflect the same number of operating stores[(1)], the tenant sales reached 74% of 2019 sales with variations from one month to another of between 70% and 81%.

GROUP TENANT SALES SUMMARY

The table below summarises the Group's tenant sales for the year:

Region	Tenant Sales Growth (%) Q3	Tenant Sales Growth (%) December	Tenant Sales Growth (%) Full year	Tenant Sales Growth (%) Full year excl. F&B and Entertainment	2020 stores closure period (in %)[(1)]
France	(11%)	(7%)	(29%)	(27%)	27%
Spain	(23%)	(32%)	(38%)	(35%)	28%
Central Europe	(16%)	(29%)	(33%)	(31%)	23%
Austria	(11%)	(41%)	(29%)	(28%)	19%
Nordics	(15%)	(35%)	(21%)	(18%)	3%
The Netherlands	N/A	N/A	N/A	N/A	4%
Germany	(15%)	(51%)	(27%)	(25%)	15%
Total Continental Europe	**(14%)**	**(25%)**	**(30%)**	**(27%)**	**22%**
UK	(40%)	(52%)	(50%)	(48%)	33%
Total Europe	**(19%)**	**(30%)**	**(33%)**	**(31%)**	**23%**
US	(47%)	(34%)	(44%)	(42%)	32%
Total Group	**(28%)**	**(31%)**	**(37%)**	**(34%)**	**25%**

(1) Number of days closed weighted by Shopping Centres' NRI in 2019.

As a consequence of COVID-19 restrictions all across Europe, the Entertainment sector has suffered the most with a sales decrease of -68%, followed by Food & Beverage Services (-43%). Fashion retailers experienced a sales drop of -38%, and the Health & Beauty sector ended at -27%.

Food stores & Mass Merchandise was the most resilient sector, with sales only slightly below the prior year (-3%).

TENANT NEGOTIATIONS

From the start of the COVID-19 crisis, the Group first adopted a global policy of allowing temporary deferral of rents, before commencing discussions with tenants about the terms of any support, such as rent relief, offered by URW. Operational teams were instructed to focus on rent recovery while preserving commercial relationships. In addition, in some geographies (including the UK, Germany and certain US municipalities), legal remedies for non-payment of rent have been temporarily limited, which also hampered the enforceability of rents. In certain regions, existing laws (Austria) or new laws (Poland) even prohibited the charging of rents during the closure period.

(1) Sales for stores open in centres open.

In Sweden, Denmark, Czech Republic and Slovakia, the governments created state subsidy programmes focused specifically on supporting retail tenants. URW helped its tenants getting access to these subsidies whenever possible (see Appendix 3).

Once negotiations commenced, they were undertaken on a case-by-case basis. They recognise the issues the Group's tenants faced due to administrative closures or trading restrictions and the need to provide relief, are generally limited to the period of closure and are based on the principle of a fair sharing of the burden. In many cases they entail concessions by tenants in exchange for such relief, like the extension of the firm period of the lease, a waiver of co-tenancy provisions (in the US) or an increase of the SBR percentage. They are typically not about permanently changing lease structures or changing the basis for rent calculations (e.g. replacing Minimum Guaranteed Rent ("MGR") with SBR only leases).

As at December 31, 2020, the Group estimates it is close to 90% through the rent relief negotiation process in Europe[(1)] for the first COVID-19 wave. Approximately 4,900 deals have been approved or signed (with granted relief), of which 26% include associated lease extensions or break-option waivers, securing five months of future additional rents. The overall rent relief includes that required in certain instances by law, for example in Poland or Austria, or in France (where three months of rent relief was granted to very small companies).

The rent relief impact in Europe for the second and third waves has been estimated based on principles applied on the first wave and on the potential implementation of state subsidy programmes. In total for Europe, the cash impact of rent relief[(2)] for 2020 corresponds to 1.6 months.

In the US, the Group completed rent relief negotiations with tenants representing approximately 87% of the leasing revenue by December 31, 2020[(3)]. 912 COVID-19 related agreements/amendments were signed for an average duration extension of 11 months[(4)] in conjunction with the rent relief granted to tenants, of which 313 were for at least one year. In total for the US, the cash impact of rent relief[(5)] for 2020 corresponds to 2.1 months.

As at December 31, 2020, rent relief signed or expected to be signed regarding 2020 closures (including the second wave until December 31, 2020) amounted to an estimated cash impact of €313 Mn[(6)], €246 Mn of which has been charged to the income statement during this period. The difference will be straight-lined in future periods. This total cash impact includes the anticipated impact of the second wave, whereas the guidance given during the 9M-2020 results of a range between €250 Mn and €290 Mn only related to the first wave.

BANKRUPTCIES

Tenant insolvency procedures have affected 652 stores in the Group's portfolio in 2020, representing 5.2% of the stores in the total URW's portfolio. The total leasing revenues impacted (incl. services charges) amounts to €109 Mn[(7)] over c. 422,000 sqm of retail.

In Continental Europe, the number of stores impacted by bankruptcies amounted to 322 (out of 7,592 stores), with a decrease between H1 (210 stores) and H2 (112 stores including 73 in Q3 and 39 in Q4). Among the impacted stores in 2020, 240 of them continue to trade, (with a number of retailers such as Naf Naf or Andre keeping all their stores open in URW's centres) or have already been relet. The annual MGR impact of current vacant units formerly occupied by bankrupted tenants amounts to -€8 Mn for 88 units in URW's Continental Europe portfolio. The most affected regions in 2020 were France with 158 stores (including Un Jour Ailleurs, Camaïeu, Andre and Celio) and the Nordics with 54 stores (including Teknikmagasinet, Holland & Barrett, MQ and G-Star Raw).

In the UK, 62 stores (out of a total of 785 stores) were affected by insolvency procedures, of which 17 during Q4-2020 (including Clarks, Wahaca, Caffe Nero, Moss Bross, Guess and Ann Summers). At the end of 2020, 20 units are still vacant due to bankruptcies, which represents a loss of annual MGR of -€2 Mn[(7)].

In the US, total bankruptcies for 2020 affected 268 stores (out of 4,137 stores) of which 28 in Q4-2020. Key bankruptcies included Ascena (44 units), the Aldo Group (31 units) and GNC (26 units). 84 stores remained vacant at the end of 2020, which represents a loss of annual MGR of -$9 Mn[(7)]. In Q4-2020, Francesca's filed for bankruptcy, which impacted 23 units. In addition, 12 J.C. Penney units (1.6 million sq. ft.) not owned by the Group were impacted by bankruptcy. J.C. Penney kept all its stores open in URW centres. In early December, a consortium comprising Brookfield, Simon Property Group and lenders closed on the acquisition of J.C. Penney out of bankruptcy. All leases held by the Group were assumed.

RENT COLLECTION AND DEFERRED RENT

It should be noted that the rent collection rate is calculated compared to 100% of rents and service charges invoiced, reflecting no adjustment for deferred or discounted rent in the denominator.

84% of invoiced FY-2020 rents and service charges[(8)] had been collected in Europe and 70% in the US, representing 80% overall for the Group.

The full year collection rate is mainly impacted by lower collection rates in Q2 and Q4 during lockdown periods as detailed below. In Europe, Q1 and Q3 were less impacted by COVID-19, at 97% and 93%, respectively. Collection rates were higher in regions which had put in place subsidy packages.

In the US, the Group's weighting to California (which saw materially more government restrictions than the national average) was likely a key driver of the lower collection rates there.

For the full year 2020, 80% of the billed rents have been collected as at January 31, 2021, the remaining 20% corresponding to 10% of rent relief granted to tenants and 10% of overdues or deferrals, out of which 7% are covered by provisions for doubtful debtors. The rent collection improved after reopening to 85% in Q3, while Q2 at 61% and Q4 at 76% were impacted by lockdowns and other restrictions. Adjusted for the rent relief granted, the collection rate came to 88% of the total amount due, with Continental Europe at 94%, reflecting the progress in tenant negotiations and the efforts of URW's teams.

(1) As a percentage of MGR and includes tenants with financial terms agreed.
(2) In terms of MGR + SBR + Service Charges invoiced in 2019, excluding non-controlled assets and Westfield Mall of the Netherlands.
(3) Includes tenants with financial terms agreed.
(4) Based on the number of agreements.
(5) In term of MGR + SBR + Services Charges invoiced in 2019.
(6) On a proportionate basis. €401 Mn at 100%.
(7) Group share.
(8) Based on cash collection as at January 31, 2021, and assets at 100%.

Overall rent collection by quarter is shown below[1]:

Region	Q1	Q2	Q3	Q4	FY
Continental Europe	97%	67%	95%	81%	85%
UK	98%	66%	78%	74%	79%
Total Europe	**97%**	**67%**	**93%**	**80%**	**84%**
US	93%	48%	70%	68%	70%
Total URW	**96%**	**61%**	**85%**	**76%**	**80%**

As at January 31, 2021, 56% of the January 2021 rents have been collected, impacted by lockdowns in a number of regions since the beginning of the year.

The total accounts receivable[2] from activities increased by +€92.2 Mn vs. December 31, 2019. The accounts receivables are net of €202.7 Mn provisions booked in the result for the year (vs. €49.8 Mn in 2019).

COVID-19 IMPACT ON EARNINGS FOR FY-2020

While it is difficult to accurately calculate the specific impact of COVID-19 in the operating performance, the Group has identified the following elements totalling -€632.5 Mn, with an impact on the Adjusted Recurring Earnings per Share ("AREPS") of -€4.57:

- -€1.78: rent relief;
- -€1.05: increase in doubtful debtors;
- -€0.68: lower variable revenue streams (e.g. SBR, parking and Commercial Partnerships);
- -€0.53: reduction in net income from the Convention & Exhibition business (Group share);
- -€0.27: increase in financial expenses due to liquidity measures taken in response to the crisis; and
- -€0.26: lower net services income.

COST REDUCTION AND CAPITAL EXPENDITURE DEFERRALS

The Group implemented a number of initiatives to generate both short- and long-term cost savings. The US and UK activities were restructured to ensure optimisation of their processes and tools while simplifying the organisation, leading to substantial and sustainable savings. As the development pipeline was downsized significantly, an adjustment of the corresponding staff was made. In addition, furlough plans and "partial activity" schemes were activated where appropriate. Lastly, non-staff costs were cut.

Collectively, these steps generated gross administrative expense savings of c. €80 Mn in 2020 vs. 2019, including mainly staff costs, travels and seminars as well as consultancy fees. Despite these savings, the net Corporate expenses were up -€13.4 Mn due to lower recharges to pipeline projects and expensing on internal letting fees previously capitalised (-€58.5 Mn).

4.1.1.3 BUSINESS REVIEW BY SEGMENT

The Business review by segment, presented below, has been prepared based on the Group's European perimeter. A separate section contains the US Business Review. Unless otherwise indicated, all references are to URW's European operations and relate to the period ended December 31, 2020. As described above, all the Group's operations were significantly affected by the outbreak of the COVID-19 pandemic. Consequently, comparisons to the same period in 2019 have limited practical relevance.

EUROPE – SHOPPING CENTRES

ACTIVITY

Leasing activity

Because of the COVID-19 pandemic, leasing activity was significantly impacted, in both the number of leases signed and MGR uplift. In 2020, URW signed 996[3] leases (1,487[4]) on standing assets for €152.7 Mn of MGR. The MGR uplift on renewals and relettings was +1.7% (+12.0%) in Continental Europe and +1.6% in Europe. This uplift was primarily due to a strong double digit reversion in Spain and France, partially offset by a decrease mainly in The Netherlands and Germany. The MGR uplift in Flagships in Continental Europe was +3.9% (+13.9%) and +3.4% in Europe.

	Lettings/relettings/renewals excluding Pipeline				
				MGR uplift	
Region	number of leases signed	sqm	MGR (€Mn)	€Mn	%
France	185	36,801	27.1	2.4	12.0%
Central Europe	217	66,849	28.9	1.5	5.4%
Spain	100	22,285	13.8	3.4	35.3%
Nordics	167	52,567	22.1	(0.4)	(2.1%)
Austria	107	23,744	14.2	(0.5)	(3.9%)
Germany	106	88,091	23.4	(3.3)	(12.7%)
The Netherlands	53	25,916	4.8	(0.9)	(18.7%)
Total Continental Europe	**935**	**316,252**	**134.2**	**2.1**	**1.7%**
UK & Italy	61	35,882	18.4	0.1	0.4%
Total Europe	**996**	**352,134**	**152.7**	**2.2**	**1.6%**

Figures may not add up due to rounding.

(1) Based on cash collection as at January 31, 2021, and assets at 100%.
(2) On a proportionate basis, including Shopping Centres, Offices & Others and C&E.
(3) Including 12 deals for the five French assets of the Entity until May 29.
(4) 1,367 leases for Continental Europe and 120 for the UK in 2019.

The leasing activity improved in H2-2020 with 649 leases (on 245,166 sqm) for an MGR of €99.5 Mn signed vs. 347 (on 106,968 sqm) in H1-2020 for an MGR of €53.1 Mn.

Over the year, the leasing activity was relatively balanced in between renewals and relettings, respectively at 54% and 46% of the number of leases signed.

The Group secured important renewals in key sectors, including Apple and MediaMarkt in La Maquinista, The Disney Store in La Vaguada, CinemaxX in Fisketorvet (10,098 sqm), Snipes in Donau Zentrum (doubling the size of the store), and the renewal of Sports Direct and upsizing of Hollister in Westfield London.

Despite a challenging environment, leasing activity progressed during H2-2020 with a focus on developing key sectors and brands, introducing retailers such as:

- **Culture & Technology:** Huawei in Westfield Rosny 2 and Westfield Stratford City, Xiaomi in Westfield Arkadia, and Dyson (its second store in a Shopping Centre in France) in La Part-Dieu;
- **DNVB:** Mister Spex in Shopping City Süd, Cool Blue in Citymall Almere and NA-KD in Fisketorvet;
- **Entertainment:** Enterspace (Virtual Reality concept) in Täby Centrum, latest concept of Lego Discovery Centre in Westfield Hamburg, Hapik (fun-climbing concept) in La Part-Dieu, and Youseum (first permanent selfie museum) in Westfield Mall of the Netherlands;
- **Experiential fashion:** Furla in Galeria Mokotow, Sirplus in Westfield London, Essentials by Jack & Jones (new concept) in Fisketorvet, six deals with Calzedonia Group (three in Central Europe, two in Spain and one in the Nordics), Uniqlo in La Part-Dieu and Club Monaco in Westfield London (its first store in a Shopping Centre in the UK);
- **Food and beverage:** Nespresso and Marks & Spencer in Metropole Zlicin;
- **Health and beauty:** Parfums Christian Dior in La Part-Dieu, Rituals in Citymall Almere and Chanel cosmetics in Täby Centrum (first letting in the Nordics);
- **Home:** IKEA (planning studio) in Garbera and IKEA (showroom) in Westfield Chodov; and
- Sports: Snipes in Westfield Rosny 2, and JD Sports in Garbera, Shopping City Süd, La Vaguada and La Maquinista (renewal or upsizing).

New deals were also signed for the pre-letting of Westfield Mall of the Netherlands, including: Nike, JD Sports, Snipes, MG Motors, Peek & Cloppenburg, H&M, H&M Home, Monki, New Yorker, Bever, Mango, Guess, Yaya (concept store) and four new restaurants in the Dining Plaza.

Retailers are back to selective expansion, focused on top-tier locations. Around 50 deals are under negotiation with first-class international retailers in relevant sectors such as culture and technology, sports, health & beauty and cross border players. URW signed a framework agreement with:

- The FOX Group to open 12 stores (three openings in Q1-2021) including 11 Nike stores for a total of 8,700 sqm GLA across six countries, showing their confidence in the Group's assets;
- JD Sports to open three stores already signed in 2020.

Start-up collaborations continued in 2020, including:

- Poke House selected nine new locations with URW (of which five are signed);
- Westfield London successfully signed a new operator that in collaboration with Bottega (premium Italian prosecco producer) will open a restaurant focused on "affordable luxury food".

Destination

The commitment to reconvert some spaces into experiential retail has continued despite the pandemic, thanks to new leisure activities and notably since June 30:

- The first E-sports concept in the Group, Inferno Online, opened in March in Täby Centrum in Stockholm;
- AWG AG exhibition centre opened its doors with a first experience dedicated to the Smurfs in CentrO;
- Hapik opening in Westfield Carré Sénart in October 2020.

Several new concepts are also already secured to open in 2021, notably:

- Dynamo will open a new indoor cycling studio in CNIT;
- Padel courts: SATS in Westfield Mall of Scandinavia and Ultra in Polygone Riviera.

Food and beverage remains a very dynamic sector in terms of leasing activity despite the pandemic:

- In 2020, the Group introduced 46 new brands in its Shopping Centres and 126 dining units were successfully relet, strengthening the Group's dining mix with different concepts;
- New iconic and unique concepts were signed, such as La Citi in La Maquinista: five famous street food operators from Barcelona's Van Van market will open permanent locations in a 1,300 sqm area.

In addition, URW opened major new flagship stores, notably:

- Decathlon, Victoria's Secret, Xiaomi, Uniqlo (1,800 sqm) and Rituals (600 sqm) in Westfield Mall of Scandinavia;
- Primark in Gropius Passagen;
- Pull & Bear in Westfield Les 4 Temps;
- Hollister in Westfield Les 4 Temps, Abercrombie & Fitch in Westfield Vélizy 2;
- Pharmacie du Forum (over 2,000 sqm, the largest in France) in Westfield Forum des Halles;
- Tudor (first standalone boutique in Europe) in Westfield London;
- Dyson (216 sqm) in Westfield Parly 2 (first in a Shopping Centre in France);
- Polestar in Westfield Mall of the Netherlands and Westfield London.

Commercial Partnerships

The Commercial Partnerships ("CP") activity had been gradually recovering following the reopening of the centres in June. However, with the second wave of the pandemic, the recovery has slowed as all countries are suffering from some level of restrictions, notably affecting CP activity in November and December (including the cancellation of Christmas markets and bookings/campaigns planned for the normally busy year-end period).

CP performed well through Q1 (+12.4% vs. Q1-2019). However, the COVID-19 pandemic subsequently had a significant impact: income for 2020 is -33.2% year-on-year. Where possible, bookings have been moved to 2021, and a number of deals with major brands have been secured for 2021, in France, the UK and Germany, subject to the COVID-19 situation.

Key developments during the year include:

Media (includes large format Digital Screens, Digital Totems, and Non-digital communication):

- New media partners appointed in Czech Republic, Austria and The Netherlands on improved terms;
- Seven new large format screens launched in France, Poland and The Netherlands, and new lightbox products launched in the UK and Czech Republic;
- Programmatic advertising trials continuing in the UK with paid campaigns from Harrods, Deezer and Three;
- Strong recovery in the UK in December from key brands prior to the third lockdown including Adidas, Dior, Polestar, Audi, Huawei, Samsung and Chanel.

Retail (includes temporary Kiosks, Seasonal Markets, Pop-ups, and Car Services):

- Successful implementation of COVID-19 mitigation strategy with 83% of CP Kiosk client base retained;
- Oppo deal: first kiosk contracts in France including Media communication budget, in La Part-Dieu and Westfield Les 4 Temps;
- Polestar deal: launch of the brand in The Netherlands including test driving set up in car parks with an additional kiosk in Westfield Mall of the Netherlands and a pop-up store in Stadshart Amstelveen.

Brand Experience (includes Experiential, Brand Partnerships, Event Sponsorship):

- A partnership with Nespresso covering an experiential area, temporary kiosk, digital and non-digital media in the Czech Republic;
- Five brand experience activations for electric and hybrid cars in French and UK assets, with car brands Peugeot, Fiat, Lexus and Renault;
- Where lockdown measures have allowed, key brands continued activations in Q4: Netflix (Nordics), Seat (Austria, UK), Deezer (UK), Moet (Czech Republic), Haribo (The Netherlands) and Disney (UK, France, Germany, Poland).

Marketing & Communication

Marketing for the year was concentrated on reopening, safe shopping and the Christmas period:

- #WorkingTogether (in May-June 2020 and onwards) to inform consumers of the gradual reopening of the Group's Shopping Centres and to communicate health and safety as well as operational messages;
- #BackTogether (across July-October 2020) to bring Westfield communities 'Back Together' when centres were fully reopened;
- Christmas Campaign in November-December 2020.

The Group's CRM database and interactions with its visitors further progressed in 2020, reaching 14.7 million contacts in Europe, of which a total of 10.8 million are loyalty members (achieving the Group's target, and +12% vs. last year). The Group's apps have been downloaded 2.8 million times and URW has 7.6 million followers on social media.

Innovation

In the context of the unprecedented challenges of lockdowns and self-distancing, the Group launched innovative omnichannel services for visitors and retailers:

- The Pass@Westfield in all French Westfield Shopping Centres to help visitors plan their shopping by booking a slot at their favourite retailers (200+ participating tenants in France);
- Deployment of Drive@Westfield, an innovative Drive-Thru and Walk-Thru solution to pick-up online purchases at a one-stop location in the Shopping Centre, in 11 of the Group's centres (eight in France, two in the UK and one in Czech Republic).

URW Link continued intensifying relationships with promising start-ups:

- The partnership with "Too Good to Go" was deployed across the European portfolio, leading to more than 226,000 meals saved in 2020 (as at November 30, +54% vs. 2019);
- URW partnered with "Brut", a leading global digital media platform, with four videos produced in 2020 (reach of 4.1 million viewers on the first three videos);
- URW rolled out "Deepki" energy optimisation platform solutions in France, The Netherlands, Czech Republic, Germany and Spain.

URW continued its partnership with blisce/, a tier-1 Venture Capital growth fund backing innovative & mission-driven direct-to-consumer tech companies. In addition to the past participation in funding rounds of Dice, Brut and Headspace, URW has invested in Too Good to Go which intends to enter the US market following a successful launch in URW's European Shopping Centres.

NET RENTAL INCOME

Total consolidated Net Rental Income ("NRI") was €1,158.2 Mn for Continental Europe (-21.9%) and €1,236.2 Mn for Europe (-24.6%), as a result of negative like-for-like growth, mainly due to the impact of COVID-19 and higher vacancy, as well as the disposal of five Shopping Centres in France in May 2020.

	Net Rental Income (€Mn)		
Region	**2020**	2019	%
France	**491.7**	663.4	(25.9%)
Central Europe	**191.1**	223.0	(14.3%)
Spain	**124.8**	156.8	(20.4%)
Nordics	**100.8**	122.7	(17.9%)
Austria	**86.1**	111.4	(22.7%)
Germany	**114.1**	143.5	(20.5%)
The Netherlands	**49.6**	62.4	(20.5%)
Total NRI Continental Europe	**1,158.2**	**1,483.1**	**(21.9%)**
UK & Italy	**78.0**	157.3	(50.4%)
Total NRI Europe	**1,236.2**	**1,640.4**	**(24.6%)**

Figures may not add up due to rounding.

The total net change in NRI amounted to -€404.2 Mn and breaks down as follows:

- +€2.5 Mn due to exceptional and other items;
- +€0.1 Mn from the acquisition of units in Spain (in Parquesur and La Vaguada);
- -€0.2 Mn due to negative currency effects (GBP negative impact partially offset by SEK positive impact);
- -€6.9 Mn due to La Part-Dieu and Westfield Les 4 Temps projects;
- -€19.3 Mn due to assets moved to the pipeline, primarily in France (mainly in Westfield Les 4 Temps and Westfield Forum des Halles), Spain and Austria;
- -€64.2 Mn due to disposals of assets, mainly in France (five Shopping Centres to the Entity and Bobigny 2) and the Nordics (Jumbo in February 2019);
- -€242.1 Mn of like-for-like NRI growth[1] in Continental Europe (-19.1%) and -€316.2 Mn for the entire European portfolio (-22.3%).

	Net Rental Income (€Mn) Like-for-like ("LfL")		
Region	**2020**	2019	%
France	**380.8**	472.3	(19.4%)
Central Europe	**191.1**	223.3	(14.4%)
Spain	**114.3**	144.2	(20.7%)
Nordics	**98.9**	121.9	(18.8%)
Austria	**84.5**	105.6	(20.0%)
Germany	**114.1**	143.5	(20.5%)
The Netherlands	**39.7**	54.7	(27.5%)
Total NRI Lfl Continental Europe	**1,023.3**	**1,265.4**	**(19.1%)**
UK & Italy	**76.2**	150.3	(49.3%)
Total NRI Lfl Europe	**1,099.5**	**1,415.7**	**(22.3%)**

Figures may not add up due to rounding.

(1) Like-for-like NRI: Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to square metres and currency exchange rate differences in the periods analysed.

	Net Rental Income Like-for-like evolution (%)					
Region	Indexation	Renewals, relettings net of departures	COVID-19 rent discounts	Doubtful debtors	Other	Total
France	1.6%	0.8%	(13.2%)	(5.1%)	(3.5%)	(19.4%)
Central Europe	1.6%	(1.3%)	(7.8%)	(3.8%)	(3.1%)	(14.4%)
Spain	0.3%	0.1%	(10.8%)	(3.3%)	(7.0%)	(20.7%)
Nordics	1.4%	(5.9%)	(6.4%)	(0.8%)	(7.2%)	(18.8%)
Austria	0.9%	(1.2%)	(19.2%)	(0.5%)	0.0%	(20.0%)
Germany	1.1%	(2.7%)	(12.4%)	(0.6%)	(5.9%)	(20.5%)
The Netherlands	1.6%	(6.6%)	(10.5%)	(8.5%)	(3.5%)	(27.5%)
Total NRI Lfl-Continental Europe	**1.3%**	**(1.2%)**	**(11.6%)**	**(3.5%)**	**(4.2%)**	**(19.1%)**
UK & Italy	0.0%	(10.6%)	(16.2%)	(8.3%)	(14.3%)	(49.3%)
Total NRI Lfl-Europe	**1.2%**	**(2.2%)**	**(12.1%)**	**(4.0%)**	**(5.2%)**	**(22.3%)**

Figures may not add up due to rounding.

Like-for-like NRI decreased by -19.1% (-6.7% in H1 and -8.0% in YTD Q3) in Continental Europe, and includes:

- +1.3% of indexation;
- -1.2% of "Renewals and relettings net of departures", mainly impacted by The Netherlands, Germany and the Nordics;
- -11.6% due to rent relief granted to tenants, taking into account the straight-lining mainly for Central Europe, the Nordics, Spain and France in case of lease modification. The rent relief impact has increased significantly compared to Like-for-like NRI performance as at September 30, 2020 (-2.6%), as the Group progressed on rent relief agreements with its tenants. The P&L impact of rent relief signed in 2020 stood at -€146.6 Mn (vs. -€24.7 Mn as at September 30, 2020) out of -€176.5 Mn (-€46.5 Mn as at September 30, 2020) rent relief for the like-for-like perimeter with a limited part being straight-lined as lease incentives;
- -3.5% due to the increase of the provisions for doubtful debtors (vs. -0.2% in 2019, -1.8% in H1-2020 and -2.9% in YTD Q3-2020), mainly due to the impact of COVID-19 with several bankruptcies in some regions and the Group's estimates of increased customer risks. This amount includes the increase in risk in connection with restrictions implemented in Q4-2020;
- -4.2% in "Other" (vs. -4.0% in H1-2020 and -3.3% in YTD Q3-2020), mainly due to lower key money, parking revenues, SBR and Commercial Partnerships, and higher net service charges during the period as a direct impact of COVID-19.

In the UK, like-for-like NRI decreased by -49.3% (vs. -34.1% in H1-2020), mainly driven by rent relief agreed in Q4-2020 (-16.2% vs. 0% as at September 30, 2020), lower parking revenues, SBR and Commercial Partnerships in "Other" (-14.3%), renewals and relettings (-10.6%) impacted by CVAs and higher vacancy and doubtful debtors (-8.3%). The impact of doubtful debtors decreased compared to YTD Q3-2020 (-15.2%) as unpaid rents included in doubtful debtors were subject to rent relief.

Collectively, European like-for-like NRI decreased by -22.3%.

VACANCY

The Estimated Rental Value ("ERV") of vacant space in operation in the portfolio was €79.3 Mn in Continental Europe (€43.2 Mn as at December 31, 2019, and €62.5 Mn as at June 30, 2020) and €108.5 Mn in Europe (€71.0 Mn as at December 31, 2019, and €90.5 Mn as at June 30, 2020).

COVID-19 caused a material increase in bankruptcies and delays in lettings in 2020. The EPRA vacancy rate[1] in Continental Europe was 4.9%, 9.7% in the UK, and 5.6% in Europe overall. These levels are in line with vacancy as at September 30, 2020, standing respectively at 4.7%, 9.4% and 5.5% for Continental Europe, the UK and overall Europe. The increase compared to December 31, 2019, is mainly due to the Nordics (mainly in Westfield Mall of Scandinavia), Spain (mainly in La Vaguada, Glories and Splau), Central Europe (in Poland, in particular, in Westfield Arkadia and Galeria Mokotow) and Germany.

(1) EPRA vacancy rate: ERV of vacant spaces divided by ERV of total surfaces.

	Vacancy			
	Dec. 31, 2020		June 30, 2020	Dec. 31, 2019
Region	€Mn	%	%	%
France	**24.2**	**3.7%**	3.2%	2.6%
Central Europe	**13.4**	**5.5%**	3.1%	1.3%
Spain	**8.7**	**4.4%**	4.1%	0.7%
Nordics	**12.8**	**9.3%**	6.9%	3.3%
Austria	**2.8**	**2.6%**	2.0%	1.1%
Germany	**11.5**	**5.2%**	4.6%	3.4%
The Netherlands	**5.8**	**9.7%**	8.1%	8.2%
Total Continental Europe	**79.3**	**4.9%**	**3.9%**	**2.5%**
UK & Italy	**29.2**	**9.7%**	8.6%	7.7%
Total Europe	**108.5**	**5.6%**	**4.7%**	**3.4%**

Excluding pipeline.
Figures may not add up due to rounding.

LEASE EXPIRY SCHEDULE

	Lease expiry schedule			
Europe (Shopping Centres)	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	65.7	4.7%	65.7	4.7%
2021	251.8	17.9%	141.6	10.1%
2022	291.9	20.7%	164.9	11.7%
2023	263.1	18.7%	137.6	9.8%
2024	171.4	12.2%	121.9	8.7%
2025	130.1	9.2%	154.0	10.9%
2026	65.3	4.6%	103.7	7.4%
2027	29.2	2.1%	93.9	6.7%
2028	22.4	1.6%	83.0	5.9%
2029	21.1	1.5%	83.7	5.9%
2030	22.5	1.6%	76.4	5.4%
2031	5.7	0.4%	17.6	1.3%
Beyond	66.7	4.7%	163.1	11.6%
Total	**1,406.9**	**100%**	**1,406.9**	**100%**

Figures may not add up due to rounding.

CONTINENTAL EUROPE–OFFICES & OTHERS

PROPERTY MARKET[1]

Take-up

Take-up in the Paris region was -44% lower than 2019, with a total of 1.32 million sqm (vs. 2.38 million sqm in the prior year). This trend was consistent across all types of demand, although large space users were particularly subdued, with the number of lettings above 5,000 sqm down -71%.

La Défense saw an increase in take-up versus the prior year (+32%, at 196,500 sqm) driven by several key transactions including a significant letting by Total.

Available area & vacancy rate

The immediate supply in the Paris region increased by +26% year-on-year to almost 3.7 million sqm.

As at the end of 2020, the level of new or refurbished as new supply reached 884,000 sqm (+100%) and accounts for 24% of the overall space available (16% end of 2019).

The Paris region vacancy rate increased from 5.1% at the end of 2019 to 6.8% at the end of 2020, with significant discrepancies between areas (e.g. 3.6% in Paris Central Business District (CBD), 11.3% in La Défense (vs. 4.4% as at December 31, 2019) and 11.7% in the Outer Northern Rim).

Rental values

In the CBD, the prime rent stands at €900/sqm but with an increase in rental incentives granted by landlords. The change in prime rents in the Paris region does not yet reflect the impact of the COVID-19 crisis with lower expected demand.

In La Défense, the deliveries of a number of new buildings in 2021 and 2022 is putting pressure on rental values for second hand and refurbished buildings. However, prime rents remained relatively stable at €560/sqm as at the end of 2020.

The average level of incentives observed in 2020 in the Paris region has increased since the beginning of the year. In Q4-2020, lease incentives stood on average around 20.9% (around 20.1% in 2019) with significant variations depending on volume, lease duration and location.

Investment market

The total volume of transactions in the Paris region decreased by more than -30% to €16.0 Bn[2] (€22.8 Bn), yet still nearly +11% higher than the 10-year average (€14.4 Bn). Investment volumes in 2020 were driven by an exceptional performance in Q1-2020 (€4.3 Bn, almost twice the volume of Q1-2019), largely offset by the impact of the COVID-19 outbreak in Q2-2020 (-69%), Q3-2020 (-26%) and Q4-2020 (-33%).

47 deals above €100 Mn were recorded in 2020 (14 less compared to 2019). As in previous years, investments were driven by large transactions, with deals above €100 Mn accounting for nearly 65% of total investments (70% in 2019).

The largest single-asset transactions were:

- 14 Bergère (€603 Mn TAC), and 173-175 Boulevard Haussmann (>€300 Mn TAC) in Paris;
- Aquarel (>€400 Mn TAC) in Issy-les-Moulineaux;
- Citylights 1-3 (€500 Mn) in Boulogne-Billancourt;
- Campus Engie (€1.0+ Bn) in La Garenne-Colombes.

The city of Paris was again the main target for investors and represented 48% of the transactions, while they were only few transactions in La Défense.

Prime yields in Paris CBD were stable at 2.80%, and increased to more than 4.25% in La Défense (vs. 4.00% end of last year).

ACTIVITY

Consolidated NRI amounted to €74.3 Mn, a -17.0% decrease due primarily to the transfer of Michelet-Galilée to the pipeline and the impact of the disposal of Tour Majunga in July 2019 and Novotel Lyon Confluence in May 2020.

	Net Rental Income (€Mn)		
Region	**2020**	2019	%
France	**56.0**	72.0	(22.3%)
Nordics	**10.2**	10.0	2.0%
Other countries	**8.1**	7.5	8.3%
Total NRI	**74.3**	**89.6**	**(17.0%)**

Figures may not add up due to rounding.

The decrease of -€15.3 Mn breaks down as follows:

- +€14.3 Mn resulting mainly from the deliveries of SHiFT and Versailles Chantiers in France;
- +€0.1 Mn due to 390 sqm office premises (in CNIT Offices) transferred from C&E to the Offices & Others division;
- +€0.1 Mn due to currency effects of SEK;
- -€15.2 Mn due to the impact of the disposal of Tour Majunga in July 2019 and the Novotel Lyon Confluence in May 2020;
- -€15.5 Mn resulting from the transfer of assets to the pipeline in France (mainly Michelet-Galilée);
- The like-for-like NRI growth was +€0.9 Mn (+1.7%).

(1) Source: Immostat or BNP Paribas Real Estate.
(2) Source: Cushman & Wakefield.

Region	Net Rental Income (€Mn) Like-for-like 2020	2019	%
France	33.4	33.1	0.7%
Nordics	10.1	10.0	1.0%
Other countries	8.1	7.6	6.7%
Total NRI Lfl	**51.6**	**50.7**	**1.7%**

Figures may not add up due to rounding.

The NRI from hotels (Novotel Lyon Confluence for five months, Pullman Montparnasse and CNIT Hilton) decreased to €4.2 Mn (€5.8 Mn).

97.3% of 2020 rents billed were collected.

19,067 weighted square meters (wsqm) were leased in standing assets, including 9,182 wsqm in the Nordics and 6,330 wsqm in France.

The ERV of vacant office space in operation amounted to €35.3 Mn, representing an EPRA vacancy rate of 27.2% (8.7%), of which €33.0 Mn or 30.6% (8.5%) in France. This increase is due to the delivery of the Trinity tower in Q4-2020. This tower is currently fully vacant, as the Group decided not to move its headquarters from Paris 7 Adenauer to Trinity.

LEASE EXPIRY SCHEDULE

	Lease expiry schedule			
Europe (Offices & Others)	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	0.3	0.3%	0.3	0.3%
2021	5.5	6.3%	4.5	5.1%
2022	10.0	11.4%	6.3	7.2%
2023	7.2	8.2%	6.7	7.7%
2024	7.8	9.0%	1.0	1.1%
2025	13.8	15.7%	10.2	11.7%
2026	3.8	4.4%	2.8	3.2%
2027	0.5	0.6%	12.3	14.1%
2028	13.5	15.5%	13.7	15.7%
2029	0.6	0.6%	2.5	2.8%
2030	0.0	0.0%	1.7	1.9%
2031	0.1	0.1%	0.1	0.1%
Beyond	24.2	27.7%	25.4	29.0%
Total	**87.4**	**100%**	**87.4**	**100%**

Figures may not add up due to rounding.

CONVENTION & EXHIBITION

The last three quarters of 2020 were considerably impacted by COVID-19, with a ban on all events over the majority of this period.

As at December 31, 2020, 383 events had been cancelled (of which 151 exhibitions, 60 congresses, 153 corporate events and 19 live shows) and 26 events had been postponed to 2021 (of which 4 exhibitions, 10 congresses, 11 corporate events and 1 live show).

In response, Viparis implemented strong cost saving measures, including instituting "partial activity" for all employees, reducing operating and administrative costs, renegotiating ground rents with its landlords and reducing or delaying all non-essential capital expenditures.

In total, 236 events were held in Viparis venues through December 31, of which 64 exhibitions, 28 congresses and 144 corporate events compared to the 705 and 719 events held in 2019 and 2018, respectively.

The major events held in 2020 were:

- The 57th edition of the International Agriculture show ("SIA") which attracted 482,221 visitors (-24% vs. 2019) with the show closing one day before the scheduled ending due to COVID-19;
- Maison & Objet in January at Paris Nord Villepinte welcomed more exhibitors (2,736) than in 2019;
- Paris Expo Porte de Versailles in mid-February welcomed Vinexpo (transferred from Bordeaux) and Wine Paris, to become a major event in the wine and spirit sector;
- Big Data Paris was held on September 14 and 15 at Paris Expo Porte de Versailles and attracted 11,000 participants.

Viparis' EBITDA amounted to €12.1 Mn compared to €156.9 Mn in 2019. The decrease is entirely attributable to the impact of COVID-19.

Q1-2021 is expected to be without activity given the curfew in France and restrictions for congress and exhibitions venues with only exams authorised. In H1-2021, uncertainties remain, including various show cancellations (e.g. the International Agriculture show, the January edition of Maison & Objet). Currently, the Group expects a restart of activity in Q4-2021/Q1-2022.

US BUSINESS REVIEW

LEASING ACTIVITY

The leasing teams prioritised negotiations with tenants to deal with the pandemic consequences and minimise deferrals and rent relief.

In the period ended December 31, 2020, 532 leases (297 relettings and 235 renewals) were signed on standing assets (917), representing 1,833,000 sq. ft. (2,945,000 sq. ft.) and $75.8 Mn of MGR ($152.1 Mn).

In addition, 32 leases were signed on 191,000 sq. ft. of pipeline project space, mainly at Westfield Valley Fair.

Some major leasing deals executed in 2020 were:

Culture & Technology:

- Arena Stem (interaction with science and technology) at Westfield Garden State Plaza – first in country;
- Capital One Café at Westfield Topanga;
- Dyson at Westfield Valley Fair.

Entertainment:

- ABC Cooking Studio (experiential concept from Asia) at Westfield Century City – first in country;
- GameWorks at Westfield Montgomery.

DNVB:

- Allbirds (a shoe concept) at Westfield UTC;
- Amazon 4-Star at Westfield Montgomery, Westfield Old Orchard, and Westfield Southcenter;
- Blue Nile at Westfield Century City and Westfield Valley Fair;
- Goodies at Westfield Valley Fair;
- Warby Parker at Westfield Old Orchard.

Experiential fashion:

- Anthropologie at Westfield Valencia;
- Aritzia at Westfield Valley Fair;
- Golden Goose (a sneaker brand) at Westfield Topanga;
- Lululemon at Westfield Brandon, Westfield North County, and Westfield Santa Anita;
- Psycho Bunny at Westfield Valley Fair and Westfield Garden State Plaza – first to portfolio;
- Scotch & Soda at Westfield Century City and Westfield Topanga;
- Urban Outfitters at Westfield Annapolis, Westfield Southcenter, and Westfield Valencia.

Luxury:

- Christian Louboutin at Westfield Valley Fair;
- Ferragamo at Westfield Topanga;
- IWC, Panerai and Jaeger-LeCoultre at Westfield Valley Fair;
- Dior at Westfield Valley Fair.

Food and beverage:

- 99 Ranch Market at Westfield Oakridge;
- Gansevoort Food Market at Westfield World Trade Center;
- Sugarfina at Westfield Culver City, Westfield Fashion Square, and Westfield Topanga.

Health and beauty:

- Chanel Beauty at Westfield UTC;
- Forme Life (package deal with 11 leases) – first physical locations.

Vehicle:

- Lucid Motors (electric vehicle manufacturer) at Westfield UTC, Westfield Topanga, Westfield Valley Fair, and Westfield Century City;
- Polestar (electric vehicle manufacturer) at Westfield Valley Fair;
- Electra Meccanica at Westfield Fashion Square.

Sports:

- Peloton at Westfield Valley Fair.

In the period ended December 31, 2020, the MGR uplift on deals executed in 2020 was -20.3%, of which -14.5% in Flagships and -26.1% in Regionals.

For the Flagships, the MGR uplift on deals with lease duration above three years was -9.0%. Deals with duration below three years were more impacted by the market conditions, however, they included termination rights for the landlord.

COMMERCIAL PARTNERSHIPS

Commercial Partnerships revenue in 2020 amounted to $40.1 Mn, down -$40.8 Mn (-50.4%) from 2019. The COVID-19 health crisis impacted all revenue categories, including Media (-47.4%), Retail (-38.9%), and Brand Partnerships (-73.2%).

Media revenue was significantly impacted by centre closures during the year and the subsequent restrictions in California. The prolonged closure of Westfield World Trade Center, slow return of traffic upon reopening, and the impact of the California-ordered restrictions on Westfield Century City, further impacted the business. In that context however, the Group was able to close 168 media deals in 2020, representing $11.9 Mn of revenue. Some of the key deals were made with strong brands such as Chanel and also with key retailers such as COS at Westfield World Trade Center and Westfield Century City.

AIRPORTS

Passenger traffic in the airports where the Group operates was significantly affected since March 2020, with international traffic being impacted more severely than domestic traffic.

Month 2020	Domestic passenger traffic in the airports where the Group operates (% change vs. same month prior year)	International passenger traffic in the airports where the Group operates (% change vs. same month prior year)
July	**(75%)**	**(92%)**
August	**(73%)**	**(91%)**
September	**(66%)**	**(90%)**
October	**(65%)**	**(88%)**
November	**(62%)**	**(84%)**
December	**(62%)**	**(83%)**

Net income for the Airport segment decreased by -20.8% in the year ended December 31, 2020, compared to the same period last year, due to low sales and rent relief granted to tenants, partially offset by rent relief obtained from the airport authorities.

NET RENTAL INCOME AND VACANCY

The total net change in NRI amounted to -$202.7 Mn and breaks down as follows:

- -$0.9 Mn due to assets in pipeline;
- -$4.1 Mn from the acquisition (50% remaining stake in JVs holding five assets in Florida);
- -$6.7 Mn due to the disposal of Westfield Meriden, Westfield Siesta Key and Westfield Sunrise;
- -$8.7 Mn due to Westfield Valley Fair;
- -$182.2 Mn of like-for-like NRI growth (-28.0%), mostly due to the COVID-related store closures, executed and expected rent relief, and reduced Commercial Partnership and parking income.

As at December 31, 2020, the Financial vacancy[1] was 13.1%, up by +400 bps from December 31, 2019, of which 12.5% (+480 bps) in Flagships and 14.3% (+160 bps) in Regionals. The increase in the financial vacancy in 2020 was generated by retailer bankruptcies, additional store closures, and slower lease up.

Occupancy on a GLA[2] basis was 89.5% as at December 31, 2020, (down by -230 bps from December 31, 2019), of which 90.1% for the Flagships (-350 bps) and 89.0% for the Regionals (-120 bps).

LEASE EXPIRY SCHEDULE

	Lease expiry schedule			
US (Shopping Centres + Offices & Others)	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	32.3	5.0%	32.3	5.0%
2021	62.5	9.6%	62.5	9.6%
2022	71.5	11.0%	71.5	11.0%
2023	59.5	9.1%	59.5	9.1%
2024	61.9	9.5%	61.9	9.5%
2025	54.0	8.3%	54.0	8.3%
2026	62.9	9.7%	62.9	9.7%
2027	72.7	11.2%	72.7	11.2%
2028	67.3	10.4%	67.3	10.4%
2029	39.2	6.0%	39.2	6.0%
2030	24.2	3.7%	24.2	3.7%
2031	15.4	2.4%	15.4	2.4%
Beyond	26.6	4.1%	26.6	4.1%
Total	**650.0**	**100%**	**650.0**	**100%**

Figures may not add up due to rounding.

(1) Financial vacancy in accordance with the EPRA methodology.
(2) GLA occupancy taking into account all areas.

4.1.1.4 CORPORATE SOCIAL RESPONSIBILITY ("CSR")

2020 was an important year for CSR as URW's Better Places 2030 programme (https://www.urw.com/CSR/Better-Places-2030) continued to expand. The Group achieved key milestones towards its high environmental and social ambitions, such as the launch of the "Be YOU at URW" framework on Diversity & Inclusion and the recognition of the Group's climate targets by the Science Based Targets initiative.

The COVID-19 crisis reinforced even further the Group's approach on community resilience with over 245 initiatives to support the most vulnerable populations:

- **Food distribution:** 88 food distributions were organised by the Group's assets for first responders, homeless people, disadvantaged families or isolated elderlies with over 32,100 people supported;
- **Fighting domestic violence:** 11 assets engaged to support non-profits and authorities fighting domestic violence, opening dedicated spaces or raising awareness;
- **Maintain education:** 23 centres engaged to maintain education and studies throughout the year by donating supplies, equipment, scholarships or supporting virtual learning sessions with over 2,400 children and students supported;
- **Support local entrepreneurship:** 70% of the Group's Flagship assets engaged to support local entrepreneurship with over 100 entrepreneurs supported through space donation, service provision, marketing promotion or financial support;
- **Blood collects:** 27 blood donations sites were hosted in the Group's premises with over 3,800 individual's blood donations collected;
- **Testing sites:** 20 testing sites opened on the Group's premises with over 35,000 people tested.

This year again, the Group's ambitious CSR agenda was recognised by equity and debt investors as a value creation driver for its stakeholders. URW membership in the main ESG indices was confirmed. The Group's CSR achievements were registered in ratings and awards:

- **Indices:**
  - **Euronext Vigeo** indices: World 120, Eurozone 120, Europe 120 and France 20;
  - **FTSE4Good** Index series;
  - **Ethibel Sustainability Index** (ESI) Excellence Europe and Excellence Global;
  - **Euronext CAC 40® Governance** index – "Top 10 performers";
  - **ECPI®** indices.
- **Ratings:**
  - **GRESB** (Global Real Estate Sustainability Benchmark): For its standing assets, 2nd among European listed retail real estate companies, and 3rd worldwide. URW is also **Global Sector Leader** for its development activities in the "Diversified–Office/Retail portfolios" category among listed companies, and rated "5 Star" for the tenth consecutive year (highest performance level);
  - **CDP:** part of the CDP Climate Change A-List in 2020 for the third year in a row;
  - **MSCI ESG:** AAA for the 7th year in a row;
  - **ISS ESG Corporate:** B/Prime status. URW is also part of the 1st Decile Rank, relative to industry group;
  - **Sustainalytics:** ESG Risk Rating of 7.4, placing URW at the 4th rank in the Real Estate industry and 13th rank in the Global rated universe;
  - **V.E (ex VigeoEiris):** URW rated(1) 69/100 for its ESG performance, positioning the Group at an advanced performance level in its sector. "Top performer" in Europe in the Real Estate sector ESG performance assessment.
- **Awards:**
  - For the ninth consecutive year, URW received the **EPRA Gold Award** in 2020 for completing its 2019 reporting in accordance with the EPRA Sustainability BPR.

For more information on Better Places 2030 and detailed 2020 CSR performance, please refer to Chapter 2. All indices, ratings and awards are available and regularly updated on www.urw.com/en/csr/csr-performance#esgRatings.

4.1.1.5 2020 RESULTS

The results of the Group presented below are based on the Consolidated income statement in a proportionate format, in which the joint-controlled entities are accounted for on a proportionate basis instead of being accounted for using the equity method under IFRS. The Group has structured its internal operational and financial reporting according to this proportionate format.

Unless otherwise indicated, all references below relate to the period ended December 31, 2020, and the comparisons relate to the same period in 2019.

(1) Last non-solicited rating: September 2020.

The Gross Rental Income ("GRI") amounted to €2,451.7 Mn (€3,083.4 Mn), a decrease of -20.5%. This decrease resulted mainly from the negative impact of COVID-19 (rent relief, bankruptcies and higher vacancy), the negative USD currency effect and the impact of disposals in France in 2019 and 2020.

	Gross Rental Income (€Mn)		
Region	**2020**	2019	%
France	**566.5**	714.3	(20.7%)
Central Europe	**203.9**	224.5	(9.2%)
Spain	**146.6**	169.5	(13.5%)
Nordics	**115.8**	136.3	(15.0%)
Austria	**97.0**	116.7	(16.8%)
Germany	**131.6**	154.6	(14.9%)
The Netherlands	**63.6**	71.0	(10.5%)
Subtotal Continental Europe - Shopping Centres	**1,325.0**	**1,586.8**	**(16.5%)**
UK	**141.7**	211.4	(33.0%)
Subtotal Europe - Shopping Centres	**1,466.7**	**1,798.2**	**(18.4%)**
Offices & Others	**83.7**	99.2	(15.6%)
C&E	**81.0**	208.5	(61.2%)
Subtotal Europe	**1,631.4**	**2,106.0**	**(22.5%)**
US - Shopping Centres	**801.6**	957.7	(16.3%)
US - Offices & Others	**18.8**	19.7	(4.4%)
Subtotal US	**820.4**	**977.4**	**(16.1%)**
Total URW	**2,451.7**	**3,083.4**	**(20.5%)**

Figures may not add up due to rounding.

The Net Rental Income ("NRI") in Continental Europe - Shopping Centres amounted to €1,158.2 Mn (€1,483.1 Mn), a decrease of -21.9%, and €1,236.2 Mn in Europe - Shopping Centres (-24.6%). Total NRI amounted to €1,790.2 Mn (€2,491.2 Mn), a decrease of -28.1%. This decrease resulted mainly from the negative impact of COVID-19 (rent relief, doubtful debtors, a decrease in SBR, parking and Commercial Partnerships), the negative USD currency effect and disposals in France. The Group has provisioned €202.7 Mn of doubtful receivables in 2020 which have been charged to the income statement.

	Net Rental Income (€Mn)		
Region	**2020**	2019	%
France	**491.7**	663.4	(25.9%)
Central Europe	**191.1**	223.0	(14.3%)
Spain	**124.8**	156.8	(20.4%)
Nordics	**100.8**	122.7	(17.9%)
Austria	**86.1**	111.4	(22.7%)
Germany	**114.1**	143.5	(20.5%)
The Netherlands	**49.6**	62.4	(20.5%)
Subtotal Continental Europe - Shopping Centres	**1,158.2**	**1,483.1**	**(21.9%)**
UK	**78.0**	157.3	(50.4%)
Subtotal Europe - Shopping Centres	**1,236.2**	**1,640.4**	**(24.6%)**
Offices & Others	**74.3**	89.6	(17.0%)
C&E	**6.1**	95.1	(93.6%)
Subtotal Europe	**1,316.6**	**1,825.1**	**(27.9%)**
US - Shopping Centres	**462.5**	652.8	(29.2%)
US - Offices & Others	**11.2**	13.3	(16.1%)
Subtotal US	**473.6**	**666.1**	**(28.9%)**
Total URW	**1,790.2**	**2,491.2**	**(28.1%)**

Figures may not add up due to rounding.

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Net property development and project management income was €34.8 Mn (€41.3 Mn), as a result of URW's Design, Development & Construction (DD&C) activity in the US and the UK. The decrease is due to construction overruns, less development projects and the delayed start of some projects, mainly as a result of the COVID-19 pandemic.

Net property services and other activities income from Property Management services in France, the US, the UK, Spain and Germany was €3.6 Mn (€98.4 Mn), a decrease resulting mainly from the impact of the pandemic on Viparis (-€58.5 Mn net of cost savings). The Property Management services related to Shopping Centres were also significantly impacted by the decrease of leasing fees and property management fees due to the COVID-19 crisis, with an impact of -€36.3 Mn.

The Contribution of companies accounted for using the equity method[(1)] amounted to -€178.9 Mn (€30.5 Mn), impacted by negative valuation movements of -€229.1 Mn (mainly in the US, France and Central Europe). The recurring Contribution of companies accounted for using the equity method was €50.2 Mn (€50.8 Mn), with a positive impact of the contribution of the 45.8% stake in the five Shopping Centres disposed in May 2020, and a decrease of the contributions of Central Europe and the US.

Contribution of companies accounted for using the equity method (€Mn)

Region	2020 Recurring activities	2020 Non-recurring activities	2020 Total	2019 Recurring activities	2019 Non-recurring activities	2019 Total	2020/2019 Change in recurring activities
France	20.7	(72.5)	(51.8)	-	-	-	20.7
Central Europe	28.9	(46.5)	(17.6)	39.1	23.2	62.3	(10.2)
Germany	1.8	(10.8)	(9.0)	2.7	(7.0)	(4.2)	(1.0)
Subtotal Continental Europe - Shopping Centres	**51.4**	**(129.7)**	**(78.3)**	**41.8**	**16.2**	**58.1**	**9.5**
UK	-	-	-	-	-	-	-
Subtotal Europe - Shopping Centres	**51.4**	**(129.7)**	**(78.3)**	**41.8**	**16.2**	**58.1**	**9.5**
Offices & Others	-	-	-	-	-	-	-
C&E	-	-	-	-	-	-	-
Subtotal Europe	**51.4**	**(129.7)**	**(78.3)**	**41.8**	**16.2**	**58.1**	**9.5**
US	(1.2)	(99.4)	(100.6)	9.0	(36.5)	(27.5)	(10.1)
Subtotal US	**(1.2)**	**(99.4)**	**(100.6)**	**9.0**	**(36.5)**	**(27.5)**	**(10.1)**
Total URW	**50.2**	**(229.1)**	**(178.9)**	**50.8**	**(20.3)**	**30.5**	**(0.6)**

Figures may not add up due to rounding.

Administrative expenses (including Development expenses) amounted to -€218.5 Mn and include -€58.5 Mn of leasing costs previously capitalised (-€288.7 Mn, including leasing costs), a decrease of +€70.2 Mn in 2020. As a percentage of NRI from Shopping Centres and offices, administrative expenses were 12.2% (8.9% excluding leasing costs), vs. 12.0% in 2019 (9.2% excluding leasing costs), as a result of the lower NRI partly compensated by cost savings.

The Group launched a number of cost saving initiatives to generate both short- and long-term savings. The US and UK activities were restructured to ensure optimisation of their processes and tools while simplifying the organisation, leading to substantial and sustainable savings. The development pipeline was also revised, leading to an adjustment of the corresponding staff. In addition, furlough plans and "partial activity" schemes were activated. Lastly, non-staff costs were cut.

Collectively, these steps generated gross administrative expense savings of c. €80 Mn in 2020 vs. 2019, including mainly staff costs, travels and seminars as well as consultancy fees. Despite these savings, the net Corporate expenses were up -€13.4 Mn due to lower recharges to pipeline projects and expensing on internal letting fees previously capitalised.

Acquisition and other costs amounted to -€83.4 Mn (-€51.5 Mn) mainly due to the integration costs of Westfield, including severance costs in the US and the UK, the re-branding of ten Shopping Centres in Continental Europe, consulting, IT system integration and the shutdown of the Sydney office. This also included -€44.6 Mn of non-recurring expenses related to the fees and expenses paid for the unrealised rights issue in November 2020.

Results on disposal of investment properties were -€85.7 Mn (€69.4 Mn), reflecting the impact of the disposal to the Entity of five Shopping Centres and a hotel in France (net impact of -€58.8 Mn, including the fair market value of the rental guarantee, provisions for doubtful debtors on Q2-2020 overdues and the transaction costs) and the disposal of Westfield Meriden and Westfield Sunrise in the US.

(1) Contribution of companies accounted for using the equity method represents URW's share of the Net recurring result for the period of entities accounted for using the equity method which are not joint-controlled (and therefore not retreated on a proportionate basis) and interest received on loans granted to these entities. This corresponds to five Shopping Centres and a hotel in France (as of May 30, 2020), Zlote Tarasy, Ring-Center (disposed of on December 30, 2019) and Gropius Passagen in Europe and to the Blum/Centennial and Starwood Ventures entities in the US.

Region	Result on disposal (€Mn) Proportionate		
	2020	2019	Change
France	**(56.9)**	1.8	(58.7)
Central Europe	**0.1**	(1.2)	1.3
Spain	**2.0**	(0.2)	2.2
Nordics	**(0.0)**	19.5	(19.5)
Austria	**-**	0.1	(0.1)
Germany	**(0.3)**	(0.2)	(0.1)
The Netherlands	**(0.4)**	1.4	(1.8)
Subtotal Continental Europe - Shopping Centres	**(55.5)**	**21.2**	**(76.7)**
UK	**-**	-	-
Subtotal Europe - Shopping Centres	**(55.5)**	**21.2**	**(76.7)**
Offices & Others	**(1.7)**	47.4	(49.1)
C&E	**-**	-	-
Subtotal Europe	**(57.2)**	**68.5**	**(125.8)**
US	**(28.5)**	0.8	(29.3)
Subtotal US	**(28.5)**	**0.8**	**(29.3)**
Total URW	**(85.7)**	**69.4**	**(155.1)**

Figures may not add up due to rounding.

Valuation movements on assets amounted to -€6,552.4 Mn (-€1,615.6 Mn), of which -€6,493.2 Mn for investment properties and -€59.2 Mn for services.

Region	Valuation movements on Investment properties (€Mn)	
	2020	2019
France	**(1,424.7)**	(277.0)
Central Europe	**(270.4)**	111.6
Spain	**(307.3)**	46.1
Nordics	**(288.0)**	24.7
Austria	**(237.2)**	(116.5)
Germany	**(246.4)**	(179.0)
The Netherlands	**(168.8)**	(89.6)
Subtotal Continental Europe - Shopping Centres	**(2,942.8)**	**(479.6)**
UK - Shopping Centres	**(1,201.7)**	(611.7)
Subtotal Europe - Shopping Centres	**(4,144.6)**	**(1,091.4)**
Offices & Others - Continental Europe	**22.9**	191.9
Offices & Others-UK	**(3.6)**	13.5
C&E	**(272.9)**	(180.6)
Subtotal Europe	**(4,398.2)**	**(1,066.6)**
US - Shopping Centres	**(2,046.0)**	(417.4)
US - Offices & Others	**(49.0)**	17.8
Subtotal US	**(2,095.0)**	**(399.7)**
Total URW	**(6,493.2)**	**(1,466.2)**

Figures may not add up due to rounding.

The negative valuation movements on investment properties resulted mainly from an increase of Discount Rates and Exit Capitalisation Rates used by appraisers and from the estimated impact on the future cash flows of COVID-19. Please refer to the section "*Property portfolio and Net Asset Value*" for further detail.

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Region	Valuation movements on services (€Mn) 2020	2019
Services Continental Europe	**(2.4)**	(2.4)
Subtotal Continental Europe	**(2.4)**	**(2.4)**
Net property development -Amortisation	**(36.1)**	(141.4)
Other property services - Amortisation	**(20.7)**	(5.5)
Subtotal US and UK	**(56.8)**	**(147.0)**
Total URW	**(59.2)**	**(149.4)**

Figures may not add up due to rounding.

The -€59.2 Mn of valuation movements in services include the amortisation for the US and the UK related to DD&C (-€36.1 Mn in 2020) and property management and airport contracts (-€20.7 Mn in 2020) recognised as intangible assets in the Consolidated statement of financial position. These are amortised over the duration of these contracts.

Impairment of goodwill amounted to -€1,620.0 Mn[(1)], including -€781.4 Mn for Europe and -€838.6 Mn for the US.

	Impairment of goodwill (€Mn)		
Region	2020	H1-2020	H2-2020
France	**(0.8)**	-	(0.8)
Central Europe	**(0.3)**	-	(0.3)
Spain	**(103.8)**	(103.8)	0.0
Nordics	**(132.2)**	(130.2)	(2.0)
Austria	**-**	-	-
Germany	**(102.0)**	(51.0)	(51.0)
The Netherlands	**-**	-	-
C&E	**(8.2)**	(3.6)	(4.6)
Other	**-**	-	-
Subtotal Continental Europe	**(347.3)**	**(288.6)**	**(58.7)**
UK	**(434.1)**	(28.0)	(406.1)
Subtotal Europe	**(781.4)**	**(316.6)**	**(464.8)**
US	**(838.6)**	(419.8)	(418.8)
Subtotal US	**(838.6)**	**(419.8)**	**(418.8)**
Total URW	**(1,620.0)**	**(736.4)**	**(883.6)**

Figures may not add up due to rounding.

Please refer to the section "*Goodwill*" for further detail.

(1) On a proportionate basis. Under IFRS, the impairment of goodwill amounted to -€1596.1 Mn. The difference is due to a partial impairment of goodwill of CentrO.

Financing result:
Net financing costs (recurring) totalled -€486.5 Mn (after deduction of capitalised financial expenses of €64.3 Mn allocated to projects under construction) (-€450.4 Mn). This increase of -€36.1 Mn includes the impact of measures taken to preserve liquidity during the COVID-19 crisis.

URW's average cost of debt[(1)] for the period was 1.7% (1.6% in 2019). URW's financing policy is described in the section "*Financial resources*".

Non-recurring financial result amounted to -€572.5 Mn:
- +€1.8 Mn mark-to-market of the ORNANEs issued in 2014 and 2015;
- -€574.3 Mn mainly due to the mark-to-market of derivatives and exchange rate losses resulting from the revaluation of bank accounts and revaluation of debt issued in foreign currencies, partially offset by the revaluation of preference shares. URW recognises the change in value of its derivatives directly in the income statement.

Income tax expenses are due to the Group's activities in countries where specific tax regimes for property companies[(2)] do not exist or are not used by the Group.

In April 2019, the Group executed changes in the structure of its US operations ("the 2019 Restructurings") to exit the US portfolio from the legacy Australian platform. The 2019 Restructurings also allowed the Group to apply a material step-up of the tax base of the US real estate resulting in a material decrease of the deferred tax liabilities related to the US portfolio.

The total income tax expenses for 2020 amounted to a credit of +€293.4 Mn. Income tax allocated to the recurring net result amounted to -€19.7 Mn (-€50.8 Mn), mainly due to the overall impact of COVID-19 in general and the decrease of the taxable income of Viparis and service companies in particular. Non-recurring income tax amounted to a credit of +€313.1 Mn (+€1,116.5 Mn) mainly due to the reversal of deferred tax liabilities as a consequence of the negative valuation movements.

External non-controlling interests amounted to +€462.2 Mn comprising recurring and non-recurring external non-controlling interests. The recurring external non-controlling interests amounted to -€98.7 Mn (-€202.9 Mn) and mainly relate to French Shopping Centres (-€88.6 Mn, mainly Westfield Les 4 Temps, Westfield Parly 2 and Westfield Forum des Halles), to the stake of the CCIR in Viparis (+€25.7 Mn) and to URW Germany and Ruhr Park (-€25.9 Mn). The non-recurring non-controlling interests amounted to +€560.8 Mn (+€200.7 Mn), due primarily to the impact of negative valuation movements.

Net result for the period attributable to the holders of the Stapled Shares was a loss of -€7,212.6 Mn (€1,103.3 Mn). This figure breaks down as follows:
- €1,056.6 Mn of recurring net result (€1,759.7 Mn) (as a result of the COVID-19 crisis, disposals in 2019 and 2020 and the increase of net financing costs);
- -€8,269.2 Mn of non-recurring net result[(3)] (-€656.4 Mn) mainly because of negative valuation movements, the impairment of goodwill and negative mark-to-market of financial instruments.

The Adjusted Recurring Earnings[(4)] reflect a profit of €1,008.5 Mn.

The average number of shares outstanding was 138,437,274 (138,354,383). The increase is mainly due to the issuance of performance shares in 2019 and 2020. The number of shares outstanding as at December 31, 2020, was 138,472,385.

EPRA Recurring Earnings per Share (REPS) came to €7.63 (€12.72), a decrease of -40.0%.

Adjusted Recurring Earnings per Share (AREPS)[(4)] came to €7.28 (€12.37), a decrease of -41.1% due mainly to the impact of the COVID-19 crisis and the €2.8 Bn of disposals made in 2019 and 2020, as well as the expensing of letting fees (-3.4%).

4.1.1.6 GOODWILL[(5)]

IMPAIRMENT TESTS - METHOD

According to IFRS, the recoverable value of goodwill is tested annually or whenever there is an indication that an asset may be impaired at each reporting date. Due to COVID-19 and the shutdown of most of the Group's Shopping Centres during several months in 2020, the Group completed a full testing of its goodwill for the closing of accounts as at June 30, 2020, as at September 30, 2020, and as at December 31, 2020. Although using the same method and impairment test model as the ones used by the Group in 2018 and 2019, some adjustments were made in order to reflect current uncertainties about the impact of COVID-19 on the broader economy, the shape of the economic recovery and the impact on the business of the Group.

The impairment tests of the goodwill allocated to each geographical segment as per December 31, 2020, were based on:
- The results of the 5-year Business Plan ("5YBP") exercise for 2021-2025 per geographical segment (including detailed profit & loss statements, proposed capital expenditures and disposals) with a review per asset and geographical segment of the estimated impact of the COVID-19 crisis;
- The discount rates before tax per geographical segment based on a calculation of the WACC per region which reflect the current market assessment of the interest rates and the specific risks associated with each geographical segment as at December 31, 2020. These discount rates were also compared with the discount rates used by appraisers for the valuation of Investment properties as at December 31, 2020, and the consistency between those was ensured;
- An allocation of the Group's corporate administrative expenses to the geographical segments, as a percentage of their respective NRI;
- A discounted cash flow calculation for each geographical segment on a 10-year basis, consistent with the method applied by the Group's appraisers, and a discounted terminal value, to which a long-term growth rate estimated as at December 31, 2020, is applied.

The value in use calculated for each geographical segment was then compared to the net asset value of each geographical segment, including the intangible assets and goodwill allocated, as disclosed in the notes to the Consolidated financial statements as at December 31, 2020.

(1) Average cost of debt = Recurring financial expenses (excluding those on financial leases and related to partners' current accounts) + capitalised financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact)/average net debt over the period.
(2) For example, in France: SIIC (*Société d'Investissements Immobiliers Cotée*); and in the US: REITs.
(3) Includes valuation movements, disposals, mark-to-market and termination costs of financial instruments, including bond tender premiums, impairment of goodwill or reversal of negative goodwill and other non-recurring items.
(4) Under IFRS, the Hybrid Securities are accounted for as shareholders' equity. The Adjusted Recurring Earnings are calculated based on the Recurring net result for the period attributable to the holders of the Stapled Shares minus the coupon on the Hybrid Securities (from June 1, 2018).
(5) This section refers to the IFRS Consolidated financial statements.

IMPAIRMENT TESTS – RESULTS PER REGION

((€Mn))	Dec. 31, 2019	Impairment	Currency impact	Dec. 31, 2020
France	731.7	(0.8)	-	**731.0**
Central Europe	255.8	(0.3)	-	**255.4**
Spain	103.8	(103.8)	-	**-**
Nordics	132.5	(132.2)	(0.4)	**-**
Austria	72.9	-	-	**72.9**
Germany	256.7	(78.2)	-	**178.5**
The Netherlands	-	-	-	**-**
C&E	8.2	(8.2)	-	**-**
Other	10.3	-	-	**10.3**
Subtotal Continental Europe	**1,571.8**	**(323.4)**	**(0.4)**	**1,248.1**
UK	454.0	(434.1)	(19.9)	**-**
Subtotal Europe	**2,025.8**	**(757.5)**	**(20.2)**	**1,248.1**
US	852.6	(838.6)	(14.0)	**-**
Subtotal US	**852.6**	**(838.6)**	**(14.0)**	**-**
Total URW	**2,878.4**	**(1,596.1)**	**(34.2)**	**1,248.1**

Figures may not add up due to rounding.

The value of the goodwill allocated to France Retail and Central Europe was found justified as at December 31, 2020.

BREAKDOWN OF THE GOODWILL

The total impairment of the goodwill amounted to -€1,596.1 Mn (-€736.4 Mn in H1-2020), including -€700.4 Mn related to the goodwill justified by fee businesses, -€41.5 Mn related to the goodwill justified by tax optimisations and -€854.3 Mn related to Other goodwill.

Following this impairment, the goodwill in the Consolidated statement of financial position (IFRS) as at December 31, 2020, amounts to €1,248.1 Mn and breaks down as follows:

(€Mn)	Dec. 31, 2019	Impairment	Currency impact	Dec. 31, 2020
Goodwill justified by fee business	839.1	(700.4)	(19.5)	**119.3**
Goodwill justified by tax optimisations	241.0	(41.5)	(0.0)	**199.5**
Other goodwill	1,798.3	(854.3)	(14.8)	**929.3**
Total Goodwill	**2,878.4**	**(1,596.1)**	**(34.2)**	**1,248.1**

Figures may not add up due to rounding.

The difference of -€34.2 Mn reported in the table above is due to the impact of exchange rate differences for the part of the goodwill booked in USD, GBP or SEK and corresponds to the difference between the goodwill impairment of -€1,596.1 Mn in the Consolidated statement of comprehensive income and the change of -€1,630.3 Mn of the goodwill in the Consolidated statement of financial position.

4.1.1.7 CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows was prepared only in IFRS, not on a proportionate basis.

Unless otherwise indicated, all references below relate to the period ended December 31, 2020, and the comparisons relate to the same period in 2019.

CASH FLOW FROM OPERATING ACTIVITIES

The total cash flow from operating activities was +€1,423.1 Mn (+€1,887.1 Mn) which reflects mainly the decrease of NRI, less dividend income and lower results from companies accounted for using the equity method or non-consolidated.

CASH FLOW FROM INVESTMENT ACTIVITIES

The cash flow from investment activities was +€81.8 Mn (-€416.7 Mn) because of the disposal of five Shopping Centres in France and a decrease of capital expenditures to -€1,164.3 Mn (-€1,525.4 Mn).

CASH FLOW FROM FINANCING ACTIVITIES

The total cash flow from financing activities amounted to +€116.5 Mn (-€1,345.9 Mn) due to measures taken to augment liquidity during the COVID-19 crisis and lower dividend paid in 2020.

4.1.1.8 POST-CLOSING EVENTS

On January 21, 2021, further to an agreement entered into on October 12, 2020, URW completed the disposal of the SHiFT office building, located in Issy-les-Moulineaux (Paris region), to a consortium of French institutional buyers (Primonial REIM, La Française and EDF Invest). The Disposal Price(1) of €620 Mn represented a premium to the June 30, 2020, book value.

On March 17, 2021, further to the agreements signed with several French institutional investors for the sale of Les Villages 3 office building on December 9, 2020, and Les Villages 4 and 6 office buildings on December 18, 2020, URW announced the completion of the disposals of Les Villages 3 office building on March 4, 2021 and of Les Villages 4 and 6 office buildings on March 17, 2021. The total Net Disposal Price(2) of €213 Mn represents a premium to the latest unaffected book value.

From the end of December, most of the regions the Group operates in applied some form of lockdown, with the exception of Sweden, certain regions in Spain and the US. As at February 10, 2021, 69% of the Group's European centres by value were closed, except for "essential" stores, and 52% at Group level.

In France, based on current estimates related to the duration of the Shopping Centres closure since January 31, 2021, and expected supporting measures from French government to the tenants, the Group estimates that this closure should have no material impact on the market value of the French Investment Properties as at December 31, 2020.

4.1.1.9 DIVIDEND

Given the impact of the pandemic on the Group's 2020 results, the ongoing uncertainty of the 2021 operating environment and its impact on URW's results, as well as the Group's commitment to deleverage, the Group has decided to suspend the payment of a dividend for its fiscal years 2020, 2021 and 2022.

Once the Group has completed its deleveraging programme, it will resume paying a dividend (at a significant and sustainable payout ratio) which will grow in line with the performance of its reshaped portfolio.

Given the statutory results of URW SE in 2020, the Group has no obligation to pay a dividend in 2021 for the fiscal year 2020 under the SIIC regime and other REIT regimes it benefits from. It anticipates not to have such an obligation for the fiscal years 2021 and 2022 as well. Consequently, URW SE's SIIC distribution obligation, standing at €212.5 Mn as at December 31, 2020, will be delayed until URW SE has sufficient statutory results to meet this obligation.

4.1.1.10 OUTLOOK

The COVID-19 pandemic has had a significant impact on economic and market conditions in 2020. While the ongoing roll out of successful vaccines suggests that this crisis will pass, its impact is anticipated to continue at least throughout the first half/part of 2021.

As at the beginning of February, all countries in which the Group is active continue to have some level of restrictions in place which impact on the Group's operations. As at February 10, approximately 52% of URW's Shopping Centres are restricted from trading except for "essential" stores.

URW's operational results will thus clearly continue to be impacted by the pandemic in 2021. The impact is likely to include further rent relief to tenants, further disruption to variable revenue streams such as SBR, parking or Commercial Partnerships, a longer than usual time needed to re-lease vacant units, and the prospect of further tenant bankruptcies. In addition, 2021 is likely to remain a challenging year for the Group's Convention & Exhibition and airports businesses.

Given the uncertainty regarding the duration and the severity of restrictions decided by governments and their impact on the Group's operations, URW is currently not providing earnings guidance for 2021. Guidance will be provided when the Group has clearer visibility on lifting of restrictions and the subsequent economic recovery.

Looking forward, the Group sees good prospects for a solid recovery starting at some point in the second half of the year, as vaccination efforts achieve critical mass and restrictions get lifted. Government support means that consumer finances in the Group's markets remain robust and the Group firmly believes that people will again seek out the mix of top brands and great experiences offered by URW's Flagship destinations when they are able to.

URW is very confident in the quality of its assets and the enduring strength of its business and teams. The Group, with its newly reconfigured management team, is taking all necessary measures to address these challenges in the best possible manner and strategically position URW for the future.

URW intends to pursue its disposal programme of €4 Bn(3) of European assets over the next 24 months and the limitation of its financial exposure to the US within the next two to three years, in order to deleverage. These disposals should have a negative impact on the Group's results.

(1) Total Acquisition Cost reduced by the transaction taxes and expenses incurred by the buyer. As per standard market practice, the remaining lease incentives will be paid by the vendor.
(2) Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.
(3) Including SHiFT and Les Villages 3, 4 and 6 office buildings.

4.1.2 INVESTMENTS AND DIVESTMENTS

Through December 31, 2020, URW invested €1,092.1 Mn(1), Group share, in capital expenditures in assets and on construction, extension and refurbishment projects, compared to €1,570.9 Mn in 2019, a slowdown mainly due to the measures taken to reduce capital expenditures in the context of COVID-19.

4.1.2.1 TOTAL CAPITAL EXPENDITURES

The total investments break down as follows:

	Proportionate			
	2020		2019	
(€Mn)	100%	Group share	100%	Group share
Shopping Centres	**917.5**	**850.6**	1,184.3	1,125.1
Offices & Others	**229.7**	**229.7**	364.8	364.6
Convention & Exhibition	**22.9**	**11.8**	161.6	81.2
Total Capital Expenditures	**1,170.1**	**1,092.1**	**1,710.8**	**1,570.9**

Figures may not add up due to rounding.

4.1.2.2 SHOPPING CENTRES

URW invested €850.6 Mn(2) in its Shopping Centre portfolio:

- New acquisitions amounted to €14.3 Mn, mainly in France (Rennes Alma);
- €515.8 Mn were invested in construction, extension and refurbishment projects, including mainly: the La Part-Dieu, Westfield Mall of the Netherlands, Westfield Valley Fair, Les Ateliers Gaîté, Westfield Topanga and La Maquinista redevelopments and extensions and Westfield Hamburg (see also section "*Development projects*");
- €137.6 Mn were invested in enhancement and improvement projects on standing assets, including mainly Westfield Les 4 Temps, Westfield London and Shopping City Süd;
- Replacement Capex(3) amounted to €97.3 Mn;
- Financial interest, eviction costs, external letting fees (internal letting fees are now included in Administrative expenses) and other costs were capitalised for €42.7 Mn, €12.1 Mn, €16.6 Mn and €14.2 Mn, respectively.

4.1.2.3 OFFICES & OTHERS

URW invested €229.7 Mn in its Offices & Others portfolio:

- New acquisitions amounted to €1.4 Mn in France;
- €164.9 Mn were invested in construction and refurbishment projects, mainly in France (the Pullman Montparnasse hotel, Trinity office building and Gaîté office), the UK (Westfield Stratford City and Westfield London) and Germany (Westfield Hamburg offices, residential and hotels) (see also section "*Development projects*");
- €34.5 Mn were invested in enhancement and improvement projects on standing assets, mainly in the US and France;
- Replacement Capex amounted to €4.0 Mn;
- Financial interest and other costs capitalised amounted to €24.9 Mn.

4.1.2.4 CONVENTION & EXHIBITION

URW invested €11.8 Mn in its Convention & Exhibition portfolio:

- €0.4 Mn were invested for construction works at Porte de Versailles;
- €6.8 Mn were invested in enhancement and improvement projects on standing assets, mainly in Porte de Versailles;
- Replacement Capex amounted to €3.8 Mn;
- Financial interest and other costs capitalised amounted to €0.8 Mn.

4.1.2.5 DISPOSALS

On May 29, 2020, URW completed the disposal of a portfolio of five Shopping Centres in France to the Entity formed by Crédit Agricole Assurances, La Française and URW. The consortium of investors comprised of Crédit Agricole Assurances and La Française holds 54.2% of the Entity and URW 45.8%. The Entity owns the following assets: Aéroville and So Ouest in the Paris region, Rennes Alma in Rennes, Toison d'Or in Dijon and Confluence in Lyon.

The implied offer price for the assets at 100% was €2,032 Mn. A syndicate of banks funded the underwritten €1.0 Bn secured financing for the Entity, with a seven-year maturity.

The Group also completed the disposal of several non-core assets in Europe and the US in 2020 for a total of €57 Mn.

On January 21, 2021, further to an agreement entered into on October 12, 2020, URW completed the disposal of the SHiFT office building, located in Issy-les-Moulineaux (Paris region), to a consortium of French institutional buyers (Primonial REIM, La Française and EDF Invest). The Disposal Price(4) of €620 Mn represented a premium to the June 30, 2020, book value.

(1) On a proportionate basis, Group share. This does not include the acquisition of the remaining 50% stake on five assets in Florida for a net cash consideration of $58 Mn. In addition, at acquisition date, URW supported an additional debt attached to these assets amounting to 50% of $542 Mn, of which $131 Mn has been repaid in November 2020.
(2) Amount capitalised in asset value.
(3) Replacement Capex relates to works either on equipment or the structure of a standing asset. The primary purpose of Replacement Capex is to ensure that the asset is in good working order and/or to make minor improvements. These investments can be triggered by obsolescence, maintaining technical performance at market levels or compliance with regulatory requirements. These amounts do not include Replacement Capex spent as part of the TIC of extension and/or renovation projects on which the Group's standard Return On Investment ("ROI") is expected.
(4) Total Acquisition Cost reduced by the transaction taxes and expenses incurred by the buyer. As per standard market practice, the remaining lease incentives will be paid by the vendor.

On March 17, 2021, further to the agreements signed with several French institutional investors for the sale of Les Villages 3 office building on December 9, 2020, and Les Villages 4 and 6 office buildings on December 18, 2020, URW announced the completion of the disposals of Les Villages 3 office building on March 4, 2021 and of Les Villages 4 and 6 office buildings on March 17, 2021. The total Net Disposal Price[1] of €213 Mn represents a premium to the latest unaffected book value.

Upon closing of the SHiFT and Les Villages 3, 4 and 6 disposal transactions, the Group will have generated €5.6 Bn of net disposal proceeds since June 2018, being 64% of its increased €8.8 Bn disposal programme. URW is in discussions on the disposal of a number of assets.

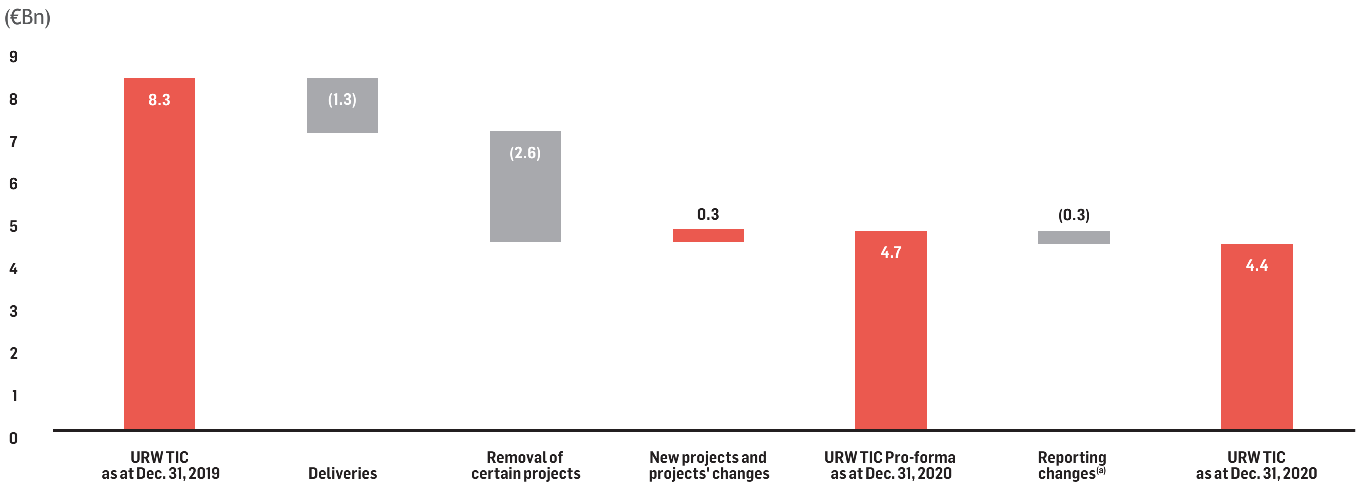
URW intends to complete the remaining €3.2 Bn European disposals and will implement a programme to significantly reduce its financial exposure to US assets in 2021/2022. The Group's strong liquidity position allows it to do these disposals over time and in an orderly fashion.

4.1.3 DEVELOPMENT PROJECTS AS AT DECEMBER 31, 2020

As at December 31, 2020, URW's share of the Total Investment Cost ("TIC"[2] and "URW TIC"[3]) of its development project pipeline amounted to €4.4 Bn[4], corresponding to a total of 0.7 million sqm of Gross Lettable Area ("GLA"[5]) to be re-developed or added to the Group's standing assets.

4.1.3.1 PIPELINE VARIATIONS SINCE DECEMBER 31, 2019

The development pipeline decreased by -€3.9 Bn, down from €8.3 Bn as at December 31, 2019:



(a) Step rents and rent free periods are excluded from TIC as they are non-cash items. Yield on cost includes the impact of step rents and rent-free periods in the denominator.

PROJECTS DELIVERED IN 2020

Since December 31, 2019, the Group delivered five projects representing a URW TIC of €1,290 Mn and a total GLA of 129,166 sqm:

- The 46,673 sqm Westfield Valley Fair retail extension, including a new flagship store for Apple, a three-level Bloomingdale's, a one-of-a-kind ShowPlace ICON cinema, an all-new dining district, an expanded luxury court and a unique DNVB district;
- The 49,479 sqm Trinity tower in La Défense, a state-of-the-art workspace adapted to new ways of working;
- The 32,888 sqm La Part-Dieu extension, including the opening of the main phase of retail with 40 new stores. It features a new façade allowing maximum access to natural light and a rooftop terrace with a garden dining and cinema, which will open in 2021;
- Two restructuring retail projects at Westfield Les 4 Temps: La Clairière, bringing a reinforced fashion and dining offer with a large event space that can be used for concerts and roadshows; and Dôme, including a new flagship toy shop PicWicToys.

The average letting[6] of retail deliveries stands at 84%, reflecting that certain parts of the projects will be delivered beyond 2020. The Trinity tower is vacant.

(1) Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.
(2) 100% TIC is expressed in value at completion. It equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, design costs, technical fees, tenant fitting-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) opening marketing expenses. It excludes: (i) step rents and rent-free periods; (ii) capitalised financial interests; (iii) overhead costs; (iv) early or lost Net Rental Income; and (v) IFRS adjustments.
(3) URW TIC: 100% TIC multiplied by URW's percentage stake in the project, adjusted by specific own costs and income, if any.
(4) This includes the Group's share of projects fully consolidated and projects accounted for using the equity method, excluding Viparis projects and commitments on the roads for the Westfield Milano project.
(5) GLA equals Gross Lettable Area of projects at 100%.
(6) GLA signed, all agreed to be signed and financials agreed.

4.

NEW PIPELINE PROJECTS AND PROJECT CHANGES

In the course of 2020, the Group has added two new projects:

- The Westfield Les 4 Temps Porte de Paris retail restructuring project for which the construction works started in July and which consists of replacing the former Castorama unit by a new tenant mix including the future largest Zara flagship in France and making the roof accessible to the public;
- The Michelet-Galilée office refurbishment project for which URW has obtained the building permit in November and for which the construction works should start in H2-2021.

In 2020, the development projects have been impacted by the COVID-19 pandemic, as almost all construction works were either halted for some time or slowed down, as were the pre-letting activities, causing the Group to delay opening dates which resulted in some project costs increases. This mainly impacted:

- The Westfield Mall of the Netherlands project;
- The Gaîté Montparnasse mixed-use project;
- The Garbera extension project;
- The Westfield Hamburg-Überseequartier mixed-use project;
- The Triangle project.

REMOVED PROJECTS

In response to the COVID-19 crisis, the Group reviewed its capital allocation priorities leading to the removal of the following projects since December 31, 2019:

Removed Development Projects	Business	Country	City	Type	URW Ownership	100% GLA (sqm)	100% TIC (€Mn)	URW TIC (€Mn)
ALTAMAR	Shopping Centres	Spain	Benidorm	Greenfield/ Brownfield	100%(1)	58,551 sqm	220	
WESTFIELD VALENCIA RESTRUCTURING	Shopping Centres	US	Valencia	Extension/ Renovation	50%	20,718 sqm	100	
WESTFIELD MILANO	Shopping Centres	Italy	Milan	Greenfield/ Brownfield	75%	154,572 sqm	1,300	
WESTFIELD ROSNY 2 LEISURE EXTENSION	Shopping Centres	France	Paris region	Extension/ Renovation	100%	9,352 sqm	80	
WESTFIELD VELIZY 2 RETAIL EXTENSION	Shopping Centres	France	Paris region	Extension/ Renovation	100%	20,098 sqm	210	
WESTFIELD MONTGOMERY MIXED USE RETAIL	Shopping Centres	US	Washington region	Extension/ Renovation	50%	26,736 sqm	170	
WESTFIELD MONTGOMERY MIXED USE RESI	Offices & Others	US	Washington region	Extension/ Renovation	50%	45,902 sqm	160	
METROPOLE ZLICIN EXTENSION	Shopping Centres	Czech Rep.	Prague	Extension/ Renovation	50%	25,640 sqm	160	
NEO(2)	Shopping Centres	Belgium	Brussels	Greenfield/ Brownfield	86%	123,204 sqm	690	
OTHER						28,633 sqm	200	
URW TOTAL PIPELINE						**513,407 sqm**		**2,560**

(1) % ownership after exercise of option rights.
(2) The main administrative authorisation has been cancelled.

4.1.3.2 PIPELINE PROJECTS AS AT DECEMBER 31, 2020

SUMMARY OF PIPELINE PROJECTS

Development Projects[(1)]	Business	Country	Type	URW Ownership	100% GLA (sqm)	100% TIC (€Mn)	URW TIC (€Mn)	URW Cost to Date (€Mn)	Yield on Cost[(2)]	Opening date[(3)]	Project Valuation
WESTFIELD MALL OF THE NETHERLANDS (*)	Shopping Centres	The Netherlands	Extension/ Renovation	100%	87,053 sqm	620				H1-2021	Fair Value
GAÎTÉ MONTPARNASSE OTHERS	Offices & Others	France	Redevelopment/ Extension	100%	64,457 sqm	240				H2-2021	Fair Value
GAÎTÉ MONTPARNASSE RETAIL	Shopping Centres	France	Redevelopment/ Extension	100%	33,716 sqm	200				H2-2021	Fair Value
WESTFIELD GARDEN STATE PLAZA RESTRUCTURING (*)	Shopping Centres	US	Extension/ Renovation	50%	13,487 sqm	100				H1-2022	Fair Value
WESTFIELD TOPANGA RESTRUCTURING (*)	Shopping Centres	US	Extension/ Renovation	55%	16,171 sqm	220				H1-2022	Fair Value
GARBERA EXTENSION	Shopping Centres	Spain	Extension/ Renovation	100%	11,139 sqm	90				H2-2022	At Cost
WESTFIELD HAMBURG - ÜBERSEEQUARTIER RETAIL	Shopping Centres	Germany	Greenfield/ Brownfield	100%	95,140 sqm	760				H2-2023	At Cost
WESTFIELD HAMBURG - ÜBERSEEQUARTIER OTHERS	Offices & Others	Germany	Greenfield/ Brownfield	100%	75,805 sqm	470				H2-2023	At Cost
CHERRY PARK RESIDENTIAL	Offices & Others	UK	Greenfield/ Brownfield	25%	87,440 sqm	750				H2-2024	Fair Value
Others					42,769 sqm	190					
Total Committed Projects							**2,870**	**1,720**	**5.5%**		
MICHELET-GALILÉE	Offices & Others	France	Redevelopment/ Extension	100%	34,789 sqm	110				H2-2023	Fair Value
TRIANGLE	Offices & Others	France	Greenfield/ Brownfield	100%	91,351 sqm	660				Post 2025	At Cost
SISTERS	Offices & Others	France	Greenfield/ Brownfield	100%	90,434 sqm	700				Post 2025	At Cost
Others					2,508 sqm	50					
Total Controlled Projects							**1,520**	**130**			
URW TOTAL PIPELINE							**4,390**	**1,850**			

(1) Figures subject to change according to the maturity of projects.
(2) URW share of the expected stabilised Net Rental Income divided by the URW TIC increased by rent incentives (step rents and rent-free periods), and for redevelopment projects only, the Gross Market Value of the standing assets at the launch of the project.
(3) In the case of staged phases in a project, the date corresponds to the opening date of the main phase.

(*) Units acquired for the project are included in the TIC at their acquisition cost.

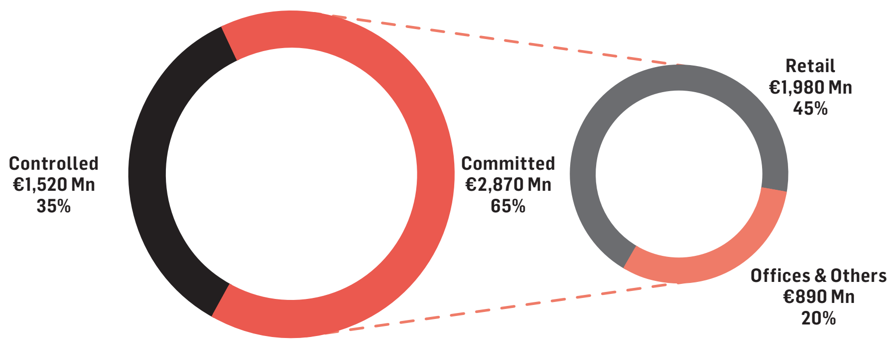
DETAILED OVERVIEW

The Group's pipeline consists of two distinct groupings:

1. **Committed** projects for which URW owns the land or building rights and has obtained:
   - All necessary administrative authorisations and permits;
   - Approvals of joint venture partners (if applicable);
   - Approvals of URW's internal governing bodies to start superstructure construction works; and
   - On which such works have started.

2. **Controlled** projects in an advanced stage of studies, for which URW controls the land or building rights, and all required administrative authorisations have been filed or are expected to be filed shortly. There can be no assurance these will become "Committed" projects, as this will be subject to having obtained all required administrative approvals, as well as those of joint venture partners (if applicable) and of URW's internal governing bodies to start superstructure works. Besides these approvals, the Group retains the flexibility to decide to launch them, if and when appropriate. URW could, in particular, consider launching these projects with joint venture partners.

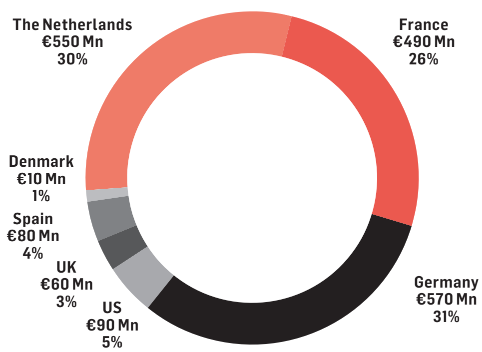
URW DEVELOPMENT PIPELINE BY GROUPING



60% of the total committed pipeline URW TIC has already been spent, representing €1,720 Mn, of which €1,260 Mn on retail pipeline and €460 Mn on offices & others. Out of the €1,150 Mn still to be invested for committed projects, €390 Mn has already been contracted.

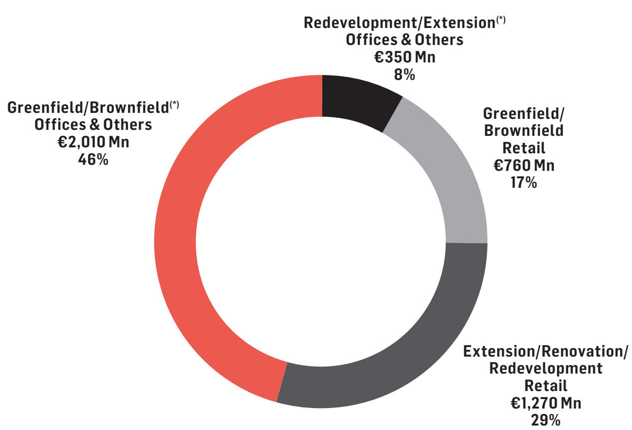
Only 9% of the total controlled pipeline URW TIC has been spent, representing an amount of €130 Mn, including land costs, mainly on offices & others projects (€120 Mn).

URW COST TO DATE PER COUNTRY (€1,850 Mn)

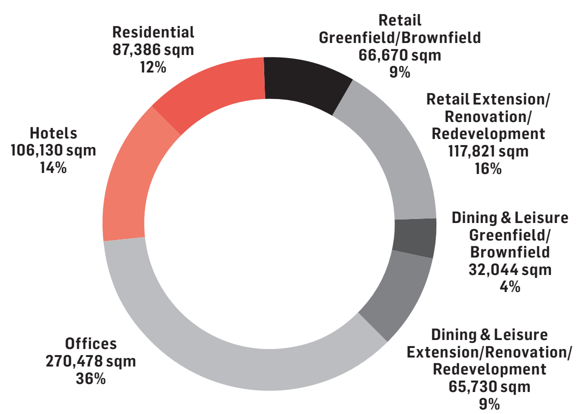


URW DEVELOPMENT PIPELINE PER TYPE AND BUSINESS(1)

URW TIC (€4,390 Mn)



GLA (746,259 sqm)



(*) Including Residential and Hotel units.

(1) Figures may not add up due to rounding.

The Offices & Others sector now represents 54% (€2.4 Bn) of the total URW TIC, of which 58% are controlled projects (Triangle and Sisters) with expected delivery dates beyond 2025. Greenfield and brownfield projects represent 85% and correspond to approximately 341,000 sqm of new GLA, of which 60% are office, 24% residential and 16% hotels projects. The remainder will be invested in the redevelopment or refurbishment of 123,000 sqm GLA of existing assets.

In the Retail sector, the Group's priority remains extensions, restructurings and refurbishments on select standing assets, which represents 62% of the €2.0 Bn retail pipeline. The remainder consists of the Westfield Hamburg-Überseequartier mixed-use project expected to be delivered in H2-2023. 35% of the approximately 282,000 sqm retail GLA consists of dining and leisure GLA.

In addition, third-party urban regeneration developments are ongoing around a number of the Group's assets and are expected to reinforce the respective catchment areas and the position of URW's destinations.

4.1.3.3 DELIVERIES EXPECTED IN 2021 AND PRE-LETTING PROGRESS

Three projects representing a URW TIC of ca. €1.1 Bn, of which €0.9 Bn has already been spent, are scheduled to be delivered in 2021:

- The La Maquinista Fashion Pavilion restructuring project;
- The Westfield Mall of the Netherlands extension project;
- The Gaîté Montparnasse mixed-use project.

The average pre-letting[1] on 2021 deliveries stands at:

- 87% for Retail;
- 100% for Offices & Others.

4.1.3.4 INVESTMENTS IN 2020

See section "*Investments and divestments*".

4.1.4 PROPERTY PORTFOLIO AND NET ASSET VALUE AS AT DECEMBER 31, 2020

In October 2019, EPRA introduced new asset value metrics[2] noting that while Net Asset Value ("NAV") is a key performance measure used in the real estate industry, NAV reported in the financial statements under IFRS may not provide stakeholders with the most relevant information on the fair value of the assets and liabilities. As property companies have evolved into actively managed entities, including non-property operating activities, this has resulted in more active ownership, higher asset turnover, and balance sheet financing has shifted from traditional bank lending to capital markets.

The new guidelines are meant to reflect this nature of property companies. Hence, EPRA NAV and EPRA NNNAV have been replaced by three new Net Asset Valuation metrics: EPRA Net Reinstatement Value, EPRA Net Tangible Assets and EPRA Net Disposal Value.

EPRA Net Reinstatement Value ("NRV"): The objective of the EPRA NRV measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company in the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.

EPRA Net Tangible Assets ("NTA"): The underlying assumption behind the EPRA NTA calculation assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. This metric does not include the valuation of non-property operating activities such as property management, asset management and development or the value of intangibles.

EPRA Net Disposal Value ("NDV"): Shareholders are interested in understanding the full extent of liabilities and resulting shareholder value if company assets are sold and/or if liabilities are not held until maturity. For this purpose, the EPRA NDV provides the reader with a scenario where deferred tax, financial instruments, and certain other adjustments are calculated as to the full extent of their liability, including tax exposure that may not be reflected in the Balance Sheet, net of any resulting tax. This measure should not be viewed as a "liquidation NAV" because, in many cases, fair values do not represent liquidation values.

The NRV, NTA and the NDV do not include the Group's Hybrid Securities, which are not part of the Equity attributable to the holders of the Stapled Shares. Notes that, in accordance with IFRS, all its tax liabilities are reflected in the Group's balance sheet.

The Group considers that the NTA does not reflect the total value of its business as it ignores the value of intangible assets and the fee businesses (€1,299 Mn as at December 31, 2020, for the fee businesses) which are an integral part of its business model and hence is not a meaningful KPI for URW.

URW's NRV amounted to €166.80 per share as at December 31, 2020, a decrease of -€62.00 per share (-27.1%) compared to the NRV as at December 31, 2019 (€228.80 per share).

The NRV includes €6.70 per share of goodwill not justified by the fee businesses or tax optimisations and which is mainly related to Westfield. Net of this goodwill, the NRV would be €160.10 per share.

URW's NDV amounted to €110.50 per share as at December 31, 2020, a decrease of -€49.00 per share (-30.7%) compared to the NDV as at December 31, 2019 (€159.50 per share).

MATERIAL VALUATION UNCERTAINTY DUE TO COVID-19

For the valuation as at June 30, 2020, the appraisers in Europe and in the US included a material valuation uncertainty statement in the appraisal reports. For the valuation as at December 31, 2020, this statement was withdrawn from the appraisal reports, except for the hotels which represent €0.5 Bn of the Group's Gross Market Value ("GMV"). However, according to the appraisers, this material valuation uncertainty does not mean their hotel valuations cannot be relied upon.

(1) GLA signed, all agreed to be signed and financials agreed.
(2) For further information on this change, please refer to the EPRA website: https://www.epra.com/application/files/2315/7321/0568/EPRA_FAQ_-_FINAL_version.pdf.

4.1.4.1 PROPERTY PORTFOLIO

Unless otherwise indicated, the data presented in the property portfolio are on a proportionate[(1)] basis and as at December 31, 2020, and comparisons are with values as at December 31, 2019.

The total GMV of URW's portfolio[(2)] amounted to €56.3 Bn (€65.3 Bn), a decrease of -13.8%, of which -7.6% in H1-2020 (-5.1% excluding the net impact of the disposal of five French assets to the Entity) and -6.7% in H2-2020. On a like-for-like basis, the GMV decreased by -11.2% (or -€6,020 Mn), of which -5.1% (or -€2,717 Mn) in H1-2020 and -6.5% (or -€3,303 Mn) in H2-2020.

Total investment volumes in Continental Europe[(3)] remained above the ten-year average levels with €204.1 Bn transacted in 2020, down -26% from €277.4 Bn in 2019. In the UK, total investment volumes[(3)] amounted to €52.4 Bn in 2020, down -21% from €66.4 Bn in 2019.

CONTINENTAL EUROPE – SHOPPING CENTRES

Total Retail investment volumes[(3)] in Continental Europe were €28.0 Bn, down -22%, including Shopping Centre transactions accounting for 33% of this amount.

URW's Shopping Centre GMV decreased by -9.1% on a like-for-like basis, of which -4.2% in H1-2020 and -5.1% in H2-2020. This decrease was driven by the yield impact (-8.1%) as appraisers increased Exit Cap Rates ("ECR") and Discount Rates ("DR") for most assets in the portfolio due to the COVID-19 pandemic.

UNITED KINGDOM – SHOPPING CENTRES

Total Retail investment volumes[(3)] in the UK were €7.3 Bn, up +2%, including Shopping Centre transactions accounting for 22% of this amount.

Although there was little transactional evidence, appraisers reduced the like-for-like GMV of the Group's UK Shopping Centres by -26.3%, of which -13.9% in H1-2020 and a further -15.4% in H2-2020. This is explained by -20.2% of yield impact and -6.0% of rent impact. This decrease is due to the appraisers' concerns about the COVID-19 impact on the retail market in the UK.

UNITED STATES – SHOPPING CENTRES

US Retail investment volumes in the year to November 2020 saw a -48% year-on-year decline, with total transactions reported by Real Capital Analytics of $29.4 Bn. For Shopping Centres, the decrease in deal volume was -55%.

The value of the Group's US Shopping Centres decreased by -12.6% on a like-for-like basis, of which -4.5% in H1-2020 and -8.4% in H2-2020. This decrease is driven by a negative rent impact (-9.4%) and a negative yield impact (-3.2%).

OFFICES & OTHERS

The value of URW's Offices & Others portfolio decreased by -2.5% on a like-for-like basis, of which -1.2%[(4)] in H1-2020 and -1.4% in H2-2020, because of a negative yield impact (-4.7%), partly offset by a positive rent impact (+2.2%).

CONVENTION & EXHIBITION

The Convention & Exhibition portfolio value decreased by -9.6% on a like-for-like basis, of which -4.8% in H1-2020 and -5.0% in H2-2020. This decrease is driven by the review of the business plan to take into account the impact of COVID-19.

(1) The sum of the GMV for the assets fully consolidated, the ownership at share of the GMV of assets jointly controlled accounted for using the equity method and the equity values for assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities).
(2) Including the Group's services business, the airport activities, the trademark, transfer taxes and transaction costs. Does not include the goodwill not justified by the fee business nor the impact of the application of IFRS 16.
(3) Source: Cushman & Wakefield, estimates as at February 2, 2021.
(4) The change compared to the +0.2% communicated in H1-2020 is due to the change in the like-for-like perimeter which consists mainly of the removal of SHiFT and Les Villages 3, 4 and 6 office buildings.

URW'S PORTFOLIO

Asset portfolio valuation (including transfer taxes)[a]	Proportionate					
	Dec. 31, 2020		Like-for-like change net of investment – 2020[b]		Dec. 31, 2019	
	€Mn	%	€Mn	%	€Mn	%
Shopping Centres	47,905	85%	(5,388)	(11.3%)	56,495	86%
Offices & Others	4,409	8%	(40)	(2.5%)	4,186	6%
Convention & Exhibition	2,701	5%	(281)	(9.6%)	2,984	5%
Services	1,299	2%	(312)	(18.6%)	1,676	3%
Total URW	**56,314**	**100%**	**(6,020)**	**(11.2%)**	**65,341**	**100%**

Figures may not add up due to rounding.

(a) On a proportionate basis, including transfer taxes and transaction costs (see the section "*Proportionate, IFRS and Group share figures for the property portfolio*" for IFRS and Group share figures).
The portfolio valuation includes:
- The appraised or at cost value of the entire property portfolio, whether fully consolidated or under joint operation;
- The value of the trademark;
- The equity value of URW's investments in assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities). The equity value of URW's share investments in assets not controlled by URW amounted to €1,189 Mn (€948 Mn).

The valuations consider the negative cash flows related to rents paid on concessions or leaseholds, which are accounted for as financial debt in the consolidated statement of financial position. The portfolio neither includes €1.2 Bn of goodwill not justified by the fee business, nor financial assets such as the €2,270 Mn of cash and cash equivalents on the Group's consolidated statement of financial position as at December 31, 2020.

(b) Excluding the currency effect, investment properties under construction, assets not controlled by URW and changes in the scope (including acquisitions, disposals and deliveries of new projects) through December 31, 2020. Changes in scope consist mainly of the:
- Acquisition of retail units in La Part-Dieu and Westfield Mall of the Netherlands;
- Acquisition of office units in Tour Rosny;
- Acquisition of the 50% remaining stake in JVs holding five assets in Florida: Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Sarasota;
- Disposal of five French assets to the Entity;
- Disposal of five retail assets: Bobigny 2 in France, Oosterdijk in The Netherlands, Westfield Meriden, Westfield Siesta Key and Westfield Sunrise in the US;
- Disposal of a land plot in France;
- Disposal of retail units in Westfield Vélizy 2 and La Part-Dieu; and
- Delivery of the extension of Westfield Valley Fair, the La Part-Dieu extension and the Trinity tower.

The like-for-like change in the portfolio valuation is calculated excluding the changes described above.

(€Mn)	Proportionate	
URW Valuation as at Dec. 31, 2019 (€Mn)	**65,341**	
Like-for-like revaluation	(6,020)	
Revaluation of non like-for-like assets	(1,141)	(a)
Revaluation of shares	(242)	(b)
Capex/Acquisitions/Transfers	1,498	
Disposals	(1,763)	(c)
Constant Currency Effect	(1,359)	(d)
URW Valuation as at Dec. 31, 2020	**56,314**	

Figures may not add up due to rounding.

(a) Non like-for-like assets include IPUC valued at cost or at fair value, (e.g. projects such as the Gaîté offices, the hotel project at Gaîté Montparnasse, Les Ateliers Gaîté, Westfield Milano and Westfield Mall of the Netherlands) and assets delivered in 2020 such as the extension of Westfield Valley Fair, the La Part-Dieu extension, and the Trinity tower.
(b) Revaluation of the shares in companies holding the assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities).
(c) Value of assets disposed of, including those sold to the Entity, as at December 31, 2019, net of the URW's investments in the Entity.
(d) Currency impact of -€1,359 Mn, including -€1,203 Mn in the US and -€268 Mn in the UK, partly offset by +€112 Mn in the Nordics, before offsets from foreign currency debt and hedging programs.

APPRAISERS

URW has allocated properties across independent appraisers by region for comparison and benchmarking purposes. The valuation process has a centralised approach, intended to ensure that capital market views on the Group's portfolio are taken into account. Assets are appraised twice a year (in June and December, except in 2020 with an exceptional valuation as at September 30, 2020), except services companies, which are externally appraised once a year.

	Proportionate	
Appraiser	Property location	% of total portfolio
Cushman & Wakefield	France/The Netherlands/Central Europe/UK(a)/US	49%
Jones Lang Lasalle	France/Germany/Nordics/Spain/Austria/Italy	29%
Duff & Phelps	US	8%
PwC(b)	France/Germany/UK/US	8%
Other appraisers	Central Europe/US	1%
At cost, under sale agreement or internal		4%
		100%

Figures may not add up due to rounding.

(a) The Group's UK Shopping Centre portfolio was valued by Cushman & Wakefield and Avison Young.
(b) PwC assesses Convention & Exhibition venues as well as all of the Group's services activities, the trademark and the airport activities.

Fees paid to appraisers are determined prior to the valuation campaign and are independent from the value of properties appraised. A detailed report, dated and signed, is produced for each appraised property. None of the appraisers have received fees from URW representing more than 10% of their turnover.

VALUATION METHODOLOGY

Appraisal methods used by appraisers are compliant with international standards and guidelines as defined by RICS, IVSC ("International Valuation Standards Council") and FSIF ("Fédération des Sociétés Immobilières et Foncières").

Independent appraisers determine the fair market value based on the results of two methods: the discounted cash flow ("DCF") methodology and/or the yield methodology. Furthermore, the resulting valuations are cross-checked against the initial yield, value per square metre and the fair market values established through actual market transactions.

Appraisers have been given access to all information relevant for valuations, such as the Group's confidential rent rolls, including information on vacancy, break options, expiry dates and lease incentives, performance indicators (e.g. footfall and sales where available), letting evidence and the Group's cash flow forecasts from annually updated detailed asset business plans. Appraisers make their independent assessments of current and forward-looking cash flow profiles and usually reflect risk either in the cash flow forecasts (e.g. future rental levels, growth, investment requirements, void periods, incentives, rent relief and lower variable rents in the context of the COVID-19 pandemic), in the applied required returns or discount rates and in the yield applied to capitalise the exit rent to determine an exit value.

The yield and rent impacts are used to explain and split the revaluation into two parts. The yield impact indicator is very sensitive to any change in the assumptions made for the asset which complicates its interpretation. It is calculated as the change in potential yield, excluding capex, to eliminate the impact of vacancy. Therefore, if the NRI is projected to grow faster than the value of the asset net of capex, there will be a negative yield impact. In addition, the potential yield expands and therefore generates a negative yield impact in case of defensive capex or eviction costs or an increase in the ERV of vacant units. The rent impact is mechanically obtained by deducting the yield impact from the like-for-like revaluation.

As the value of the assets is based on cash flows and ECR, the Net Initial Yield ("NIY") may be lower than the ECR for several reasons, including the vacancy as at the valuation date, which the appraisers assume will be rented, and the reversion which will be captured in the cash flows. The NIY is an output rather than an input.

VALUATION SCOPE

96% of URW's portfolio was appraised by independent appraisers as at December 31, 2020.

Investment Properties Under Construction ("IPUC") for which a value could be reliably determined are required to be accounted for at fair value and were assessed by external appraisers. IPUC are taken at fair value once management considers that a substantial part of the project's uncertainty has been eliminated, such that a reliable fair value can be established. URW uses its long-standing guidelines to establish the residual level of risk, focusing notably on uncertainty remaining in construction and leasing. IPUC were valued using a DCF or yield method approach as deemed appropriate by the independent appraisers. In some cases, both methods were combined to validate and cross-check critical valuation parameters.

Westfield Mall of the Netherlands and the Gaîté offices have been carried at fair value since June 30, 2019. Les Ateliers Gaîté and the La Maquinista Fashion Pavilion project have been carried at fair value since December 31, 2019.

Since and as a result of the acquisition accounting for the Westfield transaction, the main projects in the US, the UK and Italy were carried at fair value as at December 31, 2020.

Refer to the table in the section *"Development projects as at December 31, 2020"* for the valuation method used for each development project in the Group's pipeline.

The remaining assets of the portfolio (4%) were valued as follows:

- At cost for IPUC for which a reliable value could not yet be established. These include assets under development: Garbera extension, as well as most development projects included in the "Controlled" category (see section "Development projects as at December 31, 2020" for more details);
- At bid value for assets subject to an agreement pursuant to which these will be disposed: SHiFT and Les Villages 3, 4 and 6 office buildings.

The total value of the IPUC amounts to €3.7 Bn, of which €2.2 Bn is valued at fair value and €1.5 Bn is valued at cost (71% of the value at cost has been tested with an external valuation as at December 31, 2020).

Unless otherwise indicated, valuation changes and references to asset values include transfer taxes and transaction costs.

Appraiser	Sector	Proportionate Valuation including transfer taxes (€Mn) Dec. 31, 2020	June 30, 2020	Dec. 31, 2019
Cushman & Wakefield	Shopping Centres/Offices & Others	**20,408**	21,893	24,363
Jones Lang Lasalle	Shopping Centres/Offices & Others	**16,202**	17,086	18,462
PwC	Shopping Centres/C&E	**2,812**	2,930	3,169
Other appraisers	Shopping Centres	**3,363**	3,864	4,504
Impact of the assets valued by two appraisers	Shopping Centres	**(2,512)**	(2,912)	(3,615)
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others	**2,254**	1,289	1,223
Total Europe		**42,527**	**44,149**	**48,105**
Cushman & Wakefield	Shopping Centres/Offices & Others	**7,168**	8,240	8,618
Duff & Phelps	Shopping Centres/Offices & Others	**4,612**	5,565	5,908
PwC	Shopping Centres	**580**	413	752
Other appraisers	Shopping Centres	**60**	123	203
Internal valuation	Shopping Centres	**-**	219	-
Assets valued at cost and/or not appraised	Shopping Centres/Offices & Others	**68**	160	78
Total US		**12,487**	**14,720**	**15,560**
Services		**1,299**	**1,480**	**1,676**
Total URW		**56,314**	**60,350**	**65,341**

Figures may not add up due to rounding.

SHOPPING CENTRE PORTFOLIO

The value of URW's Shopping Centre portfolio is the addition of the value of each individual asset as determined by the Group's appraisers, except as noted above.

EVOLUTION OF URW'S SHOPPING CENTRE PORTFOLIO VALUATION

The value of URW's Shopping Centre portfolio[(1)] amounted to €47,905 Mn (€56,495 Mn).

(€Mn)	Proportionate	
URW Valuation as at Dec. 31, 2019	**56,495**	
Like-for-like revaluation	(5,388)	
Revaluation of non like-for-like assets	(1,227)	(a)
Revaluation of shares	(242)	(b)
Capex/Acquisitions/Transfers	1,247	
Disposals	(1,729)	(c)
Constant Currency Effect	(1,250)	(d)
URW Valuation as at Dec. 31, 2020	**47,905**	

Figures may not add up due to rounding.

(a) Non like-for-like assets include IPUC valued at cost or at fair value, (e.g. projects such as Les Ateliers Gaîté, Westfield Milano and Westfield Mall of the Netherlands) and assets delivered in 2020 such as the extension of Westfield Valley Fair and the La Part-Dieu extension.
(b) Revaluation of the shares in companies holding the assets not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity and the Blum/Centennial and Starwood Ventures entities).
(c) Value of assets disposed of, including those sold to the Entity, as at December 31, 2019, net of the URW's investments in the Entity.
(d) Currency impact of -€1,250 Mn, including the US (-€1,148 Mn) and the UK (-€207 Mn), partly offset by the Nordics (€105 Mn) before offsets from foreign currency debt and hedging programs.

Based on an asset value excluding estimated transfer taxes and transaction costs, the Shopping Centre division's NIY increased by +19 bps to 4.5%. 2020 NIY is based on an NRI N12M at -11.1% below the one in 2019. The NIY comparison is also impacted by the increase in vacancy between December 31, 2019, and December 31, 2020, from 5.4% to 8.3%.

The Potential Yield including the leasing of vacant space at ERV has increased by +35 bps compared to December 31, 2019, to 5.0%.

(1) Including airport activities and the Westfield trademark.

Activity review
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Shopping Centre portfolio by region	Proportionate Dec. 31, 2020 Valuation including transfer taxes (€Mn)	Dec. 31, 2020 Valuation excluding estimated transfer taxes (€Mn)	Dec. 31, 2020 Net Initial Yield[a]	Dec. 31, 2020 Potential Yield[b]	Dec. 31, 2019 Valuation including transfer taxes (€Mn)	Dec. 31, 2019 Valuation excluding estimated transfer taxes (€Mn)	Dec. 31, 2019 Net Initial Yield[a]	Dec. 31, 2019 Potential Yield[b]
France[c]	13,563	13,066	4.4%	4.6%	16,517	15,882	4.2%	4.3%
Central Europe	5,059	5,014	5.1%	5.4%	5,408	5,360	4.9%	5.0%
Spain	3,596	3,514	4.6%	4.9%	3,827	3,740	4.4%	4.5%
Nordics	3,095	3,034	4.1%	4.5%	3,282	3,215	4.1%	4.3%
Germany	3,447	3,269	4.7%	5.0%	3,591	3,398	4.6%	4.8%
Austria	2,290	2,279	4.6%	4.8%	2,510	2,497	4.4%	4.5%
The Netherlands	1,658	1,560	5.3%	6.2%	1,703	1,603	4.9%	5.8%
Subtotal Continental Europe	**32,707**	**31,736**	**4.6%**	**4.9%**	**36,837**	**35,696**	**4.4%**	**4.6%**
UK & Italy	2,994	2,848	5.2%	6.1%	4,454	4,239	4.3%	4.8%
Subtotal Europe	**35,700**	**34,585**	**4.6%**	**5.0%**	**41,291**	**39,935**	**4.4%**	**4.6%**
US	12,205	12,099	4.2%	4.9%	15,204	15,082	4.1%	4.7%
Total URW	**47,905**	**46,683**	**4.5%**	**5.0%**	**56,495**	**55,016**	**4.3%**	**4.6%**

Figures may not add up due to rounding.

(a) Annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping Centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of NIY.
(b) Annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping Centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of Potential Yield.
(c) The effect of including key money in the French region's NRI would increase the NIY of French Shopping Centres from 4.4% to 4.5%.

The following table shows the further breakdown for the US:

US Shopping Centre portfolio by category	Proportionate Dec. 31, 2020 Valuation including transfer taxes (€Mn)	Dec. 31, 2020 Valuation excluding estimated transfer taxes (€Mn)	Dec. 31, 2020 Net Initial Yield[a]	Dec. 31, 2020 Potential Yield[b]	Dec. 31, 2019[c] Valuation including transfer taxes (€Mn)	Dec. 31, 2019[c] Valuation excluding estimated transfer taxes (€Mn)	Dec. 31, 2019[c] Net Initial Yield[a]	Dec. 31, 2019[c] Potential Yield[b]
US Flagships[d]	10,066	9,962	3.7%	4.3%	12,396	12,278	3.8%	4.2%
US Regionals	2,139	2,137	6.1%	7.7%	2,808	2,804	5.7%	6.8%
Total US	**12,205**	**12,099**	**4.2%**	**4.9%**	**15,204**	**15,082**	**4.1%**	**4.7%**

Figures may not add up due to rounding.

(a) Annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping Centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of NIY.
(b) Annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping Centres under development or not controlled by URW, the trademark and the airport activities are not included in the calculation of Potential Yield.
(c) The split between US Flagships and US Regionals has changed compared to the previous communications due to the reclassification of Westfield Annapolis, Westfield Fashion Square and Westfield Santa Anita from Flagships to Regionals and Westfield Mission Valley from Regionals to Flagships.
(d) The airport activities and the trademark are included in the valuation of the US Flagships.

SENSITIVITY

A change of +25 bps in NIY, the main output of the appraisal models, would result in a downward adjustment of -€2,389 Mn (or -5.2%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark and the airport activities).

A change of +25 bps in DR would have a negative impact of -€738 Mn (or -1.7%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark, the airport activities and the assets not controlled by URW).

A change of +10 bps in ECR would have a negative impact of -€630 Mn (or -1.4%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark, the airport activities and the assets not controlled by URW).

A decrease of -5% in appraisers' ERV assumptions for the leases to be signed during the model period would have a negative impact of -€1,654 Mn (or -3.8%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark, the airport activities and the assets not controlled by URW).

LIKE-FOR-LIKE ANALYSIS

On a like-for-like basis, the value of URW's Shopping Centre portfolio, after accounting for works, capitalised financial expenses and eviction costs, decreased by -€5,388 Mn (-11.3%), of which -€2,409 Mn (-5.1%)[(1)] in H1-2020 and -€2,979 Mn (-6.6%) in H2-2020. This decrease was the result of a yield impact of -7.8% and a rent impact of -3.6%.

Proportionate

2020	Shopping Centres – Like-for-like ("LfL") change[(a)] LfL change (€Mn)	LfL change (%)	LfL change – Rent impact	LfL change – Yield impact[(b)]
France	(1,326)	(9.9%)	(0.6%)	(9.3%)
Central Europe[(c)]	(319)	(6.9%)	1.4%	(8.3%)
Spain	(287)	(8.2%)	0.9%	(9.1%)
Nordics	(301)	(9.3%)	(3.9%)	(5.4%)
Germany	(257)	(7.7%)	(2.6%)	(5.1%)
Austria	(244)	(9.7%)	(2.5%)	(7.2%)
The Netherlands	(133)	(12.6%)	(5.0%)	(7.6%)
Subtotal Continental Europe	**(2,867)**	**(9.1%)**	**(1.0%)**	**(8.1%)**
UK & Italy	(1,010)	(26.3%)	(6.0%)	(20.2%)
Subtotal Europe	**(3,877)**	**(10.9%)**	**(1.7%)**	**(9.3%)**
US	(1,511)	(12.6%)	(9.4%)	(3.2%)
Total URW	**(5,388)**	**(11.3%)**	**(3.6%)**	**(7.8%)**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to December 31, 2020, excluding assets not controlled by URW.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates) and taking into account key money.
(c) Includes the positive impact of the abolishment of the transfer taxes in Czech Republic (which were at 4%).

The 53 Flagship Shopping Centres represent 89% of URW's retail exposure (excluding assets under development, the airport activities and the trademark).

Proportionate

2020	Shopping Centres – Like- for-like ("LfL") change by category[(a)] LfL change (€Mn)	LfL change (%)	LfL change – Rent impact	LfL change – Yield impact[(b)]
Flagships Continental Europe	(2,622)	(9.0%)	(0.8%)	(8.3%)
Flagships UK & Italy	(984)	(25.9%)	(5.0%)	(20.9%)
Subtotal Flagships Europe	**(3,606)**	**(11.0%)**	**(1.4%)**	**(9.6%)**
Flagships US	(1,140)	(11.3%)	(9.1%)	(2.2%)
Subtotal Flagships	**(4,746)**	**(11.1%)**	**(3.1%)**	**(8.0%)**
Regionals	(642)	(13.9%)	(6.7%)	(7.2%)
Total URW	**(5,388)**	**(11.3%)**	**(3.6%)**	**(7.8%)**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to December 31, 2020, excluding assets not controlled by URW.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates) and taking into account key money.

(1) The change compared to the -€2,483 Mn (-5.2%) communicated in H1-2020 is due to the change in the like-for-like perimeter which consists mainly of the removal of the five Florida assets and the assets disposed (Oosterdijk, Westfield Sunrise and Westfield Siesta Key).

NON LIKE-FOR-LIKE ANALYSIS

The value of URW's non like-for-like Shopping Centre portfolio, after accounting for works, capitalised financial expenses and eviction costs, decreased by -€1,227 Mn (-15.2%), mainly due to -€491 Mn from the standing Shopping Centres undergoing extension works (mainly La Part-Dieu, Westfield Valley Fair, and Westfield Mall of the Netherlands) or acquired in 2020 (acquisition of the 50% remaining stake in JVs holding five assets in Florida), -€476 Mn for the Shopping Centre projects at fair value (mainly Westfield Milano and Croydon Whitgift), -€45 Mn for the depreciations on projects valued at cost and -€215 Mn for the Airports business and the Westfield trademark.

OFFICES & OTHERS PORTFOLIO

EVOLUTION OF URW'S OFFICES & OTHERS PORTFOLIO VALUATION

Offices & Others portfolio includes the offices, the hotels (except the hotels at Porte de Versailles), the residential building Palisade at Westfield UTC and the residential projects.

The total value of URW's Offices & Others portfolio amounted to €4,409 Mn (€4,186 Mn).

(€Mn)	Proportionate	
URW Valuation as at Dec. 31, 2019	**4,186**	
Like-for-like revaluation	(40)	
Revaluation of non like-for-like assets	116	(a)
Capex/Acquisitions/Transfers	223	
Disposals	(34)	(b)
Constant Currency Effect	(43)	(c)
URW Valuation as at Dec. 31, 2020	**4,409**	

Figures may not add up due to rounding.

(a) Non like-for-like assets include IPUC valued at cost or at fair value, projects such as the Gaîté offices, the hotel project at Gaîté Montparnasse and assets delivered in 2020 such as the Trinity tower.
(b) Value as at December 31, 2019.
(c) Currency impact of -€43 Mn in total, including the US (-€27 Mn) and the UK (-€23 Mn), partly offset by the Nordics (+€7 Mn), before offsets from foreign currency debt and hedging programs.

The split by region of the total Offices & Others portfolio is the following:

	Proportionate			
	Dec. 31, 2020		Dec. 31, 2019	
Valuation of Offices & Others portfolio (including transfer taxes)	**(€Mn)**	**(%)**	(€Mn)	(%)
France	**3,025**	**69%**	2,830	68%
Nordics	**179**	**4%**	171	4%
Other countries	**462**	**10%**	411	10%
Subtotal Continental Europe	**3,666**	**83%**	**3,412**	**82%**
UK & Italy	**460**	**10%**	419	10%
Subtotal Europe	**4,126**	**94%**	**3,830**	**92%**
US	**283**	**6%**	356	8%
Total URW	**4,409**	**100%**	**4,186**	**100%**

Figures may not add up due to rounding.

For occupied offices and based on an asset value excluding estimated transfer taxes and transaction costs, the Offices & Others division's NIY decreased by -57 bps to 4.9%.

Proportionate

Valuation of occupied office space	Dec. 31, 2020			Dec. 31, 2019		
	Valuation including transfer taxes[a] (€Mn)	Valuation excluding estimated transfer taxes[a] (€Mn)	Net Initial Yield[b]	Valuation including transfer taxes[a] (€Mn)	Valuation excluding estimated transfer taxes[a] (€Mn)	Net Initial Yield[b]
France	1,744	1,683	4.5%	1,597	1,538	5.1%
Nordics	143	139	8.0%	144	140	7.6%
Other countries	131	129	6.6%	132	129	6.5%
Subtotal Continental Europe	**2,018**	**1,950**	**4.9%**	**1,873**	**1,807**	**5.4%**
UK & Italy	74	70	n.m.	80	76	n.m.
Subtotal Europe	**2,092**	**2,020**	**4.9%**	**1,953**	**1,883**	**5.3%**
US	193	187	5.1%	228	221	6.5%
Total URW	**2,285**	**2,208**	**4.9%**	**2,181**	**2,105**	**5.5%**

Figures may not add up due to rounding.

(a) Valuation of occupied office space as at December 31, 2020, based on the appraiser's allocation of value between occupied and vacant spaces.
(b) Annualised contracted rent (including latest indexation) and other incomes for the next 12-months, net of operating expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Assets under development are not included in this calculation.

SENSITIVITY

A change of +25 bps in NIY, the main output of the appraisal models, would result in a downward adjustment of -€177 Mn (-6.1%)[(1)] on URW's Offices & Others portfolio value (occupied and vacant spaces, excluding assets under development).

LIKE-FOR-LIKE ANALYSIS

The value of URW's Offices & Others portfolio, after accounting for the impact of works and capitalised financial expenses, decreased by -€40 Mn (-2.5%) on a like-for-like basis, of which -€18 Mn[(2)] (-1.2%) in H1-2020 and -€21 Mn (-1.4%) in H2-2020, due to a yield impact of -4.7%, partly offset by a positive rent impact of +2.2%.

Proportionate

2020	Offices & Others – Like- for-like ("LfL") change by category[a]			
	LfL change (€Mn)	LfL change (%)	LfL change – Rent impact	LfL change – Yield impact[b]
France	1	0.1%	0.9%	(0.8%)
Nordics	(3)	(1.6%)	2.6%	(4.2%)
Other countries	2	1.0%	(0.7%)	1.7%
Subtotal Continental Europe	**0**	**0.0%**	**1.0%**	**(1.0%)**
UK & Italy	(2)	(2.7%)	13.1%	(15.8%)
Subtotal Europe	**(3)**	**(0.2%)**	**0.4%**	**(0.6%)**
US	(37)	(15.7%)	5.3%	(21.0%)
Total URW	**(40)**	**(2.5%)**	**2.2%**	**(4.7%)**

Figures may not add up due to rounding.

(a) Like-for-like change net of investments from December 31, 2019, to December 31, 2020.
(b) Yield impact calculated using the change in potential yields (to neutralise changes in vacancy rates).

(1) Due to the delivery of the Trinity tower which is fully vacant, the NIY on occupied and vacant spaces has decreased. A +25 bps increase of the NIY therefore has a higher impact on the GMV.
(2) The change compared to the +€5 Mn (+0.2%) communicated in H1-2020 is due to the change in the like-for-like perimeter which consists mainly of the removal of SHiFT and Les Villages 3, 4 and 6 office buildings.

CONVENTION & EXHIBITION PORTFOLIO

VALUATION METHODOLOGY

The valuation methodology adopted by PwC for the venues is mainly based on a discounted cash flow model applied to the total net income projected over the life of the concession or leasehold (net of the amounts paid for the concession or leasehold) if it exists, or otherwise over a ten-year period, with an estimate of the asset value at the end of the given time period, based either on the residual contractual value for concessions or on capitalised cash flows over the last year, including the remaining capital expenditures to be spent on Porte de Versailles (€205 Mn).

EVOLUTION OF THE CONVENTION & EXHIBITION VALUATION

The value of URW's Convention & Exhibition venues, including transfer taxes and transaction costs, amounted to €2,701 Mn (€2,984 Mn).

(€Mn)	Proportionate	
URW Valuation as at Dec. 31, 2019	**2,984**	(a)
Like-for-like revaluation	(281)	
Revaluation of non like-for-like assets	(31)	
Capex/Acquisitions/Transfers	29	
URW Valuation as at Dec. 31, 2020	**2,701**	(b)

Figures may not add up due to rounding.

(a) Excluding the Convention & Exhibition space in Carrousel du Louvre and CNIT, 100%-owned by URW, the valuation for Viparis (including Palais des Sports, Les Boutiques du Palais and the hotels at Porte de Versailles) was €2,850 Mn.
(b) Excluding the Convention & Exhibition space in Carrousel du Louvre and CNIT, 100%-owned by URW, the valuation for Viparis (including Palais des Sports, Les Boutiques du Palais and the hotels at Porte de Versailles) was €2,584 Mn.

On a like-for-like basis, net of investments, the value of Convention & Exhibition venues decreased by -€281 Mn (-9.6%), of which -€140 Mn (-4.8%) in H1-2020 and -€141 Mn (-5.0%) in H2-2020. This decrease is driven by the review of the Business Plan to take into account the impact of COVID-19 on this activity.

SERVICES

The Services portfolio is composed of URW's French, German, UK and US property services companies.

URW's Services portfolio is appraised annually by PwC as at each year-end to include all significant fee business activities in the portfolio at their market value for the calculation of URW's NAV. In URW's Consolidated statement of financial position, intangible assets are not revalued but recognised at cost less amortisation charges and/or impairment losses booked.

(€Mn)	Proportionate	
URW Valuation as at Dec. 31, 2019	**1,676**	
Like-for-like revaluation	(312)	
Constant Currency Effect	(66)	(a)
URW Valuation as at Dec. 31, 2020	**1,299**	

Figures may not add up due to rounding.

(a) Currency impact of -€66 Mn in total, including the UK (-€38 Mn) and the US (-€27 Mn), before offsets from foreign currency loans and hedging programs.

The negative like-for-like revaluation is significantly impacted by the decrease in value of the DD&C business in the US and the UK (-€144 Mn).

PROPORTIONATE, IFRS AND GROUP SHARE FIGURES FOR THE PROPERTY PORTFOLIO

The figures presented previously in the chapter are on a proportionate basis.

The following tables also provide the IFRS GMV and the Group share level (in GMV) for URW's assets:

	Proportionate		IFRS		Group share	
URW Asset portfolio valuation – Dec. 31, 2020	€Mn	%	€Mn	%	€Mn	%
Shopping Centres	47,905	85%	45,948	85%	41,799	86%
Offices & Others	4,409	8%	4,241	8%	4,223	9%
Convention & Exhibition	2,701	5%	2,703	5%	1,410	3%
Services	1,299	2%	1,299	2%	1,218	3%
Total URW	**56,314**	**100%**	**54,192**	**100%**	**48,649**	**100%**

URW Asset portfolio valuation – Dec. 31, 2019	€Mn	%	€Mn	%	€Mn	%
Shopping Centres	56,495	86%	53,995	86%	49,474	87%
Offices & Others	4,186	6%	4,106	7%	4,088	7%
Convention & Exhibition	2,984	5%	2,985	5%	1,560	3%
Services	1,676	3%	1,676	3%	1,587	3%
Total URW	**65,341**	**100%**	**62,762**	**100%**	**56,708**	**100%**

URW Like-for-like change – net of investments – 2020	€Mn	%	€Mn	%	€Mn	%
Shopping Centres	(5,388)	(11.3%)	(4,080)	(10.7%)	(3,706)	(10.9%)
Offices & Others	(40)	(2.5%)	(22)	(1.6%)	(23)	(1.6%)
Convention & Exhibition	(281)	(9.6%)	(281)	(9.6%)	(149)	(9.7%)
Services	(312)	(18.6%)	(312)	(18.6%)	(304)	(19.1%)
Total URW	**(6,020)**	**(11.2%)**	**(4,695)**	**(10.6%)**	**(4,181)**	**(10.9%)**

URW Like-for-like change – net of investments – 2020 – Split rent/yield impact	Rent impact %	Yield impact %	Rent impact %	Yield impact %	Rent impact %	Yield impact %
Shopping Centres	(3.6%)	(7.8%)	(2.1%)	(8.5%)	(2.3%)	(8.6%)
Offices & Others	2.2%	(4.7%)	1.0%	(2.6%)	1.1%	(2.7%)

URW Net Initial Yield	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Shopping Centres[(a)]	4.5%	4.3%	4.5%	4.3%	4.5%	4.3%
Offices & Others - occupied space[(b)]	4.9%	5.5%	4.9%	5.4%	4.9%	5.4%

Figures may not add up due to rounding.

(a) Annualised contracted rent (including indexation) and other incomes for the next 12-months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs. Shopping Centres under development and Shopping Centres not controlled by URW (Zlote Tarasy, Gropius Passagen, the Entity, and the Blum/Centennial and Starwood Ventures entities) are not included in the calculation. Shopping Centres held by companies accounted for using the equity method are not included in the calculation of IFRS and Group share but are included in the proportionate.

(b) Annualised contracted rent (including latest indexation) and other incomes for the next 12-months, net of operating expenses, divided by the value of occupied space net of estimated transfer taxes and transaction costs. Offices under development are not included in the calculation. Offices held by companies accounted for using the equity method are not included in the calculation of IFRS and Group share but are included in the proportionate.

Bridge between Proportionate and IFRS (€Mn)	Asset portfolio valuation (including transfer taxes)
Total URW on a proportionate basis	**56,314**
(-) Assets joint-controlled on a proportionate basis	(9,304)
(+) Share investments in assets joint-controlled	7,181
Total URW under IFRS	**54,192**

Figures may not add up due to rounding.

ADDITIONAL VALUATION PARAMETERS – IFRS 13

URW complies with the IFRS 13 fair value measurement and the position paper[1] on IFRS 13 established by EPRA, the representative body of the publicly listed real estate industry in Europe.

Considering the limited public data available, the complexity of real estate asset valuations, as well as the fact that appraisers use in their valuations the non-public rent rolls of the Group's assets, URW believes it is appropriate to classify its assets under Level 3. In addition, unobservable inputs, including appraisers' assumptions on growth rates and ECR, are used by appraisers to determine the fair value of URW's assets.

In addition to the disclosures provided above, the following tables provide a number of quantitative data in order to assess the fair valuation of the Group's assets.

(1) EPRA Position Paper on IFRS 13 – Fair value measurement and illustrative disclosures, February 2013.

SHOPPING CENTRES

All Shopping Centres are valued using the discounted cash flow and/or yield methodologies using compound annual growth rates as determined by the appraisers.

Shopping Centres – Dec. 31, 2020		Net Initial Yield	Rent in € per sqm[(a)]	Discount Rate[(b)]	Exit Capitalisation Rate[(c)]	CAGR of NRI[(d)]
France	Max	7.1%	834	9.3%	8.1%	20.3%
	Min	1.9%	143	5.6%	3.9%	2.2%
	Weighted average	4.4%	563	6.0%	4.3%	3.8%
Central Europe	Max	7.0%	587	8.9%	8.2%	3.5%
	Min	4.6%	134	6.7%	4.9%	2.0%
	Weighted average	5.1%	389	7.1%	5.2%	2.7%
Spain	Max	8.0%	537	9.8%	7.8%	5.9%
	Min	4.1%	125	6.9%	4.6%	3.6%
	Weighted average	4.6%	340	7.2%	4.8%	5.1%
Nordics	Max	5.2%	421	8.5%	5.5%	5.6%
	Min	3.7%	180	6.3%	4.3%	3.8%
	Weighted average	4.1%	351	6.8%	4.5%	4.7%
Germany	Max	7.9%	471	8.4%	7.3%	4.0%
	Min	4.1%	154	6.1%	4.2%	2.0%
	Weighted average	4.7%	292	6.5%	4.7%	3.2%
Austria	Max	4.7%	388	6.3%	4.5%	2.5%
	Min	4.5%	340	6.2%	4.4%	2.5%
	Weighted average	4.6%	363	6.3%	4.4%	2.5%
The Netherlands	Max	7.3%	351	8.1%	7.1%	3.2%
	Min	4.4%	142	6.2%	4.5%	2.0%
	Weighted average	5.3%	239	6.8%	5.3%	2.6%
US	Max	11.8%	1,868	10.5%	8.5%	11.3%
	Min	3.1%	213	5.8%	4.3%	0.8%
	Weighted average	4.2%	523	6.5%	5.0%	4.2%
UK & Italy	Max	5.5%	619	7.5%	6.1%	4.6%
	Min	5.0%	575	7.2%	5.9%	3.7%
	Weighted average	5.2%	594	7.4%	6.1%	4.2%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW, the trademark and the airport activities are not included in this table.

(a) Average annual rent (MGR + SBR) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise the exit rent to determine the exit value of an asset.
(d) CAGR of NRI determined by the appraiser (between six and ten years depending on duration of DCF model used).

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For the US, the split between Flagships and Regionals is as follows:

Shopping Centres – Dec. 31, 2020		Net Initial Yield	Rent in € per sqm(a)	Discount Rate(b)	Exit Capitalisation Rate(c)	CAGR of NRI(d)
US Flagships(e)	Max	7.3%	1,868	8.8%	7.0%	6.8%
	Min	3.1%	297	5.8%	4.3%	0.8%
	Weighted average	3.7%	691	6.2%	4.7%	4.4%
US Regionals(e)	Max	11.8%	550	10.5%	8.5%	11.3%
	Min	4.0%	213	6.8%	5.8%	1.0%
	Weighted average	6.1%	322	8.1%	6.4%	3.8%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW, the trademark and the airport activities are not included in this table.

(a) Average annual rent (MGR + SBR) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise the exit rent to determine the exit value of an asset.
(d) CAGR of NRI determined by the appraiser (ten years).
(e) The split between US Flagships and US Regionals has changed compared to the previous communications due to the reclassification of Westfield Annapolis, Westfield Fashion Square and Westfield Santa Anita from Flagships to Regionals and Westfield Mission Valley from Regionals to Flagships.

The CAGR of NRI is based on 2020 NRI, which is lower than the 2019 NRI. Compared to 2019, the CAGR of NRI are as follows:

Shopping Centres – Dec. 31, 2020	CAGR of NRI – Starting from 2020	CAGR of NRI – Starting from 2019	CAGR of NRI in 2019 valuations
France	3.8%	3.0%	3.7%
Central Europe	2.7%	1.9%	2.5%
Spain	5.1%	2.2%	3.1%
Nordics	4.7%	3.0%	3.4%
Germany	3.2%	2.3%	2.8%
Austria	2.5%	1.7%	2.5%
The Netherlands	2.6%	2.2%	3.2%
US Flagships	4.4%	3.1%	4.2%
US Regionals	3.8%	2.2%	3.6%
UK & Italy	4.2%	1.6%	3.0%
Average URW	**3.8%**	**2.5%**	**3.4%**

4.1.4.2 EPRA NET ASSET VALUE METRICS CALCULATION

In October 2019, EPRA released its revised Best Practices Recommendations for the calculation of NAV. As discussed above, EPRA NAV and EPRA NNNAV are replaced by three new metrics: EPRA NRV, EPRA NTA and EPRA NDV[1].

URW does not believe the EPRA NTA reflects the total value of its business as it ignores the value of intangible assets and the fee businesses which are integral parts of its business model.

The Group calculated the new metrics as at December 31, 2019, as at June 30, 2020, and as at December 31, 2020. The EPRA NAV and EPRA NNNAV as at December 31, 2019, were added to the table for comparison purposes.

The EPRA measures are calculated by adjusting the equity attributable to the holders of the Stapled Shares, as shown in the Consolidated statement of financial position (under IFRS), for the items as described below. These apply differently to each metric as noted.

EQUITY ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES

As at December 31, 2020, the Equity attributable to the holders of the Stapled Shares (which excludes both the Hybrid securities and the External non-controlling interests) came to €17,393.5 Mn.

The Equity attributable to the holders of the Stapled Shares incorporated the net recurring profit in the period of €1,056.6 Mn and the net negative impact in the period of -€8,269.2 Mn as a result of negative valuation movements, goodwill impairment and the negative mark-to-market of financial instruments.

REVALUATION TO FAIR VALUE OF INVESTMENT PROPERTIES, DEVELOPMENT PROPERTIES HELD FOR INVESTMENT AND OTHER NON-CURRENT INVESTMENTS

Three adjustments are made relative to the IFRS accounts for all EPRA metrics:

a. Where URW has accounted for investment properties at cost under the option in IAS 40, the revaluation of such assets to fair value, as measured in accordance with IAS 40, is adjusted;
b. Where URW holds properties at cost under IAS 16, any valuation increase/decrease to fair value at the reporting date is adjusted;
c. Any other non-current assets with a reliably determined fair value which is not included in the equity under IFRS is also adjusted. If applicable, the basis of valuation, and, in particular, whether or not a third-party appraiser was involved, is disclosed.

The appraisal of the operating asset of URW (7 Adenauer, Paris 16th), held at cost under IAS 16, gave rise to an unrealised capital gain of +€54 Mn, which was thus added back for the purpose of the EPRA NRV, EPRA NTA and EPRA NDV calculation.

DEFERRED TAX IN RELATION TO FAIR VALUE MOVEMENTS IN INVESTMENT PROPERTY

EPRA NRV: Excludes the deferred tax as per the IFRS balance sheet in respect of the difference between the fair value and the tax book value of investment property, development property held for investment, intangible assets, or other non-current investments as this would only become payable if the assets were sold.

The deferred tax relating to the financial instruments, which would not crystallise until or unless the financial instrument is sold, is also excluded. The same treatment is adopted for any deferred tax relating to property depreciation allowances (in the UK capital allowances) that could reverse on disposal of the property.

EPRA NTA: Under the revised EPRA methodology, three options are available:

a. When a company has clearly and specifically identified in its reporting part of its portfolio that it intends to hold and does not intend in the long run to sell, exclude such deferred taxes which are attributable to such part of the portfolio.
b. A company may specifically identify, based on its track record and/or tax structuring, that deferred tax which will only partially crystallise for part of its portfolio. In this case, the deferred tax can be reduced by a specific percentage for such part of the portfolio. For the avoidance of doubt, deferred taxes are supposed to have crystallised whether it is paid as an actual tax, or as part of a purchase price reduction, or in any other shape or form (whether cash or not). In such case, the company must disclose the basis and methodology for such treatment in the EPRA NTA calculation. This must include the disclosure of the way the percentage of saving has been calculated, as well as the disclosure of the most recent percentage of saving achieved in similar transaction.
c. In any other cases, exclude 50% of the deferred taxes.

URW has adopted the third option.

EPRA NDV: The deferred tax as per the IFRS balance sheet is assumed under this method to hypothetically crystallise, therefore, no adjustment is made. This is on the basis of a hypothetical sale of all of the assets and settlement of all of the liabilities of the Group.

In the Group's IFRS consolidated accounts, deferred tax on property assets was calculated in accordance with accounting standards as at December 31, 2020. As a result, and consistent with the methodology described above, for the purpose of the EPRA NRV calculation, deferred taxes (€2,023 Mn) were added back for the calculation of EPRA NRV, and for the calculation of the EPRA NTA. For the EPRA NTA calculation, -€1,011 Mn of effective deferred taxes were then deducted. The EPRA NDV was not adjusted.

(1) For further information on this change, please refer to the EPRA website: https://www.epra.com/application/files/2315/7321/0568/EPRA_FAQ_-_FINAL_version.pdf.

FAIR VALUE OF FINANCIAL INSTRUMENTS

EPRA NRV and EPRA NTA: Excludes the fair value of financial instruments that are used for hedging purposes where the company has the intention of keeping the hedge position until the end of the contractual duration. Whether URW has chosen to/is able to apply hedge accounting under IFRS is irrelevant. The mark-to-market value of any convertible debt or other financial instrument is excluded from net assets.

The logic for this adjustment is that, under normal circumstances, the financial derivatives that companies use to provide an economic hedge are held until maturity and so any fair value movements will not ultimately crystallise.

Likewise, the fair value of any foreign currency hedging instrument (where the hedge instrument is intended to be held to maturity) associated with changes in interest rates is excluded from the EPRA NRV and EPRA NTA measures.

EPRA NDV: Includes the full fair value of financial instruments, including the fair value of any loans and borrowings held at amortised cost under IFRS. The logic is that, under conditions of immediate disposal, a company may lack financial flexibility and may not be in a position to allow debt and associated derivatives run to expiry, as assumed in the EPRA NRV and EPRA NTA. EPRA NDV therefore requires the inclusion of the full fair value of financial debt and financial instruments, net of the associated deferred tax effect.

Therefore, the fair value adjustment of financial instruments recorded in the IFRS consolidated statement of financial position was added back by URW for the EPRA NRV and EPRA NTA calculation for a total amount of €929 Mn (excluding exchange rate hedging), and remained at the IFRS value for the EPRA NDV.

Fair value movements of foreign currency hedging instruments (fair value hedges or net investment hedges) recorded in the balance sheet and associated with foreign exchange retranslation remains in all three NAV metrics (NRV, NTA, and NDV) to offset the movement in the underlying investment being hedged.

GOODWILL AS A RESULT OF DEFERRED TAXES

All metrics exclude goodwill arising as a direct result of accounting for deferred tax in an acquisition.

Goodwill booked on the balance sheet as a result of deferred taxes of -€200 Mn as at December 31, 2020, was accordingly excluded from the EPRA NRV, EPRA NTA and EPRA NDV.

OTHER GOODWILL AS PER THE IFRS BALANCE SHEET

EPRA NRV: Goodwill as per the IFRS balance sheet is not adjusted, except where it relates to deferred taxes as noted above.

EPRA NTA and EPRA NDV: All Goodwill as per the balance sheet is excluded.

Goodwill booked on the balance sheet (which is mainly related to the Westfield acquisition) of -€1,049 Mn was thus deducted from the EPRA NTA and EPRA NDV (net of the goodwill resulting from deferred taxes already deducted).

INTANGIBLES AS PER THE IFRS BALANCE SHEET

EPRA NRV and EPRA NDV: Intangibles as per the IFRS balance are not adjusted for EPRA NRV and EPRA NDV calculation.

EPRA NTA: Intangibles as per the balance sheet are excluded from EPRA NTA.

Intangible assets of -€876 Mn have thus been deducted from the EPRA NTA.

FAIR VALUE OF FIXED INTEREST RATE DEBT

EPRA NRV and EPRA NTA: No adjustment to be made.

EPRA NDV: Any financial liability and asset on the balance sheet of the company is accounted for at fair value, net of any related deferred tax.

The value of the fixed rate debt on the balance sheet of the Group is equal to the nominal value of the UR debt and the fair value of the Westfield debt at the accounting combination date (May 31, 2018). Taking fixed rate debt at its fair value would have a negative impact of -€865 Mn as at December 31, 2020. This impact was taken into account in the EPRA NDV calculation.

REVALUATION OF INTANGIBLES TO FAIR VALUE

EPRA NRV: When the fair value of an intangible asset can reliably be determined and is not already included within goodwill or otherwise recorded on the balance sheet, it is added to the EPRA NRV. The basis of valuation is disclosed. URW uses an external valuer at least annually to determine the valuation of such intangible assets and discloses the name of the firms undertaking the valuations. Care is taken that no double counting takes place with the Goodwill on the balance sheet.

EPRA NTA and EPRA NDV: No adjustment is made.

The appraisal of property services companies in France, the US, the UK and Germany, the airport activities (excluding LAX and Chicago), the trademark and of the operations ("*fonds de commerce*") of Viparis Porte de Versailles, Paris Nord Villepinte, Palais des Congrès de Paris and Palais des Congrès d'Issy-les-Moulineaux, meet the criteria of this adjustment and have been so valued. This gave rise to an unrealised capital gain of +€1,113 Mn, which was added for the purpose of the EPRA NRV calculation.

REAL ESTATE TRANSFER TAX

EPRA NRV: Includes transfer taxes, by using the gross value of assets as provided in the Valuation Certificate (i.e. the value prior to any deduction of purchasers' costs).

EPRA NTA: Uses the IFRS values (usually the Net Value in the Valuation Certificate, i.e. the property value net of any purchasers' costs). However, URW has utilised the allowed option to use the optimised net property value as it can reasonably demonstrate that it can actually achieve this optimisation on a consistent basis. The average transfer tax achieved is thus used.

EPRA NDV: No adjustment is made to the IFRS value.

As at December 31, 2020, the transfer taxes and costs deducted from asset values in the statement of financial position (in accordance with IFRS) amounted to €1,836 Mn. For the purpose of the EPRA NRV calculation, this amount was added back.

For the purpose of the EPRA NTA calculation, the Group used the optimised net property value as noted. Transfer taxes and transaction costs are estimated after taking into account the likely disposal scenario: sale of the asset or of the company that owns it.

As at December 31, 2020, these estimated transfer taxes and other transaction costs compared to transfer taxes and costs already deducted from asset values on the statement of financial position (in accordance with IFRS) came to a positive net adjustment of +€522 Mn.

FULLY DILUTED NUMBER OF SHARES

Dilution from securities giving access to share capital as at December 31, 2020, was computed for such instruments "in the money" and having fulfilled the performance conditions.

In accordance with IFRS, financial instruments and the ORNANEs[1] were recorded on URW's statement of financial position at their fair value with the impact of the change in fair value included in the income statement and thus in the equity attributable to the holders of the Stapled Shares.

The ORNANEs issued in 2014 and 2015 were not restated for the EPRA measures calculation as they were "out of the money" as at December 31, 2020, and therefore had no impact on the number of shares.

The exercise of "in the money" stock-options and performance shares with the performance conditions fulfilled as at December 31, 2020, would have led to a rise in the number of shares by +314,217, without any impact on the equity attributable to the holders of the Stapled Shares as they relate only to performance shares.

As at December 31, 2020, the fully-diluted number of shares taken into account for the EPRA measures calculations was 138,786,602.

URW'S EPRA NRV

URW's EPRA NRV stood at €23,148 Mn or €166.80 per share (fully-diluted) as at December 31, 2020. The EPRA NRV per share decreased by -€62.00 (or -27.1%) compared to December 31, 2019.

The decrease of -€62.00 compared to December 31, 2019, was the sum of: (i) -€-55.25 per share representing the sum of: (a) -€56.89 per share representing the revaluation of investment properties, the impairment of goodwill and intangible assets and the capital gains on disposals, (b) the Recurring Earnings Per Share of +€7.63, (c) -€2.31 per share due to transfer taxes, (d) -€1.96 per share due to the deferred taxes on Balance Sheet and effective deferred taxes, (e) +€1.15 per share due to intangible assets, and (f) other effects of -€2.87 per share; (ii) the impact of the payment of the dividend for 2019 of -€5.40 per share; and (iii) the negative impact of the mark-to-market of financial assets of -€1.35 per share.

URW'S EPRA NTA

URW's EPRA NTA stood at €17,785 Mn or €128.10 per share (fully-diluted) as at December 31, 2020. The EPRA NTA per share decreased by -€49.50 (or -27.9%) compared to December 31, 2019.

URW'S EPRA NDV

URW's EPRA NDV stood at €15,334 Mn or €110.50 per share (fully-diluted) as at December 31, 2020. The EPRA NDV per share decreased by -€49.00 (or -30.7%) compared to December 31, 2019.

The decrease of -€49.00 compared to December 31, 2019, was the sum of: (i) -€-40.68 per share representing the sum of: (a) -€56.89 per share representing the revaluation of investment properties, the impairment of goodwill and intangible assets and the capital gains on disposals, (b) the Recurring Earnings Per Share of +€7.63 per share, (c) +€11.75 per share due to the neutralisation of the goodwill impairment, and (d) other effects of -€3.17 per share; (ii) the impact of the payment of the dividend for 2019 of -€5.40 per share; and (iii) the negative impact of the mark-to-market of financial assets and fixed interest rate debt of -€2.92 per share.

(1) Net share settled bonds convertible into new and/or existing shares (ORNANE) – see Financial resources note.

4.1.4.3 EPRA NET ASSET VALUE METRICS TABLE

	Dec. 31, 2019				
	Current measures			Previously reported measures	
(€Mn)	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
Equity attributable to the holders of the Stapled Shares (IFRS)	**25,951**	**25,951**	**25,951**	**25,951**	**25,951**
Include/Exclude:*					
i) Hybrid instruments	-	-	-	-	-
Diluted NAV	**25,951**	**25,951**	**25,951**	**25,951**	**25,951**
Include:*					
ii.a) Revaluation of IP (if IAS 40 cost option is used)	53	53	53	53	53
ii.b) Revaluation of IPUC(1) (if IAS 40 cost option is used)	0	0	0	0	0
ii.c) Revaluation of other non-current investments(2)	0	0	0	0	0
iii) Revaluation of tenant leases held as finance leases(3)	0	0	0	0	0
iv) Revaluation of trading properties(4)	0	0	0	0	0
Diluted NAV at Fair Value	**26,004**	**26,004**	**26,004**	**26,004**	**26,004**
Exclude:*					
v) Deferred tax in relation to fair value gains of IP(5) detailed below:					
v.a) Reversal of deferred taxes on Balance sheet	2,295	2,295	-	2,295	2,295
v.b) Effective deferred taxes on capital gains	-	(1,004)	-	-	(1,004)
vi) Fair value of financial instruments	547	547	-	547	-
vii) Goodwill as a result of deferred tax	(241)	(241)	(241)	(241)	(241)
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	(2,637)	(2,637)	-	-
viii.b) Intangibles as per the IFRS balance sheet	-	(984)	-	-	-
Include:*					
ix) Fair value of fixed interest rate debt	-	-	(1,022)	-	(1,022)
x) Revaluation of intangibles to fair value	952	-	-	952	952
xi) Real estate transfer tax(6)	2,156	627	-	-	627
NAV	**31,712**	**24,606**	**22,103**	**29,556**	**27,611**
Fully diluted number of shares	138,577,341	138,577,341	138,577,341	138,577,341	138,577,341
NAV per share	**€228.80**	**€177.60**	**€159.50**	**€213.30**	**€199.20**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortised cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

	Dec. 31, 2020		
(€Mn)	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to the holders of the Stapled Shares (IFRS)	17,394	17,394	17,394
Include/Exclude:*			
i) Hybrid instruments	-	-	-
Diluted NAV	17,394	17,394	17,394
Include:*			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	54	54	54
ii.b) Revaluation of IPUC(1) (if IAS 40 cost option is used)	0	0	0
ii.c) Revaluation of other non-current investments(2)	0	0	0
iii) Revaluation of tenant leases held as finance leases(3)	0	0	0
iv) Revaluation of trading properties(4)	0	0	0
Diluted NAV at Fair Value	17,447	17,447	17,447
Exclude:*			
v) Deferred tax in relation to fair value gains of IP(5) detailed below:			
v.a) Reversal of deferred taxes on Balance sheet	2,023	2,023	-
v.b) Effective deferred taxes on capital gains	-	(1,011)	-
vi) Fair value of financial instruments	929	929	-
vii) Goodwill as a result of deferred tax	(200)	(200)	(200)
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	(1,049)	(1,049)
viii.b) Intangibles as per the IFRS balance sheet	-	(876)	-
Include:*			
ix) Fair value of fixed interest rate debt	-	-	(865)
x) Revaluation of intangibles to fair value	1,113	-	-
xi) Real estate transfer tax(6)	1,836	522	-
NAV	23,148	17,785	15,334
Fully diluted number of shares	138,786,602	138,786,602	138,786,602
NAV per share	€166.80	€128.10	€110.50

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortised cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

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(€Mn)	EPRA NRV Dec. 31, 2020	June 30, 2020	Dec. 31, 2019
Equity attributable to the holders of the Stapled Shares (IFRS)	**17,394**	**21,539**	**25,951**
Include/Exclude:*			
i) Hybrid instruments	-	-	-
Diluted NAV	**17,394**	**21,539**	**25,951**
Include:*			
ii.a) Revaluation of IP (if IAS 40 cost option is used)	54	54	53
ii.b) Revaluation of IPUC(1) (if IAS 40 cost option is used)	0	0	0
ii.c) Revaluation of other non-current investments(2)	0	0	0
iii) Revaluation of tenant leases held as finance leases(3)	0	0	0
iv) Revaluation of trading properties(4)	0	0	0
Diluted NAV at Fair Value	**17,447**	**21,593**	**26,004**
Exclude:*			
v) Deferred tax in relation to fair value gains of IP(5) detailed below:			
v.a) Reversal of deferred taxes on Balance sheet	2,023	2,156	2,295
v.b) Effective deferred taxes on capital gains	-	-	-
vi) Fair value of financial instruments	929	1,154	547
vii) Goodwill as a result of deferred tax	(200)	(205)	(241)
viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	-	-
viii.b) Intangibles as per the IFRS balance sheet	-	-	-
Include:*			
ix) Fair value of fixed interest rate debt	-	-	-
x) Revaluation of intangibles to fair value	1,113	703	952
xi) Real estate transfer tax(6)	1,836	1,962	2,156
EPRA NRV	**23,148**	**27,362**	**31,712**
Fully diluted number of shares	138,786,602	138,882,932	138,577,341
EPRA NRV per share	**€166.80**	**€197.00**	**€228.80**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortised cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

Evolution of EPRA NRV, EPRA NTA and EPRA NDV – per share (fully diluted)		EPRA NRV	EPRA NTA	EPRA NDV
As at December 31, 2019, per share		**€228.80**	**€177.60**	**€159.50**
Recurring Net Result		**7.63**	**7.63**	**7.63**
Revaluation of Investment Properties*		(44.66)	(44.66)	(44.66)
Shopping Centres	(43.39)			
Offices & Others	(0.22)			
Convention & Exhibition	(1.04)			
Depreciation or impairment of intangibles		(0.42)	(0.42)	(0.42)
Impairment of goodwill		(11.19)	(11.19)	(11.19)
Capital gain on disposals		(0.62)	(0.62)	(0.62)
Subtotal revaluations, impairments and capital gain on disposals		**(56.89)**	**(56.89)**	**(56.89)**
Mark-to-market of debt and financial instruments		(4.10)	(4.10)	(4.10)
Taxes on non-recurring result		2.01	2.01	2.01
Other non-recurring result		(0.60)	(0.60)	(0.60)
Subtotal non-recurring financial expenses, taxes and other		**(2.69)**	**(2.69)**	**(2.69)**
Distribution		**(5.40)**	**(5.40)**	**(5.40)**
Other changes in Equity attributable to the holders of the Stapled Shares		**(4.59)**	**(4.59)**	**(4.59)**
Total changes in Equity attributable to the holders of the Stapled Shares		**(61.94)**	**(61.94)**	**(61.94)**
Revaluation of Investment Properties (operating assets)		0.01	0.01	0.01
Impact of deferred taxes on Balance sheet and effective deferred taxes		(1.96)	(2.02)	-
Impact of fair value of financial instruments adjustment		2.75	2.75	-
Impact of impairment or changes in goodwill as per the IFRS balance sheet		0.30	11.75	11.75
Impact of real estate transfer tax		(2.31)	(0.76)	-
Impact from intangibles assets		1.15	0.71	-
Impact of fair value adjustment of fixed interest rate debt		-	-	1.18
Total changes due to NAV adjustments		**(0.06)**	**12.44**	**12.94**
As at December 31, 2020, per share (fully diluted)		**€166.80**	**€128.10**	**€110.50**

Figures may not add up due to rounding.

(*) Revaluation of property assets is -€35.70 per share on a like-for-like basis, of which -€11.94 due to the rental effect and -€23.76 due to the yield effect, as appraisers have increased ECR and DR for a number of assets in the Shopping Centre portfolio due to the COVID-19 pandemic.

4.1.5 FINANCIAL RESOURCES

In 2020, all financial markets were affected by the COVID-19 pandemic. The credit markets were severely hit, with a significant increase in credit spreads and a few periods in which markets were effectively closed. However, the extraordinary scale of the intervention by Central Banks (ECB, US Federal Reserve and the Bank of England) supported the credit markets and the access to liquidity for issuers. Moreover, market sentiment improved at year end following the announcement of vaccine candidates in November 2020.

Against this backdrop, URW raised €4,750 Mn of medium- to long-term funds in the bond and bank markets including credit facility extensions. As at December 31, 2020, the Group had €11.4 Bn of cash on hand and undrawn credit lines (€11.5 Bn on a proportionate basis).

As the Group's financial covenants are calculated in accordance with IFRS, unless otherwise indicated, the financial information in this section is presented in accordance with IFRS. The Group also provides such information on a proportionate basis (see comparative table in Section 4.1.5.5).

Unless otherwise indicated, comparisons to ratios, debt outstanding, average cost of debt, the amount of undrawn credit lines and cash on hand relate to December 31, 2019.

As at December 31, 2020:[(1)]

- The Interest Coverage Ratio[(2)] ("ICR") was 3.5x[(3)] (5.7x[(4)]);
- The Loan-to-Value ("LTV") ratio[(5)] was 44.7%[(6)] (38.6%).

The average cost of debt for the period was 1.7% (1.6%), representing the blended average cost of 1.1% for Euro and SEK denominated debt and 3.6% for USD and GBP denominated debt.

4.1.5.1 DEBT STRUCTURE AS AT DECEMBER 31, 2020

URW's gross financial debt[(7)] was €26,385 Mn (€24,728 Mn).

The gross financial debt includes €603 Mn of net share settled bonds convertible into new and/or existing URW Stapled Shares ("ORNANE") issued in June 2014 and in April 2015.

The increase in gross debt is primarily a result of the Group's decision to raise funds to increase liquidity in light of COVID-19, and of the full consolidation of the debt of JV entities following the acquisition of the JV partners' shares (50%) in five US assets (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside, and Westfield Sarasota) partly offset by the disposal of the five French assets and the debt early repayment completed in 2020.

The net financial debt was €24,248 Mn (€24,239 Mn), excluding partners' current accounts and taking into account cash on hand of €2,138 Mn[(8)] (€489 Mn), following the additional funds raised by the Group. Pro-forma for the receipt of the proceeds from the disposal of SHiFT and Les Villages 3, 4 and 6 office buildings, the net financial debt would be €23,470 Mn.

DEBT BREAKDOWN

URW's gross financial debt as at December 31, 2020:[(9)]

	Total URW (€Mn)
EMTN	18,243
Rule 144A and other Regulation S bonds	4,557
ORNANE	603
Short-term paper	1,040
Bank loans and overdrafts	385
Mortgage loans	1,558
Total	**26,385**

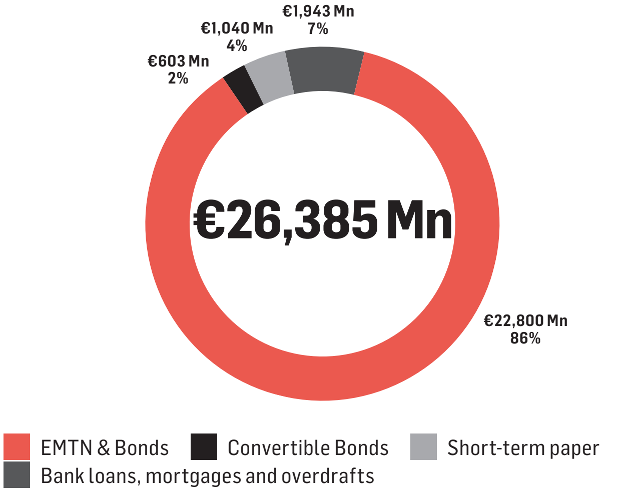
The medium- to long-term corporate debt issued by the various URW entities is cross guaranteed. No loans are subject to prepayment clauses linked to the Group's credit ratings[(10)].

On a proportionate basis, the Group's gross financial debt stood at €28,324 Mn[(11)] (€27,034 Mn) and the net financial debt at €26,054 Mn (€26,440 Mn), after taking into account the cash on hand. Pro-forma for the receipt of the proceeds from the disposal of SHiFT and Les Villages 3, 4 and 6 office buildings, the net financial debt would be €25,277 Mn.

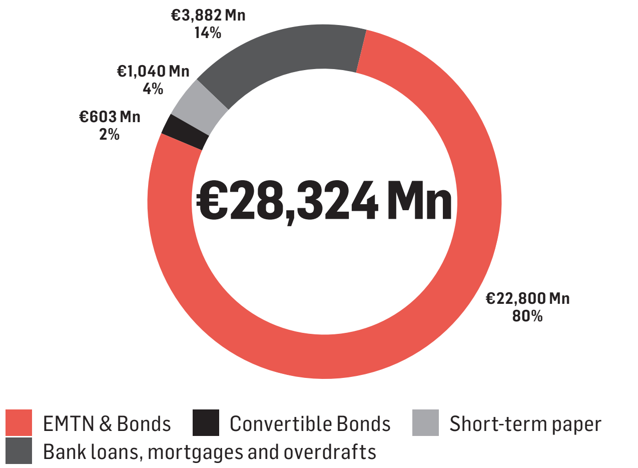
(1) Hybrid securities are accounted for as equity. The hybrid securities are deeply subordinated perpetual instruments with a coupon deferral option and are required to be classified as equity under IFRS. Details on the hybrid securities are available at: https://images-urw.azureedge.net/-/media/Corporate-o-Sites/Unibail-Rodamco-Corporate/Files/Homepage/INVESTORS/Financing-Activity/Bond-Issues/Prospectuses-Hybrid/20180423-2018-Prospectus-Hybrid_onlyEN.ashx?revision=035329ae-9e2d-4980-a5c7-97b97e3f2fd1
(2) Recurring EBITDA/Recurring Net Financial Expenses (including capitalised interest). Recurring EBITDA is calculated as total recurring operating result and other income minus general expenses, excluding depreciation and amortisation.
(3) 3.1x on a proportionate basis.
(4) 4.9x on a proportionate basis.
(5) Net financial debt as shown on the Group's balance sheet, after the impact of derivative instruments on debt raised in foreign currencies/total assets, including transfer taxes (46.3% excluding transfer taxes). The proportionate LTV ratio as at December 31, was 46.3% (48.0% excluding transfer taxes).
(6) Excluding €1,129 Mn of goodwill not justified by fee business as per the Group's European leverage covenants.
(7) After impact of derivative instruments on debt raised in foreign currencies. Excluding financial leases accounted as debt under IFRS 16.
(8) €2,270 Mn on a proportionate basis.
(9) Figures may not add up due to rounding.
(10) Barring exceptional circumstances (change in control).
(11) The sum of: (i) IFRS debt, and (ii) the Group's share of debt at joint ventures accounted for using the equity method under IFRS, most of which is secured by assets held in joint ventures (mainly in the US and the UK).

The Group's financing sources are as follows:

IFRS DEBT

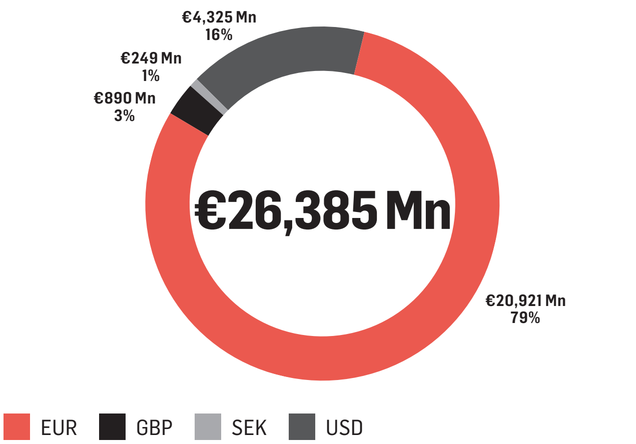


PROPORTIONATE DEBT

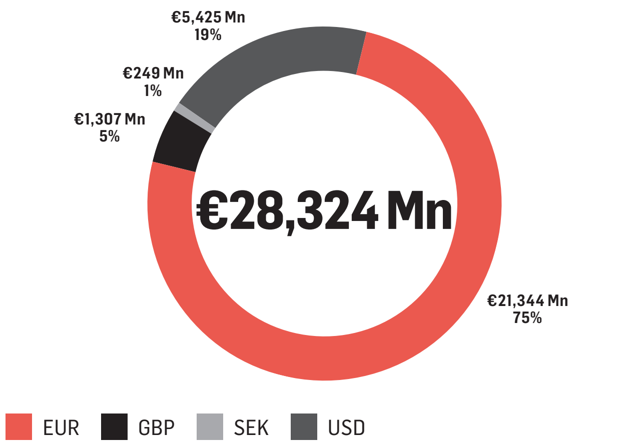


The split of the gross financial debt by currency is as follows:[1]

IFRS DEBT



PROPORTIONATE DEBT



FUNDS RAISED

Despite the challenging market conditions, the Group secured additional liquidity and increased[2] its debt maturity, though at a higher cost, through the following public EMTN Bonds:

- On April 2, 2020:
  - €600 Mn with a 2.125% coupon and five-year maturity;
  - €800 Mn with a 2.625% coupon and ten-year maturity;
- On June 22, 2020:
  - €750 Mn with a 2.0% coupon and 12-year maturity;
- On November 25, 2020:
  - €1,000 Mn with a 0.625% coupon and six-year and five-month maturity;
  - €1,000 Mn with a 1.375% coupon and 11-year maturity.

In total, €4,150 Mn of bonds were issued with a weighted average maturity of 9.0 years and a weighted average coupon of 1.66%.

Part of the long-term debt raised was used to repay existing debt with shorter maturities, including:

- On September 4, 2020, $300 Mn partial repayment of the 144A bond maturing in October 2020;
- On December 2, 2020, €544.9 Mn (in nominal) tender offer on five outstanding public bonds maturing over 2021-2024 (representing 19.56% of the outstanding amount subject to the tender offer) with an average remaining maturity of 1.3 years and an average coupon of 1.0%;
- On December 16, 2020, €500 Mn full repayment of a Floating Rate Note private placement maturing in June 2021.

(1) Figures may not add up due to rounding.
(2) Taking into account the undrawn credit lines and cash on hand.

In addition, URW accessed the money markets by issuing short-term paper.

In April 2020, the Group raised £600 Mn in European Commercial Paper (“ECP”) from the Bank of England as part of its COVID Corporate Financing Facility (“CCFF”) programme with a maturity of ten months and an average yield of 0.49%. In December 2020, the Group fully repaid in advance the £600 Mn ECP maturing in Q1-2021 with its available cash.

The average amount of short-term paper(1) in 2020 was €1,364 Mn (€1,061 Mn on average in 2019).

The Group also took the following actions in 2020 to ensure it had ample liquidity:

- In March, URW drew down part of its credit lines for a total amount of €3.2 Bn. These drawdowns were repaid and these credit lines are available in full at the end of December 2020;
- In April, a €100 Mn one-year term loan was put in place with a yield of 0.49%;
- Since September, the Group extended part of its credit facilities for an amount of €500 Mn, with an average maturity of four years.

As at December 31, 2020, the total amount of undrawn credit lines(2) came to €9,240 Mn (€9,195 Mn) and the cash on hand came to €2,138 Mn (€489 Mn), which will be used to repay debt maturities coming due in the next 12-months. The undrawn credit lines include a $3,200 Mn (ca. €2,608 Mn) multi-currency revolving credit facility. The average residual maturity of these undrawn credit lines stands at 1.9 year.

In addition, the Entity which acquired the five French assets raised a non-recourse mortgage loan of €1,010 Mn with a seven-year maturity at a yield of 1.69%.

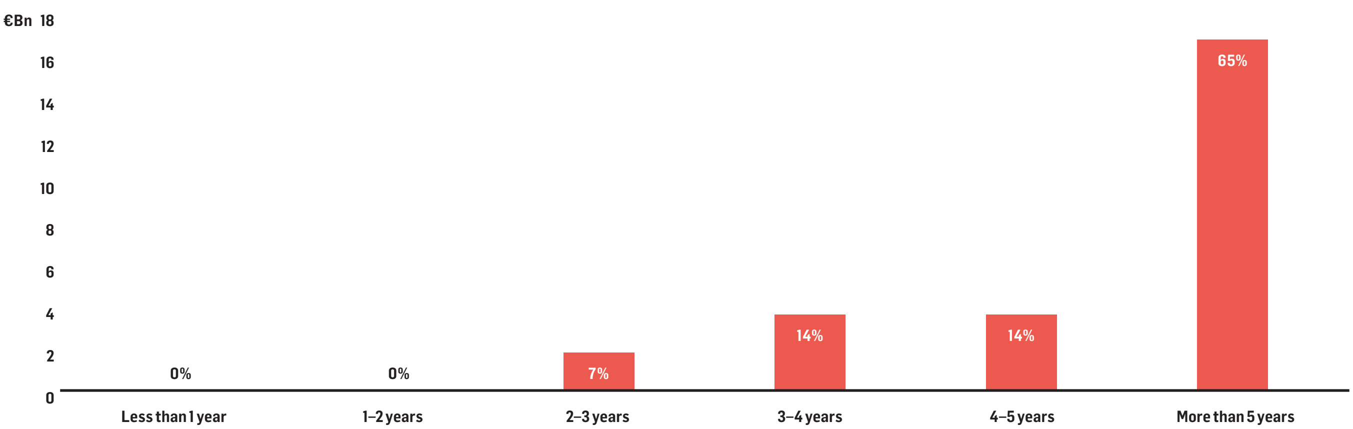
On October 30, 2020, the Group acquired its JV partner’s 50% share in five US assets (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside, and Westfield Sarasota). These properties and their related mortgage debt are now fully consolidated in URW accounts as at December 31, 2020. This debt totals $411 Mn, reflecting the repayment in full of the Brandon mortgage debt ($131 Mn at 100%) in November 2020 through corporate financing. These properties and the related loans were previously equity accounted at the Group’s 50% share.

DEBT MATURITY

The average maturity of the Group’s debt as at December 31, 2020, taking into account the undrawn credit lines(3) and cash on hand, stood at 8.4 years.

The following chart illustrates the split of URW’s net financial debt as at December 31, 2020, by maturity date, after the allocation of the undrawn part of the credit lines and based on the residual life of its facilities.

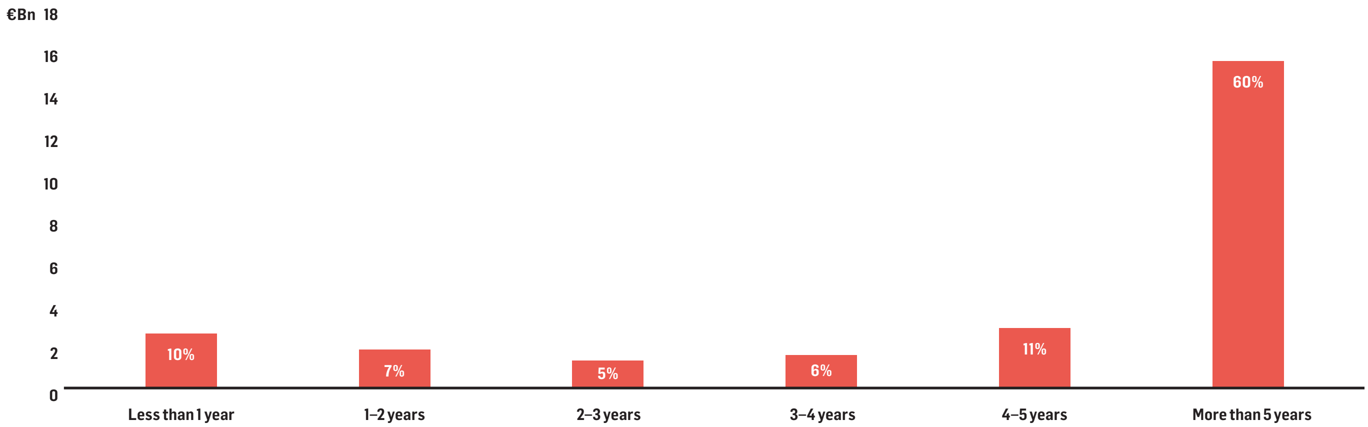
100% of the debt had a maturity of more than two years as at December 31, 2020 (after taking into account undrawn credit lines and cash on hand).



The average maturity of the Group’s debt as at December 31, 2020, without taking into account the undrawn credit lines and cash on hand, stood at 7.5 years.

(1) Neu CP, Neu MTN and ECP.
(2) Subject to covenants.
(3) Subject to covenants.

The following chart illustrates URW's gross financial debt as at December 31, 2020, by maturity date without taking into account cash on hand and available credit lines.



LIQUIDITY NEEDS

URW's debt repayment needs for the next 12-months (€2,518 Mn)(1) are fully covered by the cash on hand (€2,138 Mn)(2) and available undrawn credit lines(3) (€9,240 Mn). These debt repayment needs have been reduced by €1,513 Mn of early repayment completed in 2020 including ECP and bonds buybacks. The amount of bonds, ORNANE, mortgage and bank loans outstanding as at December 31, 2020, and maturing or amortising within one year is €1,469 Mn (including €1,125 Mn of bonds and ORNANE). The amount of Neu CP maturing in the next 12-months is €1,040 Mn. The credit facilities maturing over the next 12-months stands at €2,350 Mn. URW has engaged in discussions to extend these lines.

AVERAGE COST OF DEBT

The average cost of debt as at December 31, 2020, was 1.7% (1.6%), representing the blended average cost of 1.1% for Euro and SEK denominated debt and 3.6% for USD and GBP denominated debt.

This average cost of debt results from:

- The low coupon levels the Group achieved on its fixed rate debt;
- The level of margins on existing borrowings;
- The hedging instruments in place;
- The cost of carry of the undrawn credit lines;
- The cost of debt to finance the Westfield acquisition;
- Higher base rates in the US and the UK and debt issued by Westfield prior to completion of the acquisition;
- The cost of carry in relation with the significant liquidity raised by the Group in 2020;
- The impact of rating downgrade in 2020 on the cost of its credit lines and financing.

4.1.5.2 RATINGS

URW has a solicited rating from both Standard & Poor's ("S&P") and Moody's.

Due to the expected impact of the COVID-19 crisis on the Group, on March 27, 2020:

- S&P downgraded URW's long-term rating from "A" to "A-" and its short-term rating from "A-1" to "A-2", with a negative outlook;
- Moody's downgraded URW's long-term rating from "A2" to "A3", with a negative outlook.

On September 16, 2020, following the "RESET plan" announcement:

- S&P published a press release, affirming the Group's ratings at "A-/A-2", with negative outlook unchanged (long-term and short-term respectively);
- Moody's downgraded URW's long-term rating from "A3" to "Baa1", while changing the outlook from negative to stable.

These ratings were subject to the completion of the RESET plan, including the €3.5 Bn capital increase which was subject to the EGM vote.

On November 12, 2020, following the EGM vote result and the decision not to proceed with the capital increase:

- S&P downgraded URW's long-term rating from "A-" to "BBB+" with a negative outlook while maintaining the Group's short-term rating unchanged at "A-2";
- Moody's confirmed the Group's rating at "Baa1", while changing its outlook from stable to "review for downgrade".

On March 4, 2021, Moody's downgraded URW's long-term rating from "Baa1" to "Baa2" and changed the outlook from "rating under review for downgrade" to "stable". This rating action concluded the review process that was initiated on November 12, 2020.

(1) Including short-term paper maturing in 2021 (€1,040 Mn) and overdrafts (€10 Mn) and excluding mortgage debt under foreclosure in the US.
(2) To be noted that the cash on hand does not include proceeds from the disposal of SHiFT and Les Villages 3, 4 and 6 office buildings.
(3) Subject to covenants.

4.1.5.3 MARKET RISK MANAGEMENT

Market risks can generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices. URW's risk mainly relates to interest rate fluctuations on the debt it has taken out to finance its investments and maintain the cash position it requires and exchange rate fluctuations due to the Group's activities in countries outside the Eurozone, in particular in the US and the UK. The Group, through its activities, may be exposed to market risks which can generate losses as a result of fluctuations in stock markets. The Group is either: (i) directly exposed to fluctuations in stock prices due to the ownership of shares or financial instruments, or, (ii) indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share based derivatives which are directly correlated with the price of the asset underlying such derivatives.

URW's interest risk management policy aims to limit the impact of interest rate fluctuations on results, while minimising the overall cost of debt. To achieve these objectives, the Group uses derivatives, mainly caps and swaps, to hedge its interest rate exposure through a macro hedging policy.

URW's exchange rate policy objective is to have a ratio that is broadly consistent[1] currency by currency. Thus, the Group raises debt in local currency, uses derivatives and buys or sells foreign currencies at spot or forward rates. Due to its use of derivatives, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default. The Group implemented IFRS 13 for the mark-to-market calculations of its derivative transactions.

(in millions)*	Euros[2]	USD	GBP	Total eq. EUR
Assets[3]	39,233	14,249	3,008	54,192
Net Financial Debt	19,136	5,207	781	24,248
LTV[4]	48.8%	36.5%	26.0%	44.7%

* In local currencies.

On a proportionate basis, the Group's LTV was 46.3% as at December 31, 2020.

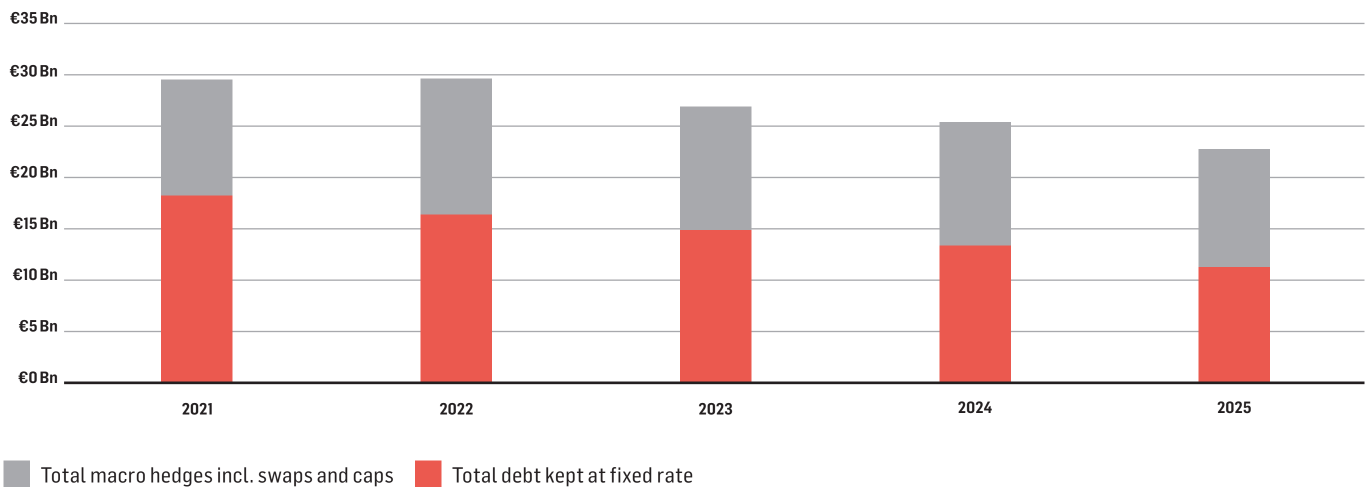
Interest rate risk management

The five bonds issued in 2020 were kept at a fixed rate.

In view of the Group's fully hedged position, the debt raised at fixed rate in 2020 and the anticipated debt reduction resulting from its planned disposal programme, the hedging program has been adjusted to reduce the amount of hedging instruments for a total net cash cost of €44.4 Mn.

In total, the existing debt[5] and the debt the Group expects to raise in the coming years are fully hedged, based on its current disposal and investment plans.

ANNUAL PROJECTION OF AVERAGE HEDGING AMOUNTS AND FIXED RATE DEBT UP TO 2025 (€BN – AS AT DECEMBER 31, 2020)



The graph above shows:
- The part of the debt kept at a fixed rate;
- The hedging instruments used to hedge the variable rate loans and fixed rate debt immediately converted into variable rate debt through the Group's macro hedging policy.

URW in general does not classify its financial hedging instruments as cash flow hedges. As a result, any fair value changes in these instruments are recognised in the Group's income statement.

(1) On a proportionate basis.
(2) Including SEK.
(3) Including transfer taxes and excluding €1,129 Mn of goodwill not justified by fee businesses.
(4) The LTV per currency, on a proportionate basis, is 49.1%, 41.5%, 32.7% in EUR, USD and GBP, respectively.
(5) On a proportionate basis.

MEASURING INTEREST RATE EXPOSURE

The interest rate cost of outstanding debt was fully hedged as at December 31, 2020, through both:

- Debt kept at a fixed rate; and
- Hedging in place as part of URW's macro hedging policy.

Based on the estimated average proportionate debt position of URW in 2021, if interest rates (Euribor, Libor, Stibor or Pribor) were to rise by an average of +50 bps[(1)] during the 2021, the estimated negative impact on financial expenses would be €42.3 Mn, decreasing the 2021 net recurring result by a broadly similar amount:

- Euro financial expenses would increase by €42.3 Mn;
- No impact on Dollar financial expenses;
- No impact on Sterling financial expenses.

An additional +50 bps would increase financial expenses by a further €42.0 Mn.

In total, a +100 bps increase in interest rates during 2021 would have a net negative impact on financial expenses of €84.3 Mn.

A -50 bps drop in interest rates would have a positive impact on the financial expenses of €42.3 Mn, increasing the net recurring profit in 2021 by a broadly equivalent amount:

- Euro financial expenses would decrease by €42.3 Mn;
- No impact on Dollar financial expenses;
- No impact on Sterling financial expenses.

Foreign exchange risk management

The Group is active in countries outside the Eurozone. When converted into euros, the income and value of the Group's investments may be influenced by fluctuations in exchange rates against the euro. The Group's policy objective is to apply a broadly consistent LTV by currency allowing it to match part of the foreign currency asset value and income with debt and financial expenses in the same currency, thus reducing the exchange rate effects on the Group's balance sheet and earnings. Foreign exchange risk can be hedged by either matching investments in a specific currency with debt in the same currency or using derivatives to achieve the same risk management goal.

Currency risk during the building period of pipeline investments is covered as early as possible after signing the actual building contract.

Measure of exposure to foreign exchange risks (€Mn)[(2)]

Currency	Assets	Liabilities	Net exposure	Hedging Instruments	Exposure net of hedges
USD	11,535	(5,438)	6,097	0	6,097
GBP	3,008	(1,073)	1,935	0	1,935
SEK	2,661	(637)	2,024	0	2,024
Others	685	(720)	(35)	433	398
Total	**17,888**	**(7,867)**	**10,021**	**433**	**10,455**

The main exposures kept are in USD, GBP and SEK. A change of 10% of EUR/USD, EUR/GBP or EUR/SEK (i.e. a +10% increase of EUR against the USD, GBP or SEK) would have an impact on shareholders' equity and on the net recurring result as follows:

	Impact on	
(€Mn)	Shareholder's Equity	Net Recurring Result
+10% in EUR/USD	(554.3)	(10.6)
+10% in EUR/GBP	(175.9)	(5.4)
+10% in EUR/SEK	(184.0)	(7.7)

The impact on the net recurring result (or conversely a positive impact in case of a decrease of EUR vs. these currencies) would be fully offset by the FX hedging that the Group has put in place against EUR/USD, EUR/GBP and EUR/SEK fluctuations.

As at December 31, 2020, the SEK1,750 Mn credit line signed in December 2017 and the $3,200 Mn revolving credit facility signed in June 2018 are undrawn.

4.1.5.4 FINANCIAL STRUCTURE

As at December 31, 2020, the GMV of the Group's assets was €54,192 Mn (€56,314 Mn on a proportionate basis).

DEBT RATIO

The LTV ratio was 44.7%[(3)] (38.6%). The increase in LTV is mainly due to lower valuations, partly offset by the impact of the disposal of the five French assets and the reduction of the dividend paid in 2020 to €750 Mn.

Pro-forma for the receipt of the proceeds from the disposal of the SHiFT and Les Villages 3, 4 and 6 office buildings, the LTV would be 44.0%.

On a proportionate basis, the LTV would go down from 46.3% to 45.6% pro-forma for the disposal of the SHiFT and Les Villages 3, 4 and 6 office buildings.

Out of the Group's €6.0 Bn disposal plan announced in February 2019, €4.8 Bn, or 80%, has been completed. Upon completion of the SHiFT and Les Villages 3, 4 and 6 office buildings disposals for a total of €0.8 Mn, the Group will have generated €5.6 Bn of net disposals proceeds since June 2018.

(1) The impact on exchange rates due to this theoretical increase of +50 bps in interest rates is not taken into account. The theoretical impact of a rise or decrease in interest rates is calculated relative to the applicable rates as at December 31, 2020: 3m Euribor (-0.545%), 3m USD Libor (0.2384%) and 3m GBP Libor (0.2550%).
(2) Liabilities include, but are not limited to, the debt raised in the given currencies and deferred tax liabilities.
(3) Excluding €1,129 Mn of goodwill not justified by fee businesses as per the Group's European leverage covenants.

INTEREST COVERAGE RATIO

The ICR for the period stood at 3.5x[1] (5.7x).

This decrease results from (i) a decrease in EBITDA that is mainly due to the impact of COVID-19 and (ii) an increase in the cost of debt due in particular to the cost of carry of liquidity and increased spreads paid on URW's new debt raised.

Financial ratios	Dec. 31, 2020	Dec. 31, 2019
LTV	44.7%	38.6%
ICR	3.5x	5.7x

The Group's corporate debt covenant levels and corresponding current ratios, including the covenants on available credit facilities and on the US dollar bond indentures (Rule 144A and Reg S bonds) are set at:

	Dec. 31, 2020	Europe Credit facility covenants level	US Credit facility covenants level	US Bond covenants level
LTV	44.7%	< 60%	< 65%	< 65%
ICR	3.5x	> 2x	> 1.5x	> 1.5x
FFO/NFD	4.8%	> 4%	N/A	N/A
Secured debt ratio[2]	2.8%	N/A	< 50%	< 45%
Unencumbered leverage ratio[3]	1.8x	N/A	> 1.5x	> 1.25x

These covenants are tested twice a year based on the Group's IFRS financial statements.

As at December 31, 2020:

CORPORATE DEBT:

- 96% of the Group's credit facilities and loans allow an LTV of up to 60% for the Group or the borrowing entity, as the case may be.
- 100% of the Group's credit facilities and loans require an ICR > 2x for the Group or the borrowing entity, as the case may be.
- 70% of the Group's credit facilities and loans include an FFO[4]/NFD covenant. These require an FFO/NFD above 4% for the Group or the borrowing entity, as the case may be.

SECURED DEBT NON-RECOURSE:

- 19% of the non-recourse mortgage debt raised by certain entities of the Group includes Debt Yield[5] covenants (usually 7%-7.5% for the mortgaged asset).

SHORT-TERM DEBT:

- There are no financial covenants (such as loan-to-value or interest coverage ratios) in the Neu MTN, the Neu CP, the ECP and the USCP programs of URW.

Regarding secured mortgage debt, with the decrease of the rent collection over 2020 and increased vacancy following the various lockdowns, potential covenant breaches could happen in Q1-2021 (on cash flow related ratios). Figures are under review as well as alternatives to deal with this situation. Any such breach should have a limited impact on the Group's financial statement and would not lead to a cross-default on the Group's borrowings.

As a result of the COVID-19 pandemic, debt service payments on certain mortgage loans ($476 Mn on a proportionate basis) on some regional US assets have not been made. Two of these assets with loans totalling $278 Mn are currently in foreclosure. The Group is in discussion with the servicers regarding the remaining loans. Defaults under these loans are not expected to have a material adverse effect on the Group's finances.

NET DEBT/ EBITDA RATIO:

Although it is not part of URW's corporate debt covenants, the Group has set itself a Net debt/EBITDA target of 9x. The Net debt/EBITDA stands at 14.6x (9.9x) as a result of the impact of COVID-19 on 2020 EBITDA.

4.1.5.5 COMPARATIVE TABLE OF MAIN FINANCIAL DATA AND RATIOS IN IFRS AND PROPORTIONATE, AS AT DECEMBER 31, 2020

Financial ratios	IFRS	Proportionate
Gross debt	€26,385 Mn	€28,324 Mn
Net debt	€24,248 Mn	€26,054 Mn
LTV	44.7%	46.3%
ICR	3.5x	3.1x
Net debt/EBITDA	14.6x	15.2x

(1) Proportionate ICR: 3.1x.
(2) Secured debt/Total assets.
(3) Unencumbered assets/unsecured debt.
(4) Funds From Operations: on an annualised basis, the recurring EBITDA minus (i) recurring net financial expenses and (ii) tax on recurring operating result.
(5) Debt Yield: ratio of the net operating income to the outstanding loan amount, net of certain cash as defined in the relevant mortgage loan documentation.

4.1.5.6 LTV RECONCILIATION WITH THE BALANCE SHEET (B/S)

A) UNDER IFRS:

(€Mn)	Dec. 31, 2020 IFRS	June 30, 2020 IFRS	Dec. 31, 2019 IFRS
Amounts accounted for in B/S	**52,759.8**	**57,173.3**	**62,282.7**
Investment properties at fair value	**39,623.6**	42,591.0	44,589.9
Investment properties at cost	**1,324.1**	1,237.6	1,143.3
Shares and investments in companies accounted for using the equity method	**8,370.3**	9,907.4	10,194.6
Other tangible assets	**279.2**	330.5	344.5
Goodwill	**1,248.1**	2,119.4	2,878.4
Intangible assets	**876.3**	922.8	984.4
Properties or shares held for sale	**1,038.2**	64.6	2,147.6
Adjustments	**1,431.7**	**731.5**	**479.7**
Transfer taxes	**1,842.7**	1,956.5	2,189.9
Goodwill not justified by fee business[1]	**(1,128.8)**	(1,364.8)	(2,039.3)
Revaluation intangible and operating assets	**1,454.2**	946.5	1,234.0
IFRS adjustments, including	**(736.4)**	(806.7)	(905.0)
Financial leases	*(828.8)*	*(848.4)*	*(848.1)*
Other	*92.4*	*41.7*	*(56.9)*
Total assets, including Transfer Taxes (A)	**54,191.5**	**57,904.8**	**62,762.4**
Total assets, excluding Transfer Taxes (B)	**52,348.8**	**55,948.3**	**60,572.4**
Amounts accounted for in B/S			
Net share settled bonds convertible into new and/or existing shares (ORNANE)	**497.7**	488.1	602.1
Non current bonds and borrowings	**24,310.5**	23,354.4	22,931.6
Current borrowings and amounts due to credit institutions	**2,686.7**	4,956.5	2,557.4
Liabilities directly associated with properties or shares classified as held for sale	**203.5**	-	-
Total financial liabilities	**27,698.4**	**28,799.0**	**26,091.0**
Adjustments			
Mark-to-market of debt	**47.3**	28.4	18.1
Current accounts with non-controlling interests	**(1,269.2)**	(1,342.1)	(1,307.9)
Impact of derivative instruments on debt raised in foreign currency	**(8.7)**	(59.8)	(8.4)
Accrued interest/issue fees	**(82.5)**	19.6	(65.1)
Total financial liabilities (nominal value)	**26,385.1**	**27,445.1**	**24,727.8**
Cash & cash equivalents	**(2,137.6)**	(3,405.7)	(488.8)
Net financial debt (C)	**24,247.5**	**24,039.4**	**24,239.0**
LTV ratio including Transfer Taxes (C/A)	**44.7%**	**41.5%**	**38.6%**
LTV ratio excluding Transfer Taxes (C/B)	**46.3%**	**43.0%**	**40.0%**

Figures may not add up due to rounding.

(1) Adjustment of goodwill according to bank covenants.

B) ON A PROPORTIONATE BASIS:

(€Mn)	Dec. 31, 2020 Proportionate	June 30, 2020 Proportionate	Dec. 31, 2019 Proportionate
Amounts accounted for in B/S	**54,659.5**	**59,401.0**	**64,619.1**
Investment properties at fair value	**48,579.4**	53,249.1	56,002.4
Investment properties at cost	**1,382.0**	1,314.7	1,222.3
Shares and investments in companies accounted for using the equity method	**1,188.7**	1,308.5	948.0
Other tangible assets	**280.0**	331.4	345.5
Goodwill	**1,314.7**	2,209.9	2,968.9
Intangible assets	**876.5**	922.8	984.4
Properties or shares held for sale	**1,038.2**	64.6	2,147.6
Adjustments	**1,654.4**	**949.3**	**722.3**
Transfer taxes	**2,069.9**	2,214.2	2,472.8
Goodwill not justified by fee business[1]	**(1,195.4)**	(1,455.3)	(2,129.8)
Revaluation intangible and operating assets	**1,453.2**	945.6	1,233.0
IFRS adjustments, including	**(673.2)**	(755.2)	(853.7)
Financial leases	*(837.3)*	*(857.7)*	*(857.4)*
Other	*164.1*	*102.5*	*3.7*
Total assets, including Transfer Taxes (A)	**56,314.0**	**60,350.3**	**65,341.4**
Total assets, excluding Transfer Taxes (B)	**54,244.1**	**58,136.1**	**62,868.6**
Amounts accounted for in B/S			
Net share settled bonds convertible into new and/or existing shares (ORNANE)	**497.7**	488.1	602.1
Non current bonds and borrowings	**26,211.0**	25,337.7	25,159.5
Current borrowings and amounts due to credit institutions	**2,716.8**	5,241.4	2,620.0
Liabilities directly associated with properties or shares classified as held for sale	**203.5**	-	-
Total financial liabilities	**29,629.0**	**31,067.2**	**28,381.7**
Adjustments			
Mark-to-market of debt	**61.3**	45.5	36.4
Current accounts with non-controlling interests	**(1,269.2)**	(1,342.1)	(1,307.9)
Impact of derivative instruments on debt raised in foreign currency	**(8.7)**	(59.8)	(8.4)
Accrued interest/issue fees	**(88.0)**	15.1	(67.5)
Total financial liabilities (nominal value)	**28,324.2**	**29,725.9**	**27,034.3**
Cash & cash equivalents	**(2,270.3)**	(3,491.2)	(594.3)
Net financial debt (C)	**26,053.9**	**26,234.7**	**26,440.0**
LTV ratio including Transfer Taxes (C/A)	**46.3%**	**43.5%**	**40.5%**
LTV ratio excluding Transfer Taxes (C/B)	**48.0%**	**45.1%**	**42.1%**

Figures may not add up due to rounding.

(1) Adjustment of goodwill according to bank covenants.

4.1.6 EPRA PERFORMANCE MEASURES

In compliance with the EPRA[1] Best Practices Recommendations[2], URW summarises the Key Performance measures of 2020 and 2019 below.

4.1.6.1 EPRA EARNINGS

EPRA earnings are defined as "recurring earnings from core operational activities" and are equal to the Group's definition of recurring earnings.

A) SYNTHESIS

		2020	2019
EPRA Earnings	Mn	**1,056.6**	1,759.7
EPRA Earnings/share	€/share	**7.63**	12.72
Growth EPRA Earnings/share	%	**(40.0%)**	(3.3%)

B) BRIDGE BETWEEN EARNINGS PER IFRS STATEMENT OF INCOME AND EPRA RECURRING EARNINGS

Recurring Earnings per Share	2020	2019
Net Result of the period attributable to the holders of the Stapled Shares (€Mn)	**(7,212.6)**	**1,103.3**
Adjustments to calculate EPRA Recurring Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	**(4,837.2)**	(1,102.4)
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	**(86.3)**	68.6
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	**-**	-
(iv) Tax on profits or losses on disposals	**0.0**	(210.1)
(v) Goodwill impairment	**(1,596.1)**	(7.1)
(vi) Changes in fair value of financial instruments and associated close-out costs	**(569.1)**	(351.8)
(vii) Acquisition and other costs on share deals and non-controlling joint venture interests	**(83.4)**	(45.8)
(viii) Deferred tax in respect of EPRA adjustments	**301.0**	1,324.9
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)	**(1,958.9)**	(533.4)
(x) External non-controlling interests in respect of the above	**560.8**	200.7
EPRA Recurring Earnings	**1,056.6**	**1,759.7**
Average number of shares and ORA	**138,437,274**	138,354,383
EPRA Recurring Earnings per Share ("REPS")	**€7.63**	**€12.72**
EPRA Recurring Earnings per Share growth	**(40.0%)**	**(3.3%)**

Figures may not add up due to rounding.

(1) EPRA: European Public Real Estate Association.
(2) Best Practices Recommendations. See www.epra.com

4.1.6.2 EPRA NRV, NTA AND NDV:

For a more detailed description of the EPRA NRV, NTA and NDV new metrics, please see the "*Property portfolio and Net Asset Value*" section, included in this report.

A) SYNTHESIS

		Dec. 31, 2020	Dec. 31, 2019	Change
EPRA NRV	€/share	**166.80**	228.80	(27.1%)
EPRA NTA	€/share	**128.10**	177.60	(27.9%)
EPRA NDV	€/share	**110.50**	159.50	(30.7%)

B) DETAILED CALCULATIONS AS AT DECEMBER 31, 2019

	December 31, 2019				
	Current measures			Previously reported measures	
(€Mn)	EPRA NRV	EPRA NTA	EPRA NDV	EPRA NAV	EPRA NNNAV
Equity attributable to the holders of the Stapled Shares (IFRS)	25,951	25,951	25,951	25,951	25,951
Include/Exclude:*					
(i) Hybrid instruments	-	-	-	-	-
Diluted NAV	**25,951**	**25,951**	**25,951**	**25,951**	**25,951**
Include:*					
(ii.a) Revaluation of IP (if IAS 40 cost option is used)	53	53	53	53	53
(ii.b) Revaluation of IPUC[(1)] (if IAS 40 cost option is used)	0	0	0	0	0
(ii.c) Revaluation of other non-current investments[(2)]	0	0	0	0	0
(iii) Revaluation of tenant leases held as finance leases[(3)]	0	0	0	0	0
(iv) Revaluation of trading properties[(4)]	0	0	0	0	0
Diluted NAV at Fair Value	**26,004**	**26,004**	**26,004**	**26,004**	**26,004**
Exclude:*					
(v) Deferred tax in relation to fair value gains of IP[(5)] detailed below:					
(v.a) Reversal of deferred taxes on Balance sheet	2,295	2,295	-	2,295	2,295
(v.b) Effective deferred taxes on capital gains	-	(1,004)	-	-	(1,004)
(vi) Fair value of financial instruments	547	547	-	547	-
(vii) Goodwill as a result of deferred tax	(241)	(241)	(241)	(241)	(241)
(viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	(2,637)	(2,637)	-	-
(viii.b) Intangibles as per the IFRS balance sheet	-	(984)	-	-	-
Include:*					
(ix) Fair value of fixed interest rate debt	-	-	(1,022)	-	(1,022)
(x) Revaluation of intangibles to fair value	952	-	-	952	952
(xi) Real estate transfer tax[(6)]	2,156	627	-	-	627
NAV	**31,712**	**24,606**	**22,103**	**29,556**	**27,611**
Fully diluted number of shares	138,577,341	138,577,341	138,577,341	138,577,341	138,577,341
NAV per share	**€228.80**	**€177.60**	**€159.50**	**€213.30**	**€199.20**

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortised cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

C) DETAILED CALCULATIONS AS AT DECEMBER 31, 2020

	Dec. 31, 2020		
(€Mn)	EPRA NRV	EPRA NTA	EPRA NDV
Equity attributable to the holders of the Stapled Shares (IFRS)	17,394	17,394	17,394
*Include/Exclude**:*			
(i) Hybrid instruments	-	-	-
Diluted NAV	17,394	17,394	17,394
Include:*			
(ii.a) Revaluation of IP (if IAS 40 cost option is used)	54	54	54
(ii.b) Revaluation of IPUC[1] (if IAS 40 cost option is used)	0	0	0
(ii.c) Revaluation of other non-current investments[2]	0	0	0
(iii) Revaluation of tenant leases held as finance leases[3]	0	0	0
(iv) Revaluation of trading properties[4]	0	0	0
Diluted NAV at Fair Value	17,447	17,447	17,447
Exclude:*			
(v) Deferred tax in relation to fair value gains of IP[5] detailed below:			
(v.a) Reversal of deferred taxes on Balance sheet	2,023	2,023	-
(v.b) Effective deferred taxes on capital gains	-	(1,011)	-
(vi) Fair value of financial instruments	929	929	-
(vii) Goodwill as a result of deferred tax	(200)	(200)	(200)
(viii.a) Goodwill as per the IFRS balance sheet (net of vii))	-	(1,049)	(1,049)
(viii.b) Intangibles as per the IFRS balance sheet	-	(876)	-
Include:*			
(ix) Fair value of fixed interest rate debt	-	-	(865)
(x) Revaluation of intangibles to fair value	1,113	-	-
(xi) Real estate transfer tax[6]	1,836	522	-
NAV	23,148	17,785	15,334
Fully diluted number of shares	138,786,602	138,786,602	138,786,602
NAV per share	€166.80	€128.10	€110.50

Figures may not add up due to rounding.

(1) Difference between development property held on the balance sheet at cost and fair value of that development property.
(2) Revaluation of intangibles are presented under adjustment (x). Revaluation of Intangibles to fair value is not under this line item.
(3) Difference between finance lease receivables held on the balance sheet at amortised cost and the fair value of those finance lease receivables.
(4) Difference between trading properties held on the balance sheet at cost (IAS 2) and the fair value of those trading properties.
(5) Deferred tax adjustment for NTA calculated in line with the EPRA guidelines.
(6) Real estate transfer taxes were adjusted in accordance with the EPRA guidelines.
* "Include" indicates that an asset (whether on or off balance sheet) should be added to the shareholders' equity, whereas a liability should be deducted.
* "Exclude" indicates that an asset (part of the balance sheet) is reversed, whereas a liability (part of the balance sheet) is added back.

4.1.6.3 EPRA NET INITIAL YIELDS

The following table provides the Group yields according to the EPRA Net Initial Yield definitions per segment for URW's Net Initial Yields (on a proportionate basis):

A) SYNTHESIS

	Dec. 31, 2020		Dec. 31, 2019	
	Shopping Centres[3]	Offices & Others[3]	Shopping Centres[3]	Offices & Others[3]
Unibail-Rodamco-Westfield yields	**4.5%**	**4.9%**	**4.3%**	**5.5%**
Effect of vacant units		(1.1%)		(0.6%)
Effect of EPRA adjustments on NRI	0.1%	0.0%	0.1%	0.0%
Effect of estimated transfer taxes and transaction costs	(0.1%)	(0.1%)	(0.1%)	(0.2%)
EPRA topped-up yields[1]	**4.5%**	**3.7%**	**4.3%**	**4.8%**
Effect of lease incentives	(0.2%)	(0.9%)	(0.1%)	(1.2%)
EPRA Net Initial Yields[2]	**4.4%**	**2.8%**	**4.2%**	**3.6%**

Figures may not add up due to rounding.

(1) EPRA topped-up yield: EPRA Net Initial Yield adjusted in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).
(2) EPRA Net Initial Yield: annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the Gross Market Value of the portfolio.
(3) Assets under development or not controlled by URW, the trademark and the airport activities are not included in the calculation.

B) DETAILED CALCULATION

		Dec. 31, 2020		Dec. 31, 2019	
		Shopping Centres[1]	Offices & Others[1]	Shopping Centres[1]	Offices & Others[1]
EPRA topped-up NRI (A)	€Mn	1,983	107	2,214	115
Valuation including transfer taxes (B)	€Mn	43,843	2,876	51,578	2,420
EPRA topped-up yields (A/B)	%	**4.5%**	**3.7%**	**4.3%**	**4.8%**
EPRA NRI (C)	€Mn	1,914	81	2,161	86
Valuation including transfer taxes (B)	€Mn	43,843	2,876	51,578	2,420
EPRA Net Initial Yields (C/B)	%	**4.4%**	**2.8%**	**4.2%**	**3.6%**

(1) Assets under development or not controlled by URW, the trademark and the airport activities are not included in the calculation.

4.1.6.4 EPRA VACANCY RATE

The EPRA vacancy rate is defined as the ERV of vacant spaces divided by the ERV of total space (let plus vacant).

A) SYNTHESIS

EPRA Vacancy Rate – total URW		Dec. 31, 2020	Dec. 31, 2019
Estimated Rental Value of vacant space (A)	€Mn	295.5	185.7
Estimated Rental Value of the whole portfolio (B)	€Mn	3,170.0	3,357.4
EPRA Vacancy rate (A/B)	%	**9.3%**	**5.5%**

B) DETAIL PER REGION

EPRA Vacancy Rate – per region	Dec. 31, 2020	Dec. 31, 2019
Shopping Centres - Continental Europe		
France	3.7%	2.6%
Central Europe	5.5%	1.3%
Spain	4.4%	0.7%
Nordics	9.3%	3.3%
Austria	2.6%	1.1%
Germany	5.2%	3.4%
The Netherlands	9.7%	8.2%
Total Shopping Centres - Continental Europe	**4.9%**	**2.5%**
UK	9.7%	7.7%
Total Shopping Centres - Europe	**5.6%**	**3.4%**
Offices & Others		
France	30.6%	8.5%
Total Offices & Others - Continental Europe	**27.2%**	**8.7%**
US - Shopping Centres	**13.1%**	**9.1%**
US Flagships	12.5%	7.7%
US Regionals	14.3%	12.7%
US - Offices & Others	**28.4%**	**5.3%**
Total US	**13.6%**	**9.0%**
Total Shopping Centres	**8.3%**	**5.4%**
Total Offices & Others	**27.4%**	**8.0%**
Total URW	**9.3%**	**5.5%**

4.1.6.5 EPRA COST RATIOS

EPRA references (€Mn)		Proportionate 2020	Proportionate 2019
	Include:		
(i-1)	General expenses	**(215.8)**	(202.3)
(i-2)	Development expenses	**(2.6)**	(17.4)
(i-3)	Operating expenses	**(514.1)**	(425.2)
(ii)	Net service charge costs/fees	**(66.4)**	(49.1)
(iii)	Management fees less actual/estimated profit element	**0.0**	0.0
(iv)	Other operating income/recharges intended to cover overhead expenses	**0.0**	0.0
(v)	Share of Joint Ventures expenses	**(28.8)**	(11.6)
	Exclude (if part of the above):		
(vi)	Investment property depreciation	**0.0**	0.0
(vii)	Ground rents costs	**0.0**	0.0
(viii)	Service charge costs recovered through rents but not separately invoiced	**206.1**	271.6
	EPRA Costs (including direct vacancy costs) (A)	**(621.6)**	**(434.1)**
(ix)	Direct vacancy costs	**(66.4)**	(49.1)
	EPRA Costs (excluding direct vacancy costs) (B)	**(555.2)**	**(385.0)**
(x)	Gross Rental Income ("GRI") less ground rents	**2,368.4**	2,871.7
(xi)	Less: service fee and service charge costs component of GRI (if relevant)	**(206.1)**	(271.6)
(xii)	Add Share of Joint Ventures (GRI less ground rents)	**102.3**	82.5
	Gross Rental Income (C)	**2,264.6**	**2,682.6**
	EPRA Cost Ratio (including direct vacancy costs) (A/C)	**27.5%**	**16.2%**
	EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**24.5%**	**14.4%**

Figures may not add up due to rounding.

(1) The calculation is based on the EPRA recommendations and is applied on Shopping Centres and Offices & Others sectors.
(2) Including letting fees in 2019, the EPRA Cost Ratio (including direct vacancy costs) would be 18.7% and the EPRA Cost Ratio (excluding direct vacancy costs) would be 16.8%.

4.1.6.6 CAPITAL EXPENDITURE

	Proportionate			
	2020		2019	
(€Mn)	**100%**	**Group share**	100%	Group share
Acquisitions[1]	**16.0**	**15.7**	(4.5)	3.7
Development[2]	**704.2**	**681.1**	863.1	826.3
Like-for-like portfolio[3]	**328.4**	**283.9**	633.3	542.2
Other[4]	**121.4**	**111.3**	218.8	198.6
Total Capital Expenditures	**1,170.1**	**1,092.1**	**1,710.8**	**1,570.9**
Conversion from accruals to cash basis	**124.6**	**111.8**	(7.1)	(39.0)
Total Capital Expenditures on cash basis	**1,294.7**	**1,203.9**	**1,703.7**	**1,531.9**

Figures may not add up due to rounding.

(1) In 2020, includes mainly the acquisitions in France (Rennes Alma and units in Tour Rosny).
(2) In 2020, includes mainly the capital expenditures related to investments in the La Part-Dieu, Westfield Mall of the Netherlands, Westfield Valley Fair and Les Ateliers Gaîté extension projects and to the Westfield Hamburg and Trinity new development projects.
(3) In 2020, includes mainly the capital expenditures related to Westfield Les 4 Temps, Westfield London and Shopping City Süd. Capital expenditure on the like-for-like portfolio includes capital expenditure spent on extension and works on standing assets. In 2020, URW spent €105.1 Mn on replacement capex, Group share. The fitting out contributions paid to tenants amounted to €50.7 Mn in 2020.
(4) Includes eviction costs and tenant incentives, external letting fees (internal letting fees are now included in Administrative expenses), capitalised interest relating to projects referenced above and other capitalised expenses of €12.5 Mn, €17.1 Mn, €61.5 Mn and €20.2 Mn in 2020, respectively (amounts in Group share).

4.1.7 OTHER INFORMATION

4.1.7.1 GROUP CONSOLIDATED DATA

LEASING ACTIVITY – SHOPPING CENTRES

	Lettings/relettings/renewals excluding Pipeline				
				MGR uplift	
Region	number of leases signed	sqm	MGR (€Mn)	€Mn	%
Continental Europe	935	316,252	134.2	2.1	1.7%
UK & Italy	61	35,882	18.4	0.1	0.4%
Total Europe	**996**	**352,134**	**152.7**	**2.2**	**1.6%**
US	532	170,281	66.3	(12.2)	(20.3%)
Total URW	**1,528**	**522,414**	**219.0**	**(10.0)**	**(5.1%)**

Figures may not add up due to rounding.

NET RENTAL INCOME ("NRI") BY SEGMENT

	Net Rental Income (€Mn)			
Segment	**2020**	2019	Change (%)	Like-for like change (%)
Shopping Centres	**1,698.7**	2,293.2	(25.9%)	(24.0%)
Offices & Others	**85.5**	102.9	(16.9%)	0.1%
Convention & Exhibition	**6.1**	95.1	(93.6%)	(93.6%)
Total URW	**1,790.2**	**2,491.2**	**(28.1%)**	**(26.4%)**

Figures may not add up due to rounding.

NET RENTAL INCOME ("NRI") – SHOPPING CENTRES

Region	Net Rental Income (€Mn) 2020	2019	%
Continental Europe	1,158.2	1,483.1	(21.9%)
UK & Italy	78.0	157.3	(50.4%)
Total NRI - Europe	**1,236.2**	**1,640.4**	**(24.6%)**
US	462.4	652.8	(29.2%)
Total NRI URW	**1,698.6**	**2,293.2**	**(25.9%)**

Figures may not add up due to rounding.

Region	Net Rental Income (€Mn) Like-for-like ("LfL") 2020	2019	%
Continental Europe	1,023.3	1,265.4	(19.1%)
UK & Italy	76.2	150.3	(49.3%)
Total Lfl NRI Europe	**1,099.5**	**1,415.7**	**(22.3%)**
Lfl NRI US	417.2	579.7	(28.0%)
Total Lfl NRI URW	**1,516.7**	**1,995.4**	**(24.0%)**

Figures may not add up due to rounding.

	Net Rental Income Like-for-like ("LfL") evolution (%)				
Region	Indexation	Renewals, relettings net of departures & other	COVID-19 rent discounts	Doubtful debtors	Total
Continental Europe	1.3%	(5.3%)	(11.6%)	(3.5%)	(19.1%)
UK & Italy	0.0%	(24.9%)	(16.2%)	(8.3%)	(49.3%)
Total Lfl NRI Europe	**1.2%**	**(7.4%)**	**(12.1%)**	**(4.0%)**	**(22.3%)**
US	0.0%	(5.9%)	(9.7%)	(12.4%)	(28.0%)
Total Lfl NRI URW	**0.8%**	**(7.0%)**	**(11.4%)**	**(6.4%)**	**(24.0%)**

Figures may not add up due to rounding.

NET RENTAL INCOME ("NRI") – OFFICES & OTHERS

	Net Rental Income (€Mn)			
Region	2020	2019	Change (%)	Like-for like change (%)
France	56.0	72.0	(22.3%)	0.7%
Nordics	10.2	10.0	2.0%	1.0%
Other countries	8.1	7.5	8.3%	6.7%
Total NRI Europe	**74.3**	**89.6**	**(17.0%)**	**1.7%**
US	11.2	13.3	(16.1%)	(8.0%)
Total NRI URW	**85.5**	**102.9**	**(16.9%)**	**0.1%**

Figures may not add up due to rounding.

VACANCY – SHOPPING CENTRES

	Vacancy			
	Dec. 31, 2020		June 30, 2020	Dec. 31, 2019
Region	€Mn	%	%	%
Continental Europe	79.3	4.9%	3.9%	2.5%
UK & Italy	29.2	9.7%	8.6%	7.7%
Total Europe	**108.5**	**5.6%**	**4.7%**	**3.4%**
US	141.9	13.1%	10.1%	9.1%
Total URW	**250.4**	**8.3%**	**6.8%**	**5.4%**

Figures may not add up due to rounding.

LEASE EXPIRY SCHEDULE

	Lease expiry schedule			
Total URW (Shopping Centres + Offices & Others)	MGR (€Mn) at date of next break option	As a % of total	MGR (€Mn) at expiry date	As a % of total
Expired	98.3	4.6%	98.3	4.6%
2021	319.8	14.9%	208.5	9.7%
2022	373.4	17.4%	242.6	11.3%
2023	329.7	15.4%	203.7	9.5%
2024	241.2	11.2%	184.8	8.6%
2025	197.8	9.2%	218.2	10.2%
2026	132.0	6.2%	169.4	7.9%
2027	102.4	4.8%	178.9	8.3%
2028	103.2	4.8%	164.0	7.6%
2029	60.9	2.8%	125.4	5.8%
2030	46.7	2.2%	102.3	4.8%
2031	21.3	1.0%	33.2	1.5%
Beyond	117.5	5.5%	215.0	10.0%
Total	**2,144.3**	**100%**	**2,144.3**	**100%**

Figures may not add up due to rounding.

4.1.7.2 CLOSURE AND RESTRICTION PERIODS

The closure and restriction periods are summarised in the table below:

Austria	Asset closure periods (except essential stores*): • 16/03/2020 to 01/05/2020 • 17/11/2020 to 06/12/2020 • 26/12/2020 to 07/02/2021
	Specific restrictions by activity: • 02/05/2020 to 14/05/2020: F&B. (Entertainment and Hotels to 29/05/2020). • 03/11/2020 to TBC: F&B, Entertainment, Fitness and Hotels closed.
	Other restrictions: • 03/11/2020 to TBC: Curfew from 8 pm to 6 am.
Czech Republic	Asset closure periods (except essential stores*): • 15/03/2020 to 11/05/2020 • 22/10/2020 to 02/12/2020 • 27/12/2020 to 14/02/2021**
	Specific restrictions by activity: • 15/03/2020 to 25/05/2020: F&B and Entertainment closed. • 09/10/2020 to 21/10/2020: F&B and Entertainment to close at 8 pm. • 09/10/2020 to 28/02/2021: Cinemas closed. • 18/12/2020 to 14/02/2021**: F&B and Entertainment closed.
	Other restrictions: • 28/10/2020 to 31/12/2020**: Varying curfews.
Denmark	Asset closure periods (except essential stores*): • 18/03/2020 to 11/05/2020 • 17/12/2020 to 28/02/2021**
	Specific restrictions by activity: • 18/03/2020 to 11/05/2020: F&B closed, until 20/05/2020 for Cinemas. • 09/12/2020 to 28/02/2021**: F&B, Entertainment and Fitness closed.

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France	Asset closure periods (except essential stores*): • 17/03/2020 to between 11/05/2020 and 30/05/2020 • 30/10/2020 to 28/11/2020 • 31/01/2021 to 28/02/2021**
	Specific restrictions by activity: • 17/03/2020 to 02/06/2020: F&B closed and to 22/06/2020 for Cinemas. • 30/10/2020 to 28/02/2021**: F&B, Entertainment and Fitness closed.
	Other restrictions: • 17/10/2020 to 29/10/2020: curfew from 9 pm to 6 am. • 28/11/2020 to 16/01/2021: curfew from 8 pm to 6 am. • 17/01/2021 to 21/02/2021**: curfew from 6 pm to 6 am.
Germany	Asset closure periods (except essential stores*): • 16/03/2020 to between 20/04/20 and 04/05/2020 • 16/12/2020 to 14/02/2021**
	Specific restrictions by activity: • 16/03/2020 to 11/05/2020: F&B closed. • 02/11/2020 to 14/02/2021**: F&B, Entertainment and Fitness closed.
	Other restrictions: • 16/12/2020 to 14/02/2021**: Curfew from 8 pm to 5 am.
The Netherlands	Asset closure periods (except essential stores*): • 15/12/2020 to 02/03/2021**
	Specific restrictions by activity: • 15/03/2020 to 01/06/2020: F&B closed. • 14/10/2020 to 09/02/2021**: F&B closed.
Poland	Asset closure periods (except essential stores*): • 14/03/2020 to 04/05/2020 • 07/11/2020 to 27/11/2020 • 28/12/2020 to 31/01/2021
	Specific restrictions by activity: • 14/03/2020 to 18/05/2020: F&B closed. • 15/10/2020 to TBC: Fitness closed. • 07/11/2020 to TBC: F&B and culture closed.
Sweden	Other restrictions: • 29/10/2020 to TBC: Footfall limitation in F&B and Cinemas. • 16/11/2020 onwards: “rule of 8”, with flow on impact to some sectors (Cinemas for instance).
Slovakia	Asset closure periods (except essential stores*): • 16/03/2020 to 20/05/2020 • 24/10/2020 to 01/11/2020 • 19/12/2020 to TBC
	Specific restrictions by activity: • 15/10/2020 to TBC: F&B and Cinemas closed.
	Other restrictions: • 02/11/2020 to TBC: day curfew from 5 am to 1 am for those without a negative PCR.
Spain - Catalonia	Asset closure periods (except essential stores*): • 15/03/2020 to 08/06/2020 • 30/10/2020 to 14/12/2020 • 07/01/2021 to 07/02/2021**
	Specific restrictions by activity: • 15/03/2020 to 08/06/2020: F&B closed. • 20/10/2020 to 01/12/2020: F&B closed. • 30/10/2020 to 07/02/2021**: Cinemas in Shopping Centres closed. • 21/12/2020 to 07/02/2021**: F&B in Shopping Centres closed.
	Other restrictions: • 30/10/2020 to TBC: Curfew from 10 pm to 6 am.
Spain - Madrid	Asset closure periods (except essential stores*): • 15/03/2020 to 08/06/2020
	Other restrictions: • Selective closure of districts in November and December (only affected Equinoccio). • 21/09/2020 to 08/02/2021**: Varying restrictions on F&B capacity and hours. • 25/10/2020 to 08/02/2021**: curfew between 10-12 pm to 6 am.

Spain - Valencia	Asset closure periods (except essential stores*): • 15/03/2020 to 01/06/2020
	Specific restrictions by activity: • 28/01/2021 to 14/02/2021**: F&B closed.
	Other restrictions: • 25/10/2020 to 14/02/2021**: Curfew between 10-12 pm to 6 am.
Spain - Basque Country	Asset closure periods (except essential stores*): • 15/03/2020 to 25/05/2020
	Specific restrictions by activity: • 06/11/2020 to 12/12/2020: F&B closed.
	Other restrictions: • 06/11/2020 to TBC: Curfew for stores at 9 pm. • 25/10/2020 to 28/02/2021**: Curfew between 10-11 pm to 6 am.
UK	Asset closure periods (except essential stores*): • 26/03/20 to 15/06/20 • 05/11/2020 to 02/12/2020 • 20/12/2020 to 22/02/2021**
	Specific restrictions by activity: • After the first lockdown ended on June 15, F&B and Cinemas opened on July 4, Fitness from July 25, and Bowling and Casinos from August 15.
	Other restrictions: • During certain times (based on the Tier system operating outside of full lockdowns) capacity restrictions have applied to sectors such as F&B and/or limited the ability of people to meet those outside their household.
US	Asset closure periods (except essential stores*): **California:** • 19/03/2020 to (between 22/05/20 and 15/06/2020) • 13/07/2020 to (between 31/08/2020 and 07/10/2020) **New York:** • 19/03/2020 to between 15/07/20 and 09/09/2020 (for Westfield World Trade Center) **New Jersey:** • 19/03/2020 to 29/06/2020 **Florida:** • 19/03/2020 to between 15/05/20 and 29/05/2020 **Maryland:** • 19/03/2020 to 23/06/2020 **Washington State:** • 19/03/2020 to 15/06/2020 **Connecticut:** • 19/03/2020 to 20/05/2020 **Illinois:** • 19/03/2020 to 10/06/2020
	Specific restrictions by activity: • Operation of F&B, Entertainment, Fitness and Salons have been restricted at various times dependant on both state and local county rules.
	Other restrictions: • In most states (except Florida) capacity restrictions for indoor malls have been introduced during the second half, with a limit of between 25% and 50% of standard capacity.

* "Essential stores" definition differs by country, but mainly comprises food, administrative services and pharmacies.
** Most recently announced date, subject to change or extension.

Note: "TBC" indicates that no date has currently been communicated.

In addition, for much of the year post the first lockdown, capacity/density limits applied in shops or Shopping Centres in almost all countries, with differing rules and time periods.

4.1.7.3 LIST OF SUBSIDIES

Country	Period	Government package
Austria	H1	No state subsidy.
	H2	Turnover subsidy programme, from 20% to 60% of turnover depending on the branch.
Czech Republic	H1	50% of rents supported by government for three months (April 1 to June 30) provided landlord bears 30% rent discount.
	H2	State pays 50% of Q3 rent (not SCS) to all closed or restricted shops (similar as for Q2 but this time, no discount from landlord required).
Denmark	H1	Partial activity, tax deferral and fixed costs coverage for businesses suffering a drop in turnover > 40%.
	H2	From July to October (update for end of 2020/beginning of 2021 to be announced) • Compensation for staff costs; • Compensation for loss of turnover to owner run businesses, depending on turnover drop percentage; • Compensation for fixed costs (rent + SCS + property tax) depending on turnover drop percentage (e.g. 80% of fixed costs if turnover drop ranges between -90% and -100%).
France	H1	Partial activity.
	H2	Tax credit of 50% of landlord's rent discount, available depending on company size and capped at €800 k per company on all French stores and all landlords.
Germany	H1	No state subsidy.
	H2	State compensating up to 75% of loss in turnover for closed stores; to be confirmed when the law passes.
The Netherlands	H1	If retailers' turnover drops by more than 20%, government proportionally covers the workers' salary, up to 90%.
	H2	Applicable to Q4 only and to small enterprises with minimum 30% revenue loss in Q4: • Sectors which have to close (F&B) get a one time support to handle the all necessary investments and to compensate for stock which becomes obsolete; • Maximum support = €90 k; • Exact implications, conditions and scope not defined yet.
Poland	H1	No state subsidy.
	H2	F&B, Entertainment and Fitness retailers can opt for social charges relief for November, furlough for November as well in case of 40% sales decline.
Slovakia	H1	Government to top-up rent discounts provided by landlords for closing period, to reach 50% discount/otherwise, tenant has two years to reimburse.
	H2	No state subsidy.
Spain	H1	No state subsidy.
	H2	No state subsidy.
Sweden	H1	Support by the government of 50% of rent discounts of up to 50% of base rent (limit of €800 k per retailer group).
	H2	Partial activation scheme has been prolonged. Support at 90% of the drop in turnover, on Rent + SCS (capped at SEK30 Mn (approximately €3 Mn). Tax deferral.
UK	H1	One-year business rates holiday for retail tenants.
	H2	Furlough scheme: government pays 80% of wages up to £2,500 per month. Business rates holidays.

CHAPTER 5

Financial statements as at December 31, 2020

On February 8, 2021, the Management Board prepared the consolidated financial statements of Unibail-Rodamco-Westfield SE for the year ended December 31, 2020, and the Supervisory Board authorised their publication on February 10, 2021.

These consolidated financial statements will be submitted to the approval of the Annual General Meeting expected to be held on May 12, 2021.

5.1 CONSOLIDATED FINANCIAL STATEMENTS

The financial statements are presented in millions of euros, rounded to the nearest hundred thousand and, as a result, slight differences between rounded figures may exist.

5.1.1 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€Mn)	Notes	2020	2019
Gross rental income	4.2.1/4.4.1	1,897.7	2,417.6
Ground rents paid	*4.2.1/4.4.2*	*(13.7)*	*(14.5)*
Service charge income	*4.2.1/4.4.2*	*317.4*	*376.6*
Service charge expenses	*4.2.1/4.4.2*	*(363.7)*	*(413.5)*
Property operating expenses	*4.2.1/4.4.2*	*(389.4)*	*(380.9)*
Operating expenses and net service charges		(449.5)	(432.3)
Net rental income		**1,448.2**	**1,985.2**
Property development and project management revenue		251.9	276.6
Property development and project management costs		(217.2)	(235.2)
Net property development and project management income	**4.4.4**	**34.8**	**41.3**
Property services and other activities revenues		179.1	310.1
Property services and other activities expenses		(175.5)	(211.4)
Net property services and other activities income	**4.2.1/4.4.3**	**3.6**	**98.7**
Share of the result of companies accounted for using the equity method		(1,652.4)	(77.9)
Income on financial assets		24.8	32.2
Contribution of companies accounted for using the equity method	**6**	**(1,627.6)**	**(45.7)**
Corporate expenses		(207.4)	(191.5)
Depreciation of other tangible assets		(2.1)	(2.0)
Development expenses		(2.6)	(17.4)
Administrative expenses	**4.4.5**	**(212.1)**	**(210.9)**
Acquisition and other costs	**4.4.6**	**(83.4)**	**(45.8)**
Proceeds from disposal of investment properties		656.3	1,180.2
Carrying value of investment properties sold		(742.7)	(1,111.7)
Result on disposal of investment properties[(1)]	**3.4**	**(86.3)**	**68.5**
Valuation gains on assets		71.3	924.0
Valuation losses on assets		(4,908.5)	(2,026.4)
Valuation movements on assets	**5.5**	**(4,837.2)**	**(1,102.4)**
Impairment of goodwill	**5.4**	**(1,596.1)**	**(7.1)**
NET OPERATING RESULT		**(6,956.4)**	**781.8**
Result from non-consolidated companies		1.0	1.7
Financial income		*248.1*	*278.3*
Financial expenses		*(679.7)*	*(670.0)*
Net financing costs	7.2.1	(431.5)	(391.7)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	7.2.2/7.3	1.8	(7.6)
Fair value adjustments of derivatives, debt and currency effect	7.2.2	(570.9)	(343.5)
Debt discounting		-	(0.7)
RESULT BEFORE TAX		**(7,955.9)**	**40.1**
Income tax expenses	8.2	281.1	1,065.4
NET RESULT FOR THE PERIOD		**(7,674.8)**	**1,105.5**
Net result for the period attributable to:			
• The holders of the Stapled Shares		(7,212.6)	1,103.3
• External non-controlling interests	3.5.2	(462.2)	2.2
NET RESULT FOR THE PERIOD		**(7,674.8)**	**1,105.5**
Net result for the period attributable to the holders of the Stapled Shares analysed by amount attributable to:			
• Unibail-Rodamco-Westfield SE members		(5,791.0)	1,052.1
• Unibail-Rodamco-Westfield N.V. members		(1,421.6)	51.2
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES		**(7,212.6)**	**1,103.3**
Average number of shares (undiluted)	12.2	138,437,274	138,350,731
Net result for the period (Holders of the Stapled Shares)		(7,212.6)	1,103.3
Net result for the period per share (Holders of the Stapled Shares) (€)		**(52.10)**	**7.97**
Net result for the period restated (Holders of the Stapled Shares)[(2)]		(7,214.4)	1,110.9
Average number of shares (diluted)	12.2	140,603,298	140,466,405
Diluted net result per share (Holders of the Stapled Shares) (€)[(3)]		**(52.10)**	**7.91**

Financial statements as at December 31, 2020

Consolidated financial statements

Net comprehensive income (€Mn)	Notes	2020	2019
NET RESULT FOR THE PERIOD		**(7,674.8)**	**1,105.5**
Foreign currency differences on translation of financial statements of subsidiaries and net investments in these subsidiaries		(553.9)	198.5
Other comprehensive income that may be subsequently recycled to profit or loss		**(553.9)**	**198.5**
Employee benefits		(0.2)	(0.9)
Fair Value of Financial assets		(14.9)	3.4
Other comprehensive income not subsequently recyclable to profit or loss		**(15.1)**	**2.5**
OTHER COMPREHENSIVE INCOME		**(569.0)**	**200.9**
NET COMPREHENSIVE INCOME		**(8,243.8)**	**1,306.4**
• External non-controlling interests		(462.2)	2.0
NET COMPREHENSIVE INCOME (HOLDERS OF THE STAPLED SHARES)		**(7,781.6)**	**1,304.4**

(1) The result on disposal of investment properties includes both the result on disposal of assets and the result on disposal of shares.
(2) The impact of the fair value of the ORNANE and the related financial expenses are restated from the net result of the period if it has a dilutive impact.
(3) In case of a negative net result for the period, the diluted net result per share is equal to the net result for the period per share.

5.1.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€Mn)	Notes	Dec. 31, 2020	Dec. 31, 2019
NON CURRENT ASSETS		**52,878.6**	**61,106.6**
Investment properties	**5.1**	**40,947.8**	**45,733.2**
Investment properties at fair value		*39,623.6*	*44,589.9*
Investment properties at cost		*1,324.1*	*1,143.3*
Shares and investments in companies accounted for using the equity method	6	8,370.3	10,194.6
Other tangible assets	5.2.2	279.2	344.5
Goodwill	5.4.2	1,248.1	2,878.4
Intangible assets	5.3.2	876.3	984.4
Investments in financial assets	7.3.1	303.6	343.5
Deferred tax assets	8.3	26.5	28.4
Derivatives at fair value	7.4	826.8	599.6
CURRENT ASSETS		**4,399.2**	**3,896.5**
Properties or shares held for sale		1,038.2	2,147.6
Derivatives at fair value		-	-
Inventories		32.0	91.2
Trade receivables from activity	7.6.3	539.4	513.0
Tax receivables		213.2	303.6
Other receivables		438.9	352.4
Cash and cash equivalents	7.3.9	2,137.6	488.8
TOTAL ASSETS		**57,277.8**	**65,003.2**
Equity attributable to the holders of the Stapled Shares		**17,393.5**	**25,950.8**
Share capital		692.4	691.9
Additional paid-in capital		13,480.7	13,478.2
Consolidated reserves		10,980.8	10,671.4
Hedging and foreign currency translation reserves		(547.8)	6.1
Consolidated result		(7,212.6)	1,103.3
• ***Equity attributable to Unibail-Rodamco-Westfield SE members***		***17,375.3***	***24,334.4***
• ***Equity attributable to Unibail-Rodamco-Westfield N.V. members***		***18.2***	***1,616.4***
Hybrid securities		1,988.5	1,988.8
External non-controlling interests		3,413.0	3,912.9
TOTAL SHAREHOLDERS' EQUITY		**22,795.0**	**31,852.5**
NON CURRENT LIABILITIES		**29,655.4**	**28,291.0**
Non-current commitment to external non-controlling interests	3.5.1	94.5	172.2
Net share settled bonds convertible into new and/or existing shares (ORNANE)	7.3.4	497.7	602.1
Non-current bonds and borrowings	7.3.9	24,310.5	22,931.6
Non-current lease liabilities	7.3.3	796.6	806.7
Derivatives at fair value	7.4	1,502.3	1,025.0
Deferred tax liabilities	8.3	2,007.8	2,276.0
Non-current provisions	9	74.6	110.3
Guarantee deposits		206.2	218.0
Amounts due on investments		102.2	149.1
Other non-current liabilities		63.0	-
CURRENT LIABILITIES		**4,827.4**	**4,859.7**
Liabilities directly associated with properties or shares classified as held for sale		203.5	110.7
Current commitment to external non-controlling interests		6.1	1.0
Amounts owed to shareholders		-	-
Amounts due to suppliers and other creditors		**1,185.3**	**1,349.4**
Amounts due to suppliers		*211.8*	*230.5*
Amounts due on investments		*479.9*	*633.5*
Sundry creditors		*493.6*	*485.3*
Other current liabilities	10	681.0	729.8
Current borrowings and amounts due to credit institutions	7.3.9	2,686.7	2,557.4
Current lease liabilities	7.3.3	32.2	41.4
Derivatives at fair value		-	30.1
Current provisions	9	32.7	39.9
TOTAL LIABILITIES AND EQUITY		**57,277.8**	**65,003.2**

5.1.3 CONSOLIDATED STATEMENT OF CASH FLOWS

(€Mn)	Notes	2020	2019
OPERATING ACTIVITIES			
Net result		**(7,674.8)**	**1,105.5**
Depreciation & provisions[(1)]		73.0	28.1
Impairment of goodwill		1,596.1	7.1
Changes in value of property assets		4,837.2	1,102.4
Changes in value of financial instruments		569.1	351.8
Charges and income relating to stock options and similar items		12.8	13.8
Net capital gains/losses on disposal of investment properties[(2)]		86.3	(68.5)
Share of the result of companies accounted for using the equity method		1,652.4	77.9
Income on financial assets		(24.8)	(32.2)
Dividend income from non-consolidated companies		(1.0)	(1.7)
Net financing costs	7.2.1	431.5	391.7
Income tax charge (income)		(281.1)	(1,065.4)
Cash flow before net financing costs and tax		**1,276.9**	**1,910.4**
Income on financial assets		24.8	32.2
Dividend income and result from companies accounted for using the equity method or non-consolidated		138.5	274.2
Income tax paid		(18.2)	(211.7)
Change in working capital requirement		1.1	(118.0)
TOTAL CASH FLOW FROM OPERATING ACTIVITIES		**1,423.1**	**1,887.1**
INVESTMENT ACTIVITIES			
Property activities		**65.8**	**(398.2)**
Acquisition of businesses, net of cash acquired	3.4.1	(70.1)	(35.5)
Amounts paid for works and acquisition of property assets	5.6	(1,164.3)	(1,525.4)
Repayment of property financing		19.6	80.7
Increase of property financing		(239.4)	(166.4)
Disposal of shares	3.4.2	1,026.7	291.2
Disposal of investment properties	5.6	493.3	957.2
Financial activities		**16.0**	**(18.5)**
Acquisition of financial assets		(10.1)	(33.1)
Repayment of financial assets		18.4	4.0
Change in financial assets		7.7	10.6
TOTAL CASH FLOW FROM INVESTMENT ACTIVITIES		**81.8**	**(416.7)**
FINANCING ACTIVITIES			
Capital increase of parent company		2.8	7.5
Purchase of own shares		(0.5)	-
Change in capital from companies with non-controlling shareholders		4.5	10.1
Hybrid securities		(0.3)	-
Distribution paid to parent company shareholders	12.3	(747.4)	(1,493.9)
Dividends paid to non-controlling shareholders of consolidated companies		(93.6)	(84.1)
Coupon on the Hybrid Securities		(48.1)	(48.1)
New borrowings and financial liabilities		5,669.6	4,707.8
Repayment of borrowings and financial liabilities		(4,082.8)	(3,826.2)
Financial income	7.2.1	242.7	257.4
Financial expenses	7.2.1	(628.8)	(665.8)
Other financing activities	7.3.7	(201.6)	(210.6)
TOTAL CASH FLOW FROM FINANCING ACTIVITIES		**116.5**	**(1,345.9)**
Change in cash and cash equivalents during the period		**1,621.4**	**124.5**
Net cash and cash equivalents at the beginning of the year		**486.0**	**368.7**
Effect of exchange rate fluctuations on cash held		**20.4**	**(7.2)**
Net cash and cash equivalents at period-end	**7.3.9**	**2,127.8**	**486.0**

(1) Includes straight lining of key money and lease incentives.
(2) Includes capital gains/losses on property sales, disposals of short-term investment properties and disposals of operating assets.

5.1.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€Mn)	Share capital	Additional paid-in capital	Bonds Redeemable for Shares	Consolidated reserves	Consolidated net result	Hedging & foreign currency translation reserves[1]	Equity attributable to the holders of the Stapled Shares	Hybrid Securities[2]	External non-controlling interests	Total Shareholders' equity
Equity as at Dec. 31, 2018	**691.4**	**13,471.0**	**1.0**	**11,174.0**	**1,031.1**	**(192.4)**	**26,176.1**	**1,989.0**	**3,976.4**	**32,141.5**
Profit or loss of the period	-	-	-	-	1,103.3	-	1,103.3	-	2.2	1,105.5
Other comprehensive income	-	-	-	2.7	-	198.4	201.1	-	(0.2)	200.9
Net comprehensive income	**-**	**-**	**-**	**2.7**	**1,103.3**	**198.4**	**1,304.4**	**-**	**2.0**	**1,306.4**
Earnings appropriation	-	-	-	1,031.1	(1,031.1)	-	-	-	-	-
Dividends related to 2018	-	-	-	(1,493.9)	-	-	(1,493.9)	-	(84.1)	(1,578.0)
Stock options and Company Savings Plan	0.5	7.2	-	0.5	-	-	8.2	-	-	8.2
Conversion of Bonds Redeemable for Shares	-	-	(1.0)	-	-	-	(1.0)	-	-	(1.0)
Share based payment	-	-	-	15.3	-	-	15.3	-	-	15.3
Hybrid Securities	-	-	-	-	-	-	-	(0.2)	-	(0.2)
Coupon on the Hybrid Securities	-	-	-	(48.1)	-	-	(48.1)	-	-	(48.1)
Transactions with non-controlling interests	-	-	-	(9.8)	-	-	(9.8)	-	18.4	8.6
Changes in scope of consolidation and other movements	-	-	-	(0.4)	-	-	(0.4)	-	0.2	(0.2)
Equity as at Dec. 31, 2019	**691.9**	**13,478.2**	**-**	**10,671.4**	**1,103.3**	**6.1**	**25,950.8**	**1,988.8**	**3,912.9**	**31,852.5**
Profit or loss of the period	-	-	-	-	(7,212.6)	-	(7,212.6)	-	(462.2)	(7,674.8)
Other comprehensive income	-	-	-	(15.1)	-	(553.9)	(569.0)	-	-	(569.0)
Net comprehensive income	**-**	**-**	**-**	**(15.1)**	**(7,212.6)**	**(553.9)**	**(7,781.6)**	**-**	**(462.2)**	**(8,243.8)**
Earnings appropriation	-	-	-	1,103.3	(1,103.3)	-	-	-	-	-
Dividends related to 2019	-	-	-	(747.4)	-	-	(747.4)	-	(93.6)	(841.0)
Stock options and Company Savings Plan	0.5	2.5	-	(0.1)	-	-	2.9	-	-	2.9
Share based payment	-	-	-	14.3	-	-	14.3	-	-	14.3
Purchase of treasury shares	-	-	-	(0.5)	-	-	(0.5)	-	-	(0.5)
Hybrid Securities	-	-	-	-	-	-	-	(0.3)	(0.2)	(0.5)
Coupon on the Hybrid Securities	-	-	-	(48.1)	-	-	(48.1)	-	-	(48.1)
Transactions with non-controlling interests	-	-	-	1.3	-	-	1.3	-	56.1	57.4
Changes in scope of consolidation and other movements	-	-	-	1.7	-	-	1.7	-	-	1.7
Equity as at Dec. 31, 2020	**692.4**	**13,480.7**	**-**	**10,980.8**	**(7,212.6)**	**(547.8)**	**17,393.5**	**1,988.5**	**3,413.0**	**22,795.0**

(1) The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. The hedging reserve is used to record the effect of hedging net investments in foreign operations.
(2) In 2018, URW issued €2,000 Mn of hybrid securities. These hybrid securities are deeply subordinated perpetual instruments with a coupon deferral option and are accounted for in equity. This issuance was made in two tranches:
- €1,250 Mn with a 2.125% coupon and callable after 5.5 years;
- €750 Mn with a 2.875% coupon and callable after 8 years.

5.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. SIGNIFICANT EVENTS

1.1 SIGNIFICANT EVENTS OF 2020

1.1.1 COVID-19 PANDEMIC

CLOSING AND REOPENING OF THE GROUP'S SHOPPING CENTRES

The COVID-19 pandemic has significantly impacted URW's business in 2020.

The operations in URW shopping centres in 2020 were impacted by series of lockdown and restriction periods that affected the assets and activities of the Group.

During H1, due to the COVID-19 first wave, most of the Group's shopping centres had to close in mid-March, except for "essential" retailers, with the closure period varying by location. All of the Group's European centres had reopened by June 15, although restrictions, primarily on leisure and the Food & Beverage sector, have remained in some regions. In the US, all of the Group's centres, except Westfield World Trade Center, had reopened by July.

However, on July 13, California again ordered all indoor operations of shopping centres to close. The Californian centres outside Los Angeles reopened on September 2, while the Group's five Los Angeles centres remained closed until October 7. Westfield World Trade Center reopened on September 9.

During H2, following the increase in COVID-19 cases seen globally since September 2020, the authorities imposed new restrictions and/or lockdown periods mainly in Q4 in most of the Group's regions, which impacted the opening of URW's shopping centres. In many countries only "essential" retailers and those able to offer curbside pick-up or fulfil delivery orders from the store could continue to trade. In the US, various municipalities imposed limitations on the capacity both within centres (typically between 20% and 50% depending on the state and county) and within individual stores.

TENANT NEGOTIATIONS AND RENT RELIEF

From the start of the COVID-19 crisis, the Group first adopted a global policy of allowing temporary deferral of rents, before starting discussions with tenants about the terms of any support, such as rent relief, offered by URW.

In some geographies (including the UK, Germany and certain US municipalities), legal remedies for non-payment of rent have been temporarily limited, which also hampered the enforceability of rents. In certain regions, existing laws (Austria) or new laws (Poland) even prohibited rents during the closure period.

In Sweden, Denmark, Czech Republic and Slovakia, the governments created state subsidy programmes focused specifically on supporting retail tenants.

Once negotiations commenced, they were done on a case-by-case basis. They recognise the issues the Group's tenants faced due to administrative closures or trading restrictions and the need to provide relief, are generally limited to the period of closure and are based on the principle of a fair sharing of the burden. In many cases they entail concessions by tenants in exchange for such relief.

ACCOUNTING PRINCIPLES

For rent relief granted to tenants in relation to the COVID-19 pandemic and where such relief qualifies as a lease modification because the tenant agrees concessions (e.g. extension of a lease term or higher Sales Based Rent), IFRS 16 applies, under which, the relief is treated as a lease incentive which is straight-lined over the expected term of the lease as a reduction of the Gross Rental Income.

Rent reliefs for which a counterpart is expected and not yet signed are part of the receivables on which an expected credit loss is calculated.

As a reminder, the provision for doubtful debtors is recorded in the Net rental income as an Operating expense.

In accordance with IFRS 16, rent relief without changes to the lease contract, imposed by laws in force before an event giving rise to the relief, such as in Austria, or pursuant to a provision in the existing lease contract allowing for rent modification, is directly charged to the income statement as a reduction of the Gross Rental Income.

Rent reliefs signed or expected to be signed, granted without any counterpart from the tenants are considered as a reduction of the receivables and are charged to the income statement as a reduction of the Gross Rental Income in 2020.

As at December 31, the Group estimates it is close to 90% through the rent relief negotiation process in Europe[1] for the first COVID-19 wave.

In the US, the Group completed rent relief negotiations with tenants representing approximately 87% of the leasing revenue by December 31, 2020[2].

As at December 31, 2020, rent relief signed or expected to be signed regarding 2020 closures (including the second wave until December 31) amounted to an estimated cash impact of €313 Mn[3], €246 Mn of which have been charged to the income statement during this period. The difference will be straight-lined over the expected term of the lease.

The Group carried out a detailed review of all the tenants receivables as at December 31, 2020, and the provision for doubtful debtors was estimated according to IFRS 9 (see note 7.6.3 "Credit risk").

The total accounts receivable (net of provision for doubtful debtors) from the Group's tenants increased by €26.4 Mn vs. December 31, 2019 (€92.2 Mn under proportionate). Over fiscal year 2020, €126.6 Mn (€202.7 Mn under proportionate) of accounts receivable provision were charged to the income statement under the item "property operating expenses".

As at December 31, 2020, the provision for doubtful debtors amounted to €207.0 Mn (€285.1 Mn under proportionate) compared to €88.2 Mn (€107.3 Mn under proportionate) at the end of December 31, 2019.

(1) As a percentage of MGR and includes tenants with financial terms agreed.
(2) Includes tenants with financial terms agreed.
(3) On a proportionate basis.

VALUATION OF INVESTMENT PROPERTIES

As for each closing, investment properties have been valued by external independent appraisers as described in note 5.1 "Investment properties".

For the valuation as at June 30, 2020, the appraisers in Europe and in the US included a material valuation uncertainty statement in the appraisal reports. For the valuation as at December 31, 2020, this statement was withdrawn from the appraisal reports, except for the hotels which represent €0.5 Bn of the Group's Gross Market Value ("GMV"). However, according to the appraisers, this material valuation uncertainty does not mean their hotel valuations cannot be relied upon.

In 2020, valuation of investment properties decreased by -€4,722.3 Mn (-€6,437.5 Mn on a proportionate basis).

RECOVERABLE VALUE OF GOODWILL

The Group also performed an impairment test of goodwill as at December 31, 2020, based on assumptions described in note 5.4 "Goodwill" and recognised an impairment of -€1,596.1 Mn on a cumulated basis.

LIQUIDITY POSITION

In 2020, all financial markets were affected by the COVID-19 pandemic. The credit markets were severely hit, with a significant increase in credit spreads and a few periods in which markets were effectively closed. However, the extraordinary scale of the intervention by Central Banks (ECB, US Federal Reserve and the Bank of England) supported the credit markets and the access to liquidity for issuers. Moreover, market sentiment improved at year end following the announcement of vaccine candidates in November 2020.

Against this backdrop, URW raised €4,750 Mn of medium to long-term funds in the bond and bank markets including credit facilities extension. As at December 31, 2020, the Group had €11.4 Bn of cash on hand and undrawn credit lines (€11.5 Bn on a proportionate basis).

1.1.2 DISPOSAL OF FIVE FRENCH SHOPPING CENTRES AND OTHER CHANGES IN THE SCOPE OF CONSOLIDATION

On May 29, 2020, URW completed the disposal of a portfolio of five shopping centres in France to the entity Foncière Crossroads, formed by Crédit Agricole Assurances, La Française and URW. The consortium of investors comprised of Crédit Agricole Assurances and La Française holds 54.2% of Foncière Crossroads and URW 45.8%. Foncière Crossroads owns the following assets: Aéroville and So Ouest in the Paris region, Rennes Alma in Rennes, Toison d'Or in Dijon and Confluence in Lyon.

The implied offer price for the assets at 100% was €2,032 Mn. A syndicate of banks funded an underwritten €1.0 Bn secured financing for the new Entity, with a seven year maturity.

In light of the COVID-19 crisis and reflecting URW's confidence in the strength of these assets, the Group made some adjustments to provide comfort to the co-investors.

The net proceeds amounted to €1.5 Bn and the net disposal result to -€58.8 Mn, including the fair market value of the rental guarantees and the transaction costs.

According to the governance of Foncière Crossroads (see note 6.4 "Associates"), the Group has a significant influence on it and as a result Foncière Crossroads has been accounted for using the equity method from May 30, 2020.

The other changes in the scope of consolidation were the following:

- The disposal of Westfield Meriden, a non-core shopping centre in the US on June 5;
- The disposal of units owned in Bobigny 2 in France on June 23;
- The acquisition of the 50% remaining stake in JVs holding five assets in Florida (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Sarasota) on October 30;
- The disposal of Westfield Siesta Key, a non-core shopping centre in the US on October 30;
- The disposal of Westfield Sunrise, a non-core shopping centre in the US on December 31.

1.2 SIGNIFICANT EVENTS OF 2019

1.2.1 CHANGES IN THE STRUCTURE OF US OPERATIONS

In April 2019, the Group executed changes in the structure of its US operations (the 2019 Restructurings) to exit the US portfolio from the legacy Australian platform. The 2019 Restructurings also allowed the Group to apply a material step-up of the tax base of the US real estate resulting in a +€1.3 Bn reversal of the deferred tax liability related to the US portfolio.

As of the date of acquisition of Westfield, the rules and critical regulations related to the US Tax Cuts and Jobs Act adopted in December 2017 that were conditional for the 2019 Restructurings had not yet been released, whereas the feasibility of the restructuring depended on future developments related to FIRPTA (Foreign Investment in Real Property Tax Act). Furthermore, the implementation of the 2019 Restructurings required certain legal reorganisations that involved the upfront payment of €0.2 Bn of tax. Based on those points, the Group accounted for the €1.3 Bn reversal of the deferred tax liability related to the US portfolio as a credit to the income tax of 2019 together with the €0.2 Bn tax and other costs incurred for the implementation of the 2019 Restructurings.

1.2.2 FINALISATION OF WFD PURCHASE ACCOUNTING

The Los Angeles Airport (LAX) and Chicago Airport (ORD) leasehold contracts are held by URW to earn rentals or for capital appreciation. Consequently, the property meets the definition of an investment property and can be recorded at fair value. Thus, Los Angeles Airport (LAX) and Chicago Airport (ORD) have been reclassified from Intangible assets (€164.6 Mn) to Investment properties at fair value, as at January 1, 2019. The Consolidated statement of financial position as at December 31, 2018, had been restated accordingly. This reclassification did not impact either the deferred tax liability, or the goodwill.

During 2019 and 2020, there was no other change in the measurement of the acquired assets and liabilities.

NOTE 2. ACCOUNTING POLICIES

In accordance with EC regulation no. 1606/2002 of July 19, 2002, on the application of international accounting standards, URW has prepared its consolidated financial statements for the financial year ending December 31, 2020, under International Financial Reporting Standards (IFRS) as adopted in the European Union and applicable at this date.

These can be consulted on the website:
http://ec.europa.eu/finance/company-reporting/ifrs-financialstatements/index_en.htm.

2.1 IFRS BASIS ADOPTED

The accounting principles and methods used are the same as those applied for the preparation of the annual consolidated financial statements as at December 31, 2019, except for the application of the new obligatory standards and interpretations described below.

STANDARDS, AMENDMENTS AND INTERPRETATIONS EFFECTIVE AS OF JANUARY 1, 2020

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2;
- Amendments to IFRS 4: Insurance Contracts – deferral of IFRS 9;
- Amendments to IFRS 3: Business Combinations;
- Amendments to IFRS 9, IAS 39 and IFRS 17: Interest Rate Benchmark Reform;
- Amendments to IAS 1 and IAS 8: Definition of Material;
- Amendments to References to the Conceptual Framework in IFRS Standards.

These standards, amendments and interpretations do not have a significant impact on the Group's accounts as at December 31, 2020.

The amendment to IFRS 16 Leases, COVID-19-Related Rent Concessions, adopted on October 9, 2020, is effective from June 1, 2020.

STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT MANDATORILY APPLICABLE AS OF JANUARY 1, 2020

The following texts were published by the IASB but have not yet been adopted by the European Union:

- IFRS 17: Insurance Contracts;
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current;
- Amendments to:
  - IFRS 3: Business Combinations;
  - IAS 16: Property, Plant and Equipment;
  - IAS 37: Provisions, Contingent Liabilities and Contingent Assets;
  - Annual Improvements 2018-2020.

The measurement of the potential impacts of these texts on the consolidated accounts of URW is ongoing; no significant impacts are expected.

2.2 ESTIMATES AND ASSUMPTIONS

Certain amounts recorded in the consolidated financial statements reflect estimates and assumptions made by the management in the evolving context of the COVID-19 pandemic and of difficulties in assessing its impact and future prospects. In this context, management has taken into account these uncertainties on the basis of reliable information available at the date of the preparation of the consolidated financial statements, particularly with regards to doubtful debtors provisions and rent relief accruals, to the fair value of investment properties and financial instruments as well as the testing of goodwill and intangible assets.

Due to inherent uncertainties associated with estimates, the Group reviews those estimates based on regularly updated information. Actual results might eventually differ from estimates made at the date of the preparation of the consolidated financial statements.

The most significant estimates are set out in the following notes: for the valuation of investment properties, in note 5.1 "Investment properties"; for the intangible assets and goodwill, in notes 5.3 "Intangible assets" and 5.4 "Goodwill"; for provision for doubtful debtors, in note 7.6.3 "credit risk"; and for fair value of financial instruments, in note 7.4 "Hedging instruments" respectively. Actual future results or outcomes may differ from these estimates. The property portfolio and intangible assets used by the Shopping Centres, Offices & Others and Convention & Exhibition segments are valued by independent appraisers. Appraisers make their independent assessments of current and forward-looking cash-flow profiles and usually reflect risk either in the cash-flow forecasts (e.g. future rental levels, growth, investment requirements, void periods and incentives), in the applied required returns or discount rates or in the yield applied to capitalise the exit rent to determine an exit value.

NOTE 3. SCOPE OF CONSOLIDATION

3.1 ACCOUNTING PRINCIPLES

3.1.1 SCOPE AND METHODS OF CONSOLIDATION

The scope of consolidation includes all companies controlled by URW and all companies in which the Group exercises joint control or significant influence.

According to IFRS 10, an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group considers all facts and circumstances when assessing whether it controls an investee. The control over an investee is reassessed if facts and circumstances indicate that there are changes to one or more of the elements mentioned above.

The method of consolidation is determined by the type of control exercised:

- Control: the companies are fully consolidated.
- Joint control: is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement.
  - A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Each party shall account for the assets which it has rights to, liabilities which it has obligations for, revenues and expenses relating to its interests in a joint operation.
  - A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.
- Significant influence: accounted for using the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee but it is not control or joint control of those policies. It is presumed where an entity holds 20% or more of the voting power (directly or through subsidiaries) on an investee, unless it can be clearly demonstrated that this is not the case.

3.1.2 FOREIGN CURRENCY TRANSLATION

GROUP COMPANIES WITH A FUNCTIONAL CURRENCY DIFFERENT FROM THE PRESENTATION CURRENCY

The Group's consolidated financial statements are presented in euros. The financial statements of each consolidated Group company are prepared in its functional currency. The functional currency is the currency of the principal economic environment in which it operates.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency, the euro, are translated into the presentation currency as follows:

- The assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated into euros at the foreign exchange rate at the closing date;
- Income and expenses and other comprehensive income are translated into euros at rates approximating the foreign exchange rates ruling at the dates of the transactions;
- All resulting exchange rate differences are recognised as a separate component of equity (currency translation reserve);
- When a Group company is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

FOREIGN CURRENCY TRANSACTIONS

The Group's entities can realise operations in a foreign currency which is not their own functional currency. These transactions in foreign currencies are translated into euro at the spot exchange rate on the date of the transaction. At the closing date, monetary assets and liabilities denominated in foreign currency are translated into functional currency at the exchange rate on that date. Foreign exchange differences arising on translation or on settlement of these transactions are recognised in the income statement account, with the exception of:

- Unrealised translation results on net investments;
- Unrealised translation results on intercompany loans that, in substance, form part of the net investment.

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instruments relating to the effective portion of the hedge are recognised directly in equity, whereas those relating to the ineffective portion are recognised in the income statement account.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate on the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into euros at exchange rates on the dates the fair value was determined, and are reported as part of the fair value gain or loss.

3.1.3 BUSINESS COMBINATIONS

To identify whether a transaction is a business combination the Group notably considers whether an integrated set of activities is acquired besides the investment property. The criteria applied may include the number of property assets held by the target company, the extent of the acquired processes and, particularly, the auxiliary services provided by the acquired entity. If the acquired assets are not a business, the transaction is recorded as an asset acquisition.

Business combinations are accounted for using the acquisition method. The acquisition is recognised at the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are recorded as expenses. For the companies accounted for using the equity method, acquisition costs are capitalised in the value of the shares.

At the date of acquisition and in accordance with IFRS 3 Revised, identifiable assets, liabilities and contingent liabilities of the acquired company are valued individually at their market value regardless of their purpose based upon current best estimates at such date. It is possible that further adjustments to initial evaluation may be recognised within 12 months of the acquisition in accordance with IFRS rules.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the income statement.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Subsequent changes to the fair value of any contingent consideration classified as liability will be recognised in the income statement.

Under IFRS 3 Revised, the acquisition of additional shares from non-controlling shareholders is regarded as an equity transaction and therefore no additional goodwill is recognised.

Consequently, when non-controlling shareholders have an agreement to sell, non-controlling interests are reclassified as debt at the present value of the exercise price. The difference between the latest value and the net carrying value of the non-controlling interests is recognised as Equity attributable to the holders of the Stapled Shares. Any subsequent change in debt is also accounted for as Equity attributable to the holders of the Stapled Shares. Income from non-controlling interests and dividends are recorded in Equity attributable to the holders of the Stapled Shares.

3.2 CONSOLIDATION OF UNIBAIL-RODAMCO-WESTFIELD N.V.

After the completion of the Westfield acquisition by Unibail-Rodamco-Westfield SE ("URW SE", formerly Unibail-Rodamco SE), Unibail-Rodamco-Westfield N.V. ("URW N.V.", formerly WFD Unibail-Rodamco N.V.) is held 60% directly by Unibail-Rodamco-Westfield shareholders (Stapled Share principle) and 40% directly by URW SE.

As a result of the Stapled Share Principle and consistent with the legal set up of the Transaction and governance of URW N.V., the entity and its subsidiaries are fully consolidated.

The holders of the Stapled Shares are entitled to the same rights and obligations with respect to URW SE and URW N.V. As a consequence, the 60% economic interest in URW N.V. directly held by such holders is reflected under the caption "Net result for the period attributable to the holders of the Stapled Shares", which is split between:

- "Net result of the period attributable to the holders of the Stapled Shares analysed by amount attributable to Unibail-Rodamco-Westfield SE members"; and
- "Net result for the period attributable to the holders of the Stapled Shares analysed by amount attributable to Unibail-Rodamco-Westfield N.V. members" on the face of the consolidated statement of comprehensive income.

On the face of the statement of financial position, the caption "Equity attributable to the holders of the Stapled Shares" is split between "Equity attributable to Unibail-Rodamco-Westfield SE members" and "Equity attributable to Unibail-Rodamco-Westfield N.V. members".

3.3 DESCRIPTION OF SIGNIFICANT CONTROLLED PARTNERSHIPS

The significant controlled partnerships are presented below.

VIPARIS AND PROPEXPO

The Viparis entities are equally held by Unibail-Rodamco-Westfield SE and its partner, the CCIR (Paris-Île-de-France Regional Chamber of Commerce and Industry). The relevant activities for these entities are the management of the Convention & Exhibition venues. The Managing Director, who holds the executive powers for the management of these relevant activities, is designated by Unibail-Rodamco-Westfield SE.

The Chairman, who has a non-executive role, is nominated by the partner and has no casting vote.

Each partner has the same number of Directors in the Management Board. In the event of a tie vote, the Directors designated by the Group have a casting vote.

There is no casting vote held by other governance or supervisory bodies (Shareholders' General Meetings) which could question this control.

The Group therefore considers that it has full control of the Viparis entities and thus the Viparis entities are fully consolidated.

Propexpo is a real estate company which owns part of the Viparis assets and is equally held by Unibail-Rodamco-Westfield SE and CCIR.

The relevant activities are the leasing, equipment, building, renovation as well as the management, servicing and maintenance of these assets.

The Managing Director, a Group company, cannot be removed without the agreement of the Group.

The executive Chairman is designated by the Group, whereas the non-executive Vice-President is designated by the CCIR.

There is no casting vote held by other governance or supervisory bodies (Shareholders' General Meetings) which could question this control.

The governance of both Propexpo managed by the Group and the Viparis entities which control the on-site property services are defined by the Shareholders' agreement between the Group and CCIR as with respect to Viparis.

Propexpo is therefore fully consolidated.

UNIBAIL-RODAMCO-WESTFIELD GERMANY GMBH

Unibail-Rodamco-Westfield Germany GmbH is jointly held by the Group (51%) and by Canada Pension Plan Investment Board (CPPIB) (49%).

The relevant activities are the leasing, equipment, building, renovation as well as the management, servicing and maintenance of these assets.

The Group is entitled to nominate three members of Unibail-Rodamco-Westfield Germany GmbH's Supervisory Board and CPPIB two members. According to the governance, the Group controls Unibail-Rodamco-Westfield Germany GmbH and is therefore fully consolidated.

WESTFIELD PARLY 2 SHOPPING CENTRE

The Westfield Parly 2 shopping centre (Paris region) is held by the Group and the Abu Dhabi Investment Authority (ADIA).

The relevant activities are the leasing, equipment, building, renovation as well as the management, servicing and maintenance of Westfield Parly 2 shopping centre.

The Managing Director of Westfield Parly 2 shopping centre is a URW company designated for an indefinite term, which holds powers in order to administrate the companies and obtain the authorisations needed for their activities.

There is no casting vote held by other governance or supervisory bodies (Management Boards, Shareholders' General Meetings) which could question this control.

As a result, the Group controls the asset and is therefore fully consolidated.

WESTFIELD FORUM DES HALLES SHOPPING CENTRE & PARKING

The Westfield shopping centre and the parking Forum des Halles located in Paris are held by the Group (65%) and an insurance company, AXA (35%).

The Managing Director is a URW company designated for an indefinite term, which holds powers in order to administrate the Company and obtain the authorisations needed for its activities and cannot be removed without the agreement of the Group.

These assets are therefore fully consolidated.

WESTFIELD LES 4 TEMPS SHOPPING CENTRE

The asset is held for 53.3% by the Group and for 46.7% by two insurance companies.

The Managing Director is a URW company designated for an indefinite term, which holds large powers in order to administrate the Company and obtain the authorisations needed for its activities and cannot be removed without the agreement of the Group.

The asset is therefore fully consolidated.

3.4 SHARE DEALS: ACQUISITIONS AND DISPOSALS

3.4.1 ACQUISITIONS OF BUSINESSES, NET OF CASH ACQUIRED (CONSOLIDATED STATEMENT OF CASH FLOWS)

(€Mn)	2020	2019
Acquisition price of shares	(87.1)	(35.5)
Cash and current accounts	17.0	-
Acquisition of consolidated shares	**(70.1)[(1)]**	**(35.5)**

(1) Refers mainly to the acquisition of the 50% remaining stake in JVs holding five assets in Florida.

3.4.2 RESULT ON DISPOSAL OF INVESTMENT PROPERTIES

The result on disposal of investment properties includes both the result on disposal of assets and the result on disposal of shares.

(€Mn)	2020	2019
Net capital gains/losses on disposal of assets	**(38.5)**	**48.9**
Proceeds from disposal of assets	*501.6*	*957.2*
Carrying values of disposed assets	*(540.1)*	*(908.3)*
Net capital gains/losses on disposal of shares	**(47.9)**	**19.7**
Proceeds from disposal of shares	*154.7*	*223.0*
Carrying values of disposed shares	*(202.6)*	*(203.4)*
Net capital gains/losses on disposal of investment properties	**(86.3)**	**68.5**

DISPOSAL OF SHARES/CONSOLIDATED SUBSIDIARIES (CONSOLIDATED STATEMENT OF CASH FLOWS)

(€Mn)	2020	2019
Net price of shares sold	154.7	223.0
Cash and current accounts	872.0	68.2
Disposal of shares/consolidated subsidiaries[(1)]	**1,026.7**	**291.2**

(1) In 2020, corresponds mainly to the disposal of five French shopping centres described in note 1.1.2. In 2019, corresponds mainly to the disposals of Jumbo and Ring-Center.

3.5 NON-CONTROLLING INTERESTS AND COMMITMENT TO PURCHASE NON-CONTROLLING INTERESTS

3.5.1 COMMITMENT TO PURCHASE NON-CONTROLLING INTERESTS

The convertible redeemable preference shares, included in the captions “Non-current commitment to external non-controlling interests” and “Current commitment to external non-controlling interests”, refer mainly to the preference shares held by the former partners in San Francisco Centre.

They are measured at fair value through profit or loss.

3.5.2 NON-CONTROLLING INTERESTS

In 2020, this item comprised mainly non-controlling interests in the following entities:

- Several shopping centres in France (-€190.3 Mn, mainly Westfield Les 4 Temps, Westfield Parly 2 and Westfield Forum des Halles);
- Convention & Exhibition entities (-€150.8 Mn);
- Several shopping centres in Germany (-€76.0 Mn).

3.6 DESCRIPTION OF SIGNIFICANT JOINT OPERATIONS

WESTFIELD LONDON

Westfield London is jointly controlled by the Group and Commerz Real Investmentgesellschaft (CRI) since all the major decisions relating to the relevant activities of the company (leasing strategy, standard form lease agreements, operating expenses and capital expenses), require the approval of both partners. Each year, the Annual Budget Plan comprising gross income and operating expenses, capital expenditure, rent levels projected to be achieved on review of rents under each lease, proposed new lettings and the projected net income, shall be approved by both partners. The arrangements between CRI and URW give equal rights to both partners in the assets and the liabilities of the partnership.

Therefore, Westfield London is a Joint Operation company.

NOTE 4. NET RECURRING RESULT AND SEGMENT REPORTING

4.1 ACCOUNTING PRINCIPLES

Segment information is presented in respect of the Group's divisions and geographical segments, based on the Group's management and internal reporting structure and in accordance with IFRS 8.

Contributions of affiliates are also presented according to the Group's divisions and geographical segments.

Since the joint-controlled entities represent a significant part of the Group's operations in the US and the UK, the Group's management and internal reporting structure segment information is prepared in a proportionate format, in which the joint-controlled entities are accounted for on a proportionate basis instead of being accounted for using the equity method under IFRS. The Group and its joint ventures use consistent accounting policies.

Therefore, the segment information presented in this section is prepared in a proportionate format.

BUSINESS SEGMENTS

The Group presents its result by segment: Shopping Centres, Offices & Others, Convention & Exhibition.

The Convention & Exhibition segment comprises management of exhibition venues (Viparis), the shopping centre "les Boutiques du Palais" and the management of the hotels at Porte de Versailles.

GEOGRAPHICAL SEGMENTS

Geographical segments are determined on the basis of the Group's definition of a home region. A home region is defined as a region with more than €1 Bn in property investment, a local organisation dedicated to all three business lines: the "owner function" (asset selection and management including pipeline), Shopping Centres management, the finance function and a regional consolidated reporting.

The following are considered home regions based on specific operational and strategic factors:

- France, including France and Belgium;
- United States;
- Central Europe, including the Czech Republic, Poland and Slovakia;
- Spain;
- United Kingdom and Italy;
- Nordics, including Sweden, Denmark and Finland (during 2019, the Group sold its stake in the Jumbo shopping centre in Helsinki, Finland);
- Austria;
- Germany;
- The Netherlands.

The following notes are presented on a proportionate basis.

4.2 CONSOLIDATED FINANCIAL STATEMENTS ON A PROPORTIONATE BASIS

4.2.1 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME ON A PROPORTIONATE BASIS

Consolidated income statement (€Mn)	2020 IFRS	Proportionate	Total 2020 Proportionate	2019 IFRS	Proportionate	Total 2019 Proportionate
Gross rental income	1,897.7	554.1	2,451.7	2,417.6	665.8	3,083.4
Ground rents paid	*(13.7)*	*(0.2)*	*(14.0)*	*(14.5)*	*(0.3)*	*(14.9)*
Service charge income	*317.4*	*68.4*	*385.8*	*376.6*	*73.9*	*450.5*
Service charge expenses	*(363.7)*	*(88.5)*	*(452.3)*	*(413.5)*	*(86.2)*	*(499.7)*
Property operating expenses	*(389.4)*	*(191.7)*	*(581.2)*	*(380.9)*	*(147.2)*	*(528.1)*
Operating expenses and net service charges	(449.5)	(212.1)	(661.6)	(432.3)	(159.8)	(592.1)
Net rental income	**1,448.2**	**342.0**	**1,790.2**	**1,985.2**	**506.0**	**2,491.2**
Property development and project management revenue	251.9	-	251.9	276.6	-	276.6
Property development and project management costs	(217.2)	-	(217.2)	(235.2)	-	(235.2)
Net property development and project management income	**34.8**	**-**	**34.8**	**41.3**	**-**	**41.3**
Property services and other activities revenues	179.1	(0.0)	179.1	310.1	(0.3)	309.8
Property services and other activities expenses	(175.5)	0.1	(175.4)	(211.4)	(0.0)	(211.5)
Net property services and other activities income	**3.6**	**0.0**	**3.6**	**98.7**	**(0.3)**	**98.4**
Share of the result of companies accounted for using the equity method	(1,652.4)	1,456.9	(195.5)	(77.9)	85.5	7.6
Income on financial assets	24.8	(8.2)	16.6	32.2	(9.2)	23.0
Contribution of companies accounted for using the equity method	**(1,627.6)**	**1,448.7**	**(178.9)**	**(45.7)**	**76.3**	**30.5**
Corporate expenses	(207.4)	(6.3)	(213.7)	(191.5)	(8.9)	(200.3)
Depreciation of other tangible assets	(2.1)	-	(2.1)	(2.0)	0.0	(2.0)
Development expenses	(2.6)	(0.0)	(2.6)	(17.4)	-	(17.4)
Administrative expenses	**(212.1)**	**(6.3)**	**(218.5)**	**(210.9)**	**(8.9)**	**(219.8)**
Acquisition and other costs	**(83.4)**	**-**	**(83.4)**	**(45.8)**	**(5.7)**	**(51.5)**
Proceeds from disposal of investment properties	656.3	1.1	657.4	1,180.2	1.8	1,182.1
Carrying value of investment properties sold	(742.7)	(0.4)	(743.1)	(1,111.7)	(1.0)	(1,112.7)
Result on disposal of investment properties[(1)]	**(86.3)**	**0.6**	**(85.7)**	**68.5**	**0.8**	**69.4**
Valuation gains on assets	71.3	6.2	77.5	924.0	90.3	1,014.3
Valuation losses on assets	(4,908.5)	(1,721.4)	(6,629.9)	(2,026.4)	(603.5)	(2,629.9)
Valuation movements on assets	**(4,837.2)**	**(1,715.2)**	**(6,552.4)**	**(1,102.4)**	**(513.1)**	**(1,615.6)**
Impairment of goodwill	**(1,596.1)**	**(23.9)**	**(1,620.0)**	**(7.1)**	**-**	**(7.1)**
NET OPERATING RESULT	**(6,956.4)**	**46.1**	**(6,910.3)**	**781.8**	**55.1**	**836.9**
Result from non-consolidated companies	1.0	(0.0)	1.0	1.7	0.1	1.8
Financial income	*248.1*	*1.1*	*249.3*	*278.3*	*1.2*	*279.5*
Financial expenses	*(679.7)*	*(56.0)*	*(735.7)*	*(670.0)*	*(59.8)*	*(729.8)*
Net financing costs	(431.5)	(54.9)	(486.5)	(391.7)	(58.7)	(450.4)
Fair value adjustment of net share settled bonds convertible into new and/or existing shares (ORNANE)	1.8	-	1.8	(7.6)	-	(7.6)
Fair value adjustments of derivatives, debt and currency effect	(570.9)	(3.4)	(574.3)	(343.5)	3.1	(340.3)
Debt discounting	-	-	-	(0.7)	-	(0.7)
RESULT BEFORE TAX	**(7,955.9)**	**(12.3)**	**(7,968.2)**	**40.1**	**(0.3)**	**39.8**
Income tax expenses	281.1	12.3	293.4	1,065.4	0.4	1,065.7
NET RESULT FOR THE PERIOD	**(7,674.8)**	**0.0**	**(7,674.8)**	**1,105.5**	**0.0**	**1,105.5**
Net result for the period attributable to:						
• The holders of the Stapled Shares	(7,212.6)	0.0	(7,212.6)	1,103.3	0.0	1,103.3
• External non-controlling interests	(462.2)	(0.0)	(462.2)	2.2	-	2.2
NET RESULT FOR THE PERIOD	**(7,674.8)**	**0.0**	**(7,674.8)**	**1,105.5**	**0.0**	**1,105.5**

(1) The result on disposal of investment properties includes both the result on disposal of assets and the result on disposal of shares.

4.2.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION ON A PROPORTIONATE BASIS

Consolidated statement of financial position (€Mn)	Dec. 31, 2020 IFRS	Proportionate	Dec. 31, 2020 Proportionate	Dec. 31, 2019 IFRS	Proportionate	Dec. 31, 2019 Proportionate
NON CURRENT ASSETS	**52,878.6**	**1,908.7**	**54,787.3**	**61,106.6**	**2,344.8**	**63,451.4**
Investment properties	**40,947.8**	**9,013.7**	**49,961.5**	**45,733.2**	**11,491.5**	**57,224.7**
Investment properties at fair value	*39,623.6*	*8,955.8*	*48,579.4*	*44,589.9*	*11,412.5*	*56,002.4*
Investment properties at cost	*1,324.1*	*57.9*	*1,382.0*	*1,143.3*	*79.0*	*1,222.3*
Shares and investments in companies accounted for using the equity method	8,370.3	(7,181.6)	1,188.7	10,194.6	(9,246.6)	948.0
Other tangible assets	279.2	0.8	280.0	344.5	1.0	345.5
Goodwill	1,248.1	66.6	1,314.7	2,878.4	90.5	2,968.9
Intangible assets	876.3	0.2	876.5	984.4	-	984.4
Investments in financial assets	303.6	9.0	312.6	343.5	8.4	351.9
Deferred tax assets	26.5	-	26.5	28.4	-	28.4
Derivatives at fair value	826.8	-	826.8	599.6	-	599.6
CURRENT ASSETS	**4,399.2**	**323.8**	**4,723.0**	**3,896.5**	**270.6**	**4,167.1**
Properties or shares held for sale	1,038.2	0.0	1,038.2	2,147.6	-	2,147.6
Derivatives at fair value	-	-	-	-	-	-
Inventories	32.0	10.7	42.7	91.2	11.9	103.1
Trade receivables from activity	539.4	162.5	701.9	513.0	96.7	609.7
Tax receivables	213.2	5.2	218.4	303.6	2.7	306.3
Other receivables	438.9	12.7	451.6	352.4	53.8	406.2
Cash and cash equivalents	2,137.6	132.7	2,270.3	488.8	105.5	594.3
TOTAL ASSETS	**57,277.8**	**2,232.5**	**59,510.3**	**65,003.2**	**2,615.4**	**67,618.6**
Equity attributable to the holders of the Stapled Shares	**17,393.5**	**-**	**17,393.5**	**25,950.8**	**-**	**25,950.8**
Share capital	692.4	-	692.4	691.9	-	691.9
Additional paid-in capital	13,480.7	-	13,480.7	13,478.2	-	13,478.2
Consolidated reserves	10,980.8	-	10,980.8	10,671.4	-	10,671.4
Hedging and foreign currency translation reserves	(547.8)	-	(547.8)	6.1	-	6.1
Consolidated result	(7,212.6)	-	(7,212.6)	1,103.3	-	1,103.3
• ***Equity attributable to Unibail-Rodamco-Westfield SE members***	***17,375.3***	**-**	***17,375.3***	***24,334.4***	**-**	***24,334.4***
• ***Equity attributable to Unibail-Rodamco-Westfield N.V. members***	***18.2***	**-**	***18.2***	***1,616.4***	**-**	***1,616.4***
Hybrid securities	1,988.5	0.0	1,988.5	1,988.8	-	1,988.8
External non-controlling interests	3,413.0	-	3,413.0	3,912.9	-	3,912.9
TOTAL SHAREHOLDERS' EQUITY	**22,795.0**	**0.0**	**22,795.0**	**31,852.5**	**-**	**31,852.5**
NON CURRENT LIABILITIES	**29,655.4**	**2,024.8**	**31,680.2**	**28,291.0**	**2,375.6**	**30,666.6**
Non-current commitment to external non-controlling interests	94.5	1.9	96.4	172.2	3.3	175.5
Net share settled bonds convertible into new and/or existing shares (ORNANE)	497.7	-	497.7	602.1	-	602.1
Non-current bonds and borrowings	24,310.5	1,900.5	26,211.0	22,931.6	2,227.9	25,159.5
Non-current lease liabilities	796.6	8.5	805.1	806.7	9.3	816.0
Derivatives at fair value	1,502.3	-	1,502.3	1,025.0	-	1,025.0
Deferred tax liabilities	2,007.8	101.8	2,109.6	2,276.0	116.6	2,392.6
Non-current provisions	74.6	0.3	74.9	110.3	0.3	110.6
Guarantee deposits	206.2	11.0	217.2	218.0	18.0	236.0
Amounts due on investments	102.2	0.8	103.0	149.1	0.2	149.3
Other non-current liabilities	63.0	0.0	63.0	-	-	-
CURRENT LIABILITIES	**4,827.4**	**207.6**	**5,035.1**	**4,859.7**	**239.8**	**5,099.5**

Consolidated statement of financial position (€Mn)	Dec. 31, 2020 IFRS	Proportionate	Dec. 31, 2020 Proportionate	Dec. 31, 2019 IFRS	Proportionate	Dec. 31, 2019 Proportionate
Liabilities directly associated with properties or shares classified as held for sale	203.5	-	203.5	110.7	-	110.7
Current commitment to external non-controlling interests	6.1	3.6	9.7	1.0	-	1.0
Amounts owed to shareholders	-	-	-	-	-	-
Amounts due to suppliers and other creditors	**1,185.3**	**169.4**	**1,354.7**	**1,349.4**	**151.7**	**1,501.1**
Amounts due to suppliers	*211.8*	*43.3*	*255.1*	*230.5*	*43.1*	*273.6*
Amounts due on investments	*479.9*	*45.1*	*525.0*	*633.5*	*34.4*	*667.9*
Sundry creditors	*493.6*	*81.0*	*574.6*	*485.3*	*74.2*	*559.5*
Other current liabilities	681.0	3.1	684.0	729.8	23.8	753.6
Current borrowings and amounts due to credit institutions	2,686.7	30.1	2,716.8	2,557.4	62.6	2,620.0
Current lease liabilities	32.2	-	32.2	41.4	-	41.4
Derivatives at fair value	-	-	-	30.1	-	30.1
Current provisions	32.7	1.5	34.2	39.9	1.7	41.6
TOTAL LIABILITIES AND EQUITY	**57,277.8**	**2,232.5**	**59,510.3**	**65,003.2**	**2,615.4**	**67,618.6**

4.3 NET RECURRING RESULT DEFINITION

The income statement by segment is split between recurring and non-recurring activities. The non-recurring result before tax consists of the valuation movements on investment properties, fair value adjustments on derivatives and debts, termination costs of financial instruments on the full cancelled commitment period when the maturity of the financial instrument is beyond the current reporting period, bond tender premiums, currency gains/losses on revaluation of balance sheet items, the net result on disposals, impairment of goodwill or recognition of negative goodwill, as well as costs directly related to a business combination and other non-recurring items.

The income tax is split between recurring taxes and non-recurring taxes.

Recurring tax is the outcome of:

- the amount of income tax effectively due on recurring income, after deduction of any tax losses;
- plus/minus changes in a deferred tax asset recognised on tax losses stemming from recurring income (excluding those caused by a change in tax rate and/or those caused by a use of such deferred tax asset by non-recurring profits);
- plus/minus changes in deferred tax assets not related to tax losses and deferred tax liabilities relating to recurring result (excluding those caused by a change in tax rate and/or those caused by a use of such deferred tax asset by non-recurring profits).

4.4 NET RESULT BY SEGMENT ON A PROPORTIONATE BASIS

Net result by segment on a proportionate basis (€Mn)		2020 Recurring activities	2020 Non-recurring activities[1]	2020 Result	2019 Recurring activities	2019 Non-recurring activities[1]	2019 Result
SHOPPING CENTRES							
FRANCE	Gross rental income	566.5	-	566.5	714.3	-	714.3
	Operating expenses and net service charges	(74.8)	-	(74.8)	(50.9)	-	(50.9)
	Net rental income	**491.7**	**-**	**491.7**	**663.4**	**-**	**663.4**
	Contribution of companies accounted for using the equity method	20.7	(72.5)	(51.8)	-	-	-
	Gains/losses on sales of properties	-	(56.9)	(56.9)	-	1.8	1.8
	Valuation movements on assets	-	(1,424.7)	(1,424.7)	-	(277.0)	(277.0)
	Impairment of goodwill	-	(0.8)	(0.8)	-	-	-
	Result from operations Shopping Centres France	**512.5**	**(1,554.9)**	**(1,042.4)**	**663.4**	**(275.2)**	**388.2**
UNITED STATES	Gross rental income	801.6	-	801.6	957.7	-	957.7
	Operating expenses and net service charges	(339.1)	-	(339.1)	(304.9)	-	(304.9)
	Net rental income	**462.5**	**-**	**462.5**	**652.8**	**-**	**652.8**
	Contribution of companies accounted for using the equity method	(1.2)	(99.4)	(100.6)	9.0	(36.5)	(27.5)
	Gains/losses on sales of properties	-	(28.5)	(28.5)	-	0.8	0.8
	Valuation movements on assets	-	(2,046.0)	(2,046.0)	-	(417.4)	(417.4)
	Impairment of goodwill	-	(710.4)	(710.4)	-	-	-
	Result from operations Shopping Centres United States	**461.3**	**(2,884.3)**	**(2,423.0)**	**661.8**	**(453.1)**	**208.7**
CENTRAL EUROPE	Gross rental income	203.9	-	203.9	224.5	-	224.5
	Operating expenses and net service charges	(12.8)	-	(12.8)	(1.5)	-	(1.5)
	Net rental income	**191.1**	**-**	**191.1**	**223.0**	**-**	**223.0**
	Contribution of companies accounted for using the equity method	28.9	(46.5)	(17.6)	39.1	23.2	62.3
	Gains/losses on sales of properties	-	0.1	0.1	-	(1.2)	(1.2)
	Valuation movements on assets	-	(270.4)	(270.4)	-	111.6	111.6
	Impairment of goodwill	-	(0.3)	(0.3)	-	-	-
	Result from operations Shopping Centres Central Europe	**220.0**	**(317.1)**	**(97.0)**	**262.2**	**133.6**	**395.7**
SPAIN	Gross rental income	146.6	-	146.6	169.5	-	169.5
	Operating expenses and net service charges	(21.7)	-	(21.7)	(12.7)	-	(12.7)
	Net rental income	**124.8**	**-**	**124.8**	**156.8**	**-**	**156.8**
	Contribution of companies accounted for using the equity method	-	-	-	-	-	-
	Gains/losses on sales of properties	-	2.0	2.0	-	(0.2)	(0.2)
	Valuation movements on assets	-	(307.3)	(307.3)	-	46.1	46.1
	Impairment of goodwill	-	(103.8)	(103.8)	-	-	-
	Result from operations Shopping Centres Spain	**124.8**	**(409.1)**	**(284.2)**	**156.8**	**45.9**	**202.7**
UNITED KINGDOM	Gross rental income	141.7	-	141.7	211.4	-	211.4
	Operating expenses and net service charges	(63.7)	-	(63.7)	(54.1)	-	(54.1)
	Net rental income	**78.0**	**-**	**78.0**	**157.3**	**-**	**157.3**
	Contribution of companies accounted for using the equity method	-	-	-	-	-	-
	Gains/losses on sales of properties	-	-	-	-	-	-
	Valuation movements on assets	-	(1,201.7)	(1,201.7)	-	(611.7)	(611.7)
	Impairment of goodwill	-	(320.5)	(320.5)	-	-	-
	Result from operations Shopping Centres United Kingdom	**78.0**	**(1,522.2)**	**(1,444.2)**	**157.3**	**(611.7)**	**(454.4)**
NORDICS	Gross rental income	115.8	-	115.8	136.3	-	136.3
	Operating expenses and net service charges	(15.1)	-	(15.1)	(13.6)	-	(13.6)
	Net rental income	**100.8**	**-**	**100.8**	**122.7**	**-**	**122.7**
	Contribution of companies accounted for using the equity method	-	-	-	-	-	-
	Gains/losses on sales of properties	-	(0.0)	(0.0)	-	19.5	19.5
	Valuation movements on assets	-	(288.0)	(288.0)	-	24.7	24.7
	Impairment of goodwill	-	(132.2)	(132.2)	-	-	-
	Result from operations Shopping Centres Nordics	**100.8**	**(420.2)**	**(319.5)**	**122.7**	**44.2**	**166.9**

(1) Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortisation of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

Net result by segment on a proportionate basis (€Mn)		2020 Recurring activities	2020 Non-recurring activities(1)	2020 Result	2019 Recurring activities	2019 Non-recurring activities(1)	2019 Result
SHOPPING CENTRES							
AUSTRIA	Gross rental income	97.0	-	97.0	116.7	-	116.7
	Operating expenses and net service charges	(10.9)	-	(10.9)	(5.3)	-	(5.3)
	Net rental income	**86.1**	**-**	**86.1**	**111.4**	**-**	**111.4**
	Contribution of companies accounted for using the equity method	-	-	-	-	-	-
	Gains/losses on sales of properties	-	-	-	-	0.1	0.1
	Valuation movements on assets	-	(237.2)	(237.2)	-	(116.5)	(116.5)
	Result from operations Shopping Centres Austria	**86.1**	**(237.2)**	**(151.0)**	**111.4**	**(116.5)**	**(5.1)**
GERMANY	Gross rental income	131.6	-	131.6	154.6	-	154.6
	Operating expenses and net service charges	(17.5)	-	(17.5)	(11.1)	-	(11.1)
	Net rental income	**114.1**	**-**	**114.1**	**143.5**	**-**	**143.5**
	Contribution of companies accounted for using the equity method	1.8	(10.8)	(9.0)	2.7	(7.0)	(4.2)
	Gains/losses on sales of properties	-	(0.3)	(0.3)	-	(0.2)	(0.2)
	Valuation movements on assets	-	(246.4)	(246.4)	-	(179.0)	(179.0)
	Impairment of goodwill	-	(102.0)	(102.0)	-	-	-
	Result from operations Shopping Centres Germany	**115.8**	**(359.5)**	**(243.7)**	**146.2**	**(186.1)**	**(40.0)**
THE NETHER-LANDS	Gross rental income	63.6	-	63.6	71.0	-	71.0
	Operating expenses and net service charges	(14.0)	-	(14.0)	(8.6)	-	(8.6)
	Net rental income	**49.6**	**-**	**49.6**	**62.4**	**-**	**62.4**
	Contribution of companies accounted for using the equity method	-	-	-	-	-	-
	Gains/losses on sales of properties	-	(0.4)	(0.4)	-	1.4	1.4
	Valuation movements on assets	-	(168.8)	(168.8)	-	(89.6)	(89.6)
	Result from operations Shopping Centres The Netherlands	**49.6**	**(169.2)**	**(119.6)**	**62.4**	**(88.2)**	**(25.8)**
TOTAL RESULT FROM OPERATIONS SHOPPING CENTRES		**1,748.9**	**(7,873.6)**	**(6,124.7)**	**2,344.0**	**(1,507.1)**	**837.0**
OFFICES & OTHERS							
FRANCE	Gross rental income	62.0	-	62.0	78.1	-	78.1
	Operating expenses and net service charges	(6.0)	-	(6.0)	(6.0)	-	(6.0)
	Net rental income	**56.0**	**-**	**56.0**	**72.0**	**-**	**72.0**
	Contribution of companies accounted for using the equity method	-	-	-	-	-	-
	Gains/losses on sales of properties	-	(0.3)	(0.3)	-	46.5	46.5
	Valuation movements on assets	-	26.9	26.9	-	184.2	184.2
	Result from operations Offices France	**56.0**	**26.7**	**82.7**	**72.0**	**230.7**	**302.8**
OTHER COUNTRIES	Gross rental income	40.6	-	40.6	40.8	-	40.8
	Operating expenses and net service charges	(11.1)	-	(11.1)	(10.0)	-	(10.0)
	Net rental income	**29.4**	**-**	**29.4**	**30.8**	**-**	**30.8**
	Contribution of companies accounted for using the equity method	0.0	-	0.0	0.0	-	0.0
	Gains/losses on sales of properties	-	(1.4)	(1.4)	-	0.9	0.9
	Valuation movements on assets	-	(56.6)	(56.6)	-	39.0	39.0
	Result from operations Offices other countries	**29.4**	**(58.1)**	**(28.6)**	**30.8**	**39.8**	**70.7**
TOTAL RESULT FROM OPERATIONS OFFICES		**85.4**	**(31.4)**	**54.1**	**102.9**	**270.6**	**373.4**

(1) Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortisation of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

Net result by segment on a proportionate basis (€Mn)		2020 Recurring activities	2020 Non-recurring activities(1)	2020 Result	2019 Recurring activities	2019 Non-recurring activities(1)	2019 Result
CONVENTION & EXHIBITION							
FRANCE	Gross rental income	81.0	-	81.0	208.5	-	208.5
	Operating expenses and net service charges	(74.9)	-	(74.9)	(113.4)	-	(113.4)
	Net rental income	**6.1**	**-**	**6.1**	**95.1**	**-**	**95.1**
	On site property services net income	**6.0**	**-**	**6.0**	**61.7**	**-**	**61.7**
	Contribution of companies accounted for using the equity method	-	-	-	-	-	-
	Valuation movements, depreciation, capital gains	(18.2)	(272.9)	(291.1)	(15.4)	(180.6)	(196.0)
	Impairment of goodwill	-	(8.2)	(8.2)	-	(7.1)	(7.1)
TOTAL RESULT FROM OPERATIONS C & E		**(6.1)**	**(281.1)**	**(287.2)**	**141.5**	**(187.7)**	**(46.2)**
Net property development and project management income		34.8	(36.1)	(1.3)	41.3	(141.4)	(100.1)
Other property services net income		15.8	(23.1)	(7.4)	52.0	(7.9)	44.1
Impairment of goodwill related to the property services		-	(241.8)	(241.8)	-	-	-
Corporate expenses		(213.7)	-	(213.7)	(200.3)	-	(200.3)
Depreciation of other tangible assets		(2.1)	-	(2.1)	(2.0)	-	(2.0)
Development expenses		(2.6)	-	(2.6)	(17.4)	-	(17.4)
Acquisition and other costs		-	(83.4)	(83.4)	-	(51.5)	(51.5)
NET OPERATING RESULT		**1,660.4**	**(8,570.6)**	**(6,910.3)**	**2,461.9**	**(1,625.0)**	**836.9**
Result from non-consolidated companies		1.0	-	1.0	1.8	-	1.8
Financing result		(486.5)	(572.5)	(1,059.0)	(450.4)	(348.6)	(799.0)
RESULT BEFORE TAX		**1,174.9**	**(9,143.1)**	**(7,968.2)**	**2,013.4**	**(1,973.6)**	**39.8**
Income tax expenses		(19.7)	313.1	293.4	(50.8)	1,116.5	1,065.7
NET RESULT FOR THE PERIOD		**1,155.3**	**(8,830.0)**	**(7,674.8)**	**1,962.6**	**(857.1)**	**1,105.5**
External non-controlling interests		(98.7)	560.8	462.2	(202.9)	200.7	(2.2)
NET RESULT FOR THE PERIOD ATTRIBUTABLE TO THE HOLDERS OF THE STAPLED SHARES		**1,056.6**	**(8,269.2)**	**(7,212.6)**	**1,759.7**	**(656.4)**	**1,103.3**

(1) Non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortisation of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

4.4.1 GROSS RENTAL INCOME

REVENUE RECOGNITION

ACCOUNTING TREATMENT OF INVESTMENT PROPERTY LEASES

Assets leased are recorded in the statement of financial position as investment property assets. Gross rental revenue is recorded on a straight-line basis over the expected term of the lease.

In case of an Investment Property Under Construction (IPUC), revenues are recognised once spaces are delivered to tenants.

For rent relief granted to tenants in relation to the COVID-19 pandemic and where such relief qualifies as a lease modification because the tenant agrees concessions (e.g. extension of a lease term or higher Sales Based Rent), IFRS 16 applies, under which, the relief is treated as a lease incentive which is straight-lined over the expected term of the lease as a reduction of the Gross Rental Income.

Rent reliefs for which a counterpart is expected and not yet signed are part of the receivables on which an expected credit loss is calculated.

In accordance with IFRS 16, rent relief without changes to the lease contract, imposed by laws in force before an event giving rise to the relief, such as in Austria, or pursuant to a provision in the existing lease contract allowing for rent modification, is directly charged to the income statement as a reduction of the Gross Rental Income.

Rent reliefs signed or expected to be signed, granted without any counterpart from the tenants are considered as a reduction of the receivables and are charged to the income statement as a reduction of the Gross Rental Income in 2020.

RENTS AND KEY MONEY

Gross rental income consists of rents and similar income (e.g. occupancy compensation, key money, parking revenues) invoiced for Shopping Centres and Offices & Others properties over the period.

Under IFRS 16, the effects of rent-free periods, step rents, other rents incentives and key money are spread over the expected term of the lease.

Gross rental income from the Convention & Exhibition segment includes turnover generated by the rental of exhibition space and the provision of unavoidable associated support services to this space.

GROSS RENTAL INCOME BY SEGMENTS ON A PROPORTIONATE BASIS

(€Mn excluding taxes)	2020	2019
Shopping Centres	**2,268.2**	**2,755.9**
France	566.5	714.3
United States	801.6	957.7
Central Europe	203.9	224.5
Spain	146.6	169.5
United Kingdom	141.7	211.4
Nordics	115.8	136.3
Austria	97.0	116.7
Germany	131.6	154.6
The Netherlands	63.6	71.0
Offices & Others	**102.5**	**118.9**
France	62.0	78.1
Other countries	40.6	40.8
Convention & Exhibition	**81.0**	**208.5**
Total	**2,451.7**	**3,083.4**

Gross rental income amounted to €2,451.7 Mn (€3,083.4 Mn), a decrease of -20.5%. This decrease is mainly due to the negative impact of COVID-19 (rent relief, bankruptcies and increase of vacancy), the negative USD currency impact and the impact of disposals in France in 2019 and 2020.

MINIMUM GUARANTEED RENTS UNDER LEASES ON A PROPORTIONATE BASIS

As at December 31, 2020, minimum future rents due under leases until the next possible termination date break down as follows:

Minimum future rents per year
(€Mn)

Year	Shopping Centres	Offices & Others	Total
2021	1,845.0	96.9	1,941.8
2022	1,490.1	90.3	1,580.4
2023	1,141.4	75.1	1,216.5
2024	882.4	69.1	951.5
2025	685.9	51.4	737.3
2026	545.2	47.3	592.5
2027	456.7	44.1	500.8
2028	345.5	40.6	386.1
2029	242.1	27.7	269.8
2030	171.4	27.3	198.7
2031	125.1	26.9	151.9
Beyond	133.7	5.4	139.1
Total	**8,064.4**	**602.1**	**8,666.5**

4.4.2 OPERATING EXPENSES AND NET SERVICE CHARGES

The operating expenses and net service charges are composed of ground rents paid, net service charge expenses and property operating expenses.

GROUND RENTS PAID

GROUND LEASEHOLDS

Ground leaseholds are accounted for in accordance with IFRS 16 as described in note 5.1.1 "Investment properties – Accounting principles".

Buildings constructed on land under a lease agreement are recognised in accordance with the accounting principles described in note 5.1.1 "Investment properties – Accounting principles".

Ground rents correspond to variable lease payments (or straight-lining of initial payments) for properties built on land subject to leasehold or operated under an operating contract (concession). This item mainly applies to the Convention & Exhibition venue of Le Bourget in Paris and to some shopping centres, in particular in France.

SERVICE CHARGE INCOME AND SERVICE CHARGE EXPENSES

According to IFRS 15, the Group presented separately service charge income and service charge expenses.

The net of charges re-invoiced to tenants relates mainly to vacant premises.

PROPERTY OPERATING EXPENSES

These expenses comprise service charges borne by the owner, works-related expenses, litigation expenses, charges relating to doubtful accounts and expenses relating to property management, and expenses related to venue sites of the Convention & Exhibition segment.

4.4.3 NET PROPERTY SERVICES AND OTHER ACTIVITIES INCOME

REVENUE RECOGNITION

The net property services and other activities income consists of on-site property services, airport activities and other property services net income.

Revenues are recognised in accordance with IFRS 15.

Convention & Exhibition's contracts consist of occupancy agreements or short-term lease including provision of premises and services. Both provision of premises and services form an indivisible whole and should be combined into a single contract (and single performance obligation) for the purposes of IFRS 15 revenue recognition.

Revenues are recognised over the duration of premises lease according to the pro rata temporis method.

Other property services net income is recognised when the services are provided.

Revenues from other activities mainly cover:

- Fees for leasing, property management and maintenance services provided to Offices & Others and Shopping Centres. These fees are invoiced by property service companies for their property management activities on behalf of owners outside the Group;
- Fees for property services received by companies in the Convention & Exhibition segment.

Other expenses comprise charges relating to property services, general costs and depreciation charges for related fixed assets.

(€Mn)	2020	2019
Net other income	**3.6**	**98.4**
Convention & Exhibition	(12.2)	46.3
Other property services	15.8	52.0

4.4.4 NET PROPERTY DEVELOPMENT AND PROJECT MANAGEMENT INCOME

REVENUE RECOGNITION

Property development and project management income relates to Development, Design and Construction (DD&C) business which provides three types of services: provision of design, development and ultimately construction of a property project.

Based on the analysis of existing contracts, DD&C services are not distinct as the customer cannot benefit from each service on its own or together with other resources readily available to the customer, because the services are bundled to generate a single commercial outcome. As such, the Group takes the view that the three types of contracts should be combined into a single contract (and single performance obligation) for the purposes of IFRS 15 revenue recognition.

Revenues from DD&C business consist of fixed price contracts. URW has elected to use the input method of calculating revenue over time, which in this case is costs incurred.

Expenses comprise construction costs and related project management costs.

4.4.5 ADMINISTRATIVE EXPENSES

This item comprises personnel costs, head office and Group administrative expenses, expenses relating to development projects and not capitalised and depreciation charges relating mainly to URW's headquarters in Paris and in the regions. In 2020, this item includes €58.5 Mn (€68.9 Mn in 2019) of internal leasing fees previously capitalised.

4.4.6 ACQUISITION AND OTHER COSTS

In 2020, acquisition and other costs amounted to -€83.4 Mn (-€51.5 Mn in 2019) mainly due to the integration costs of Westfield, including severance costs in the US and the UK, the re-branding of ten shopping centres in Continental Europe, consulting, IT system integration and the shutdown of the Sydney office. This also included -€44.6 Mn of non-recurring expenses related to the fees and expenses paid for the unrealised rights issue in November 2020.

In 2019, this item comprised mainly the integration costs of Westfield, including the rebranding of ten shopping centres in Continental Europe, consulting, IT system integration, severance costs and the shutdown of the Sydney office.

4.5 OTHER INFORMATION BY SEGMENT ON A PROPORTIONATE BASIS

4.5.1 RECONCILIATION BETWEEN THE RESULTS BY SEGMENT AND THE INCOME STATEMENT OF THE PERIOD ON A PROPORTIONATE BASIS

FOR 2020

(€Mn)	Net rental income	Net property development and project management income, net property services and other activities income	Contribution of companies accounted for using the equity method	Administrative expenses	Result on disposal of investment properties and shares	Valuation movements on assets	Acquisition and other costs	Impairment of goodwill	**Total**
Shopping Centres									
France	491.7	-	(51.8)	-	(56.9)	(1,424.7)	-	(0.8)	(1,042.4)
United States	462.5	-	(100.6)	-	(28.5)	(2,046.0)	-	(710.4)	(2,423.0)
Central Europe	191.1	-	(17.6)	-	0.1	(270.4)	-	(0.3)	(97.0)
Spain	124.8	-	-	-	2.0	(307.3)	-	(103.8)	(284.2)
United Kingdom	78.0	-	-	-	-	(1,201.7)	-	(320.5)	(1,444.2)
Nordics	100.8	-	-	-	(0.0)	(288.0)	-	(132.2)	(319.5)
Austria	86.1	-	-	-	-	(237.2)	-	-	(151.0)
Germany	114.1	-	(9.0)	-	(0.3)	(246.4)	-	(102.0)	(243.7)
The Netherlands	49.6	-	-	-	(0.4)	(168.8)	-	-	(119.6)
Total Shopping Centres	**1,698.7**	**-**	**(178.9)**	**-**	**(84.0)**	**(6,190.5)**	**-**	**(1,370.0)**	**(6,124.7)**
Offices & Others									
France	56.0	-	-	-	(0.3)	26.9	-	-	82.7
Others	29.4	-	0.0	-	(1.4)	(56.6)	-	-	(28.6)
Total Offices & Others	**85.4**	**-**	**0.0**	**-**	**(1.7)**	**(29.7)**	**-**	**-**	**54.1**
C. & E.[(1)]									
France	6.1	(12.1)	-	-	-	(272.9)	-	(8.2)	(287.2)
Total C. & E.	**6.1**	**(12.1)**	**-**	**-**	**-**	**(272.9)**	**-**	**(8.2)**	**(287.2)**
Not allocated	**-**	**50.5**	**-**	**(218.5)**	**-**	**(59.2)**	**(83.4)**	**(241.8)**	**(552.4)**
Total 2020	**1,790.2**	**38.4**	**(178.9)**	**(218.5)**	**(85.7)**	**(6,552.4)**	**(83.4)**	**(1,620.0)**	**(6,910.3)**

(1) Convention & Exhibition segment.

FOR 2019

(€Mn)	Net rental income	Net property development and project management income, net property services and other activities income	Contribution of companies accounted for using the equity method	Administrative expenses	Result on disposal of investment properties and shares	Valuation movements on assets	Acquisition and other costs	Impairment of goodwill	Total
Shopping Centres									
France	663.4	-	-	-	1.8	(277.0)	-	-	388.2
United States	652.8	-	(27.5)	-	0.8	(417.4)	-	-	208.7
Central Europe	223.0	-	62.3	-	(1.2)	111.6	-	-	395.7
Spain	156.8	-	-	-	(0.2)	46.1	-	-	202.7
United Kingdom	157.3	-	-	-	-	(611.7)	-	-	(454.4)
Nordics	122.7	-	-	-	19.5	24.7	-	-	166.9
Austria	111.4	-	-	-	0.1	(116.5)	-	-	(5.1)
Germany	143.5	-	(4.2)	-	(0.2)	(179.0)	-	-	(40.0)
The Netherlands	62.4	-	-	-	1.4	(89.6)	-	-	(25.8)
Total Shopping Centres	**2,293.2**	**-**	**30.5**	**-**	**22.0**	**(1,508.8)**	**-**	**-**	**837.0**
Offices & Others									
France	72.0	-	-	-	46.5	184.2	-	-	302.8
Others	30.8	-	0.0	-	0.9	39.0	-	-	70.7
Total Offices & Others	**102.9**	**-**	**0.0**	**-**	**47.4**	**223.2**	**-**	**-**	**373.4**
C. & E.[(1)]									
France	95.1	46.3	-	-	-	(180.6)	-	(7.1)	(46.2)
Total C. & E.	**95.1**	**46.3**	**-**	**-**	**-**	**(180.6)**	**-**	**(7.1)**	**(46.2)**
Not allocated	**-**	**93.4**	**-**	**(219.8)**	**-**	**(149.4)**	**(51.5)**	**-**	**(327.3)**
Total 2019	**2,491.2**	**139.7**	**30.5**	**(219.8)**	**69.4**	**(1,615.6)**	**(51.5)**	**(7.1)**	**836.9**

(1) Convention & Exhibition segment.

4.5.2 STATEMENT OF FINANCIAL POSITION BY SEGMENT ON A PROPORTIONATE BASIS

FOR 2020

(€Mn)	Investment properties	Goodwill	Shares and investments in companies under the equity method	Other non-current assets	Properties or shares held for sale	Other current assets	Total Assets	Total Liabilities excluding shareholders' equity
Shopping Centres								
France	12,309.9	731.0	424.8	60.7	-	258.5	13,784.8	549.6
United States	11,623.5	-	59.8	301.0	146.9	355.7	12,486.8	750.0
Central Europe	4,347.0	255.4	679.5	15.9	-	42.4	5,340.2	681.6
Spain	3,509.7	-	-	35.7	-	40.4	3,585.8	265.7
United Kingdom & Italy	2,772.9	-	-	215.9	-	184.0	3,172.7	322.3
Nordics	2,952.7	-	-	0.0	-	33.8	2,986.5	517.8
Austria	2,221.2	72.9	-	0.0	-	24.1	2,318.2	499.5
Germany	3,212.9	245.1	24.7	23.9	26.1	124.7	3,657.4	371.5
The Netherlands	1,550.1	-	-	9.4	-	29.4	1,588.9	42.6
Total Shopping Centres	**44,500.0**	**1,304.4**	**1,188.7**	**662.5**	**172.9**	**1,092.9**	**48,921.4**	**4,000.7**
Offices & Others								
France	1,771.1	-	-	191.5[2]	796.9	42.5	2,802.1	67.9
Others	1,237.6	-	-	(0.0)	68.3	20.3	1,326.2	85.4
Total Offices & Others	**3,008.7**	**-**	**-**	**191.5**	**865.2**	**62.8**	**4,128.3**	**153.3**
C. & E.[1]								
France	2,452.8	-	-	134.9[3]	-	68.5	2,656.2	156.6
Total C. & E.	**2,452.8**	**-**	**-**	**134.9[3]**	**-**	**68.5**	**2,656.2**	**156.6**
Not allocated	**-**	**10.3**	**0.0**	**1,333.4[4]**	**-**	**2,460.7[5]**	**3,804.4**	**32,404.6**
Total December 31, 2020	**49,961.5**	**1,314.7**	**1,188.7**	**2,322.4**	**1,038.2**	**3,684.9**	**59,510.3**	**36,715.3**

(1) Convention & Exhibition segment.
(2) Corresponds mainly to the operating assets among which the Group's headquarters.
(3) Relates mainly to tangible and intangible assets.
(4) Refers mainly to the derivatives and intangible assets.
(5) Includes mainly Cash and cash equivalents.

FOR 2019

(€Mn)	Investment properties	Goodwill	Shares and investments in companies under the equity method	Other non-current assets	Properties or shares held for sale	Other current assets	Total Assets	Total Liabilities excluding shareholders' equity
Shopping Centres								
France	13,452.9	731.7	-	3.9	2,062.3	250.6	16,501.5	582.9
United States	14,558.4	852.6	203.2	439.1	-	282.4	16,335.8	914.1
Central Europe	4,599.0	255.7	711.0	22.8	-	23.5	5,612.0	715.5
Spain	3,743.1	103.8	-	37.4	-	31.6	3,915.8	270.2
United Kingdom & Italy	4,105.5	454.0	-	253.9	-	187.3	5,000.7	389.7
Nordics	3,124.8	132.6	-	0.6	-	33.8	3,291.8	532.0
Austria	2,433.9	72.9	-	0.6	-	17.8	2,525.2	529.5
Germany	3,363.2	347.1	33.9	52.5	-	114.0	3,910.7	436.2
The Netherlands	1,589.3	-	-	0.0	-	27.0	1,616.3	63.3
Total Shopping Centres	**50,970.0**	**2,950.4**	**948.0**	**810.9**	**2,062.3**	**968.1**	**58,709.7**	**4,433.5**
Offices & Others								
France	2,378.0	-	-	154.7[2]	24.6	69.3	2,626.6	73.9
Others	1,234.6	-	-	0.0	60.7	52.8	1,348.1	72.0
Total Offices & Others	**3,612.6**	**-**	**-**	**154.7**	**85.3**	**122.1**	**3,974.7**	**146.0**
C. & E.[1]								
France	2,642.2	8.2	-	241.8[3]	-	131.3	3,023.5	243.3
Total C. & E.	**2,642.2**	**8.2**	**-**	**241.8[3]**	**-**	**131.3**	**3,023.5**	**243.3**
Not allocated	**-**	**10.2**	**-**	**1,102.4[4]**	**-**	**798.1[5]**	**1,910.7**	**30,943.3**
Total December 31, 2019	**57,224.7**	**2,968.9**	**948.0**	**2,309.8**	**2,147.6**	**2,019.5**	**67,618.6**	**35,766.1**

(1) Convention & Exhibition segment.
(2) Corresponds mainly to the operating assets among which the Group's headquarters.
(3) Relates mainly to tangible and intangible assets.
(4) Refers mainly to the derivatives and intangible assets.
(5) Includes mainly Cash and cash equivalents.

4.5.3 INVESTMENTS BY SEGMENT ON A PROPORTIONATE BASIS

	2020			2019		
(€Mn)	Investments in investment properties at fair value	Investments in investment properties at cost[2]	Total investments	Investments in investment properties at fair value	Investments in investment properties at cost[2]	Total investments
Shopping Centres						
France	295.7	21.3	317.0	315.8	116.0	431.8
United States	140.6	15.0	155.6	240.0	15.9	255.9
Central Europe	13.1	3.9	17.0	18.8	5.3	24.1
Spain	42.5	29.4	72.0	28.8	46.1	74.8
United Kingdom & Italy	55.0	5.9	60.9	77.1	3.7	80.8
Nordics	14.3	2.3	16.6	36.9	2.2	39.0
Austria	24.5	-	24.5	42.8	-	42.8
Germany	16.2	105.9	122.2	27.6	78.9	106.5
The Netherlands	131.9	0.0	131.9	92.6	36.0	128.5
Total Shopping Centres	**733.8**	**183.8**	**917.5**	**880.3**	**304.0**	**1,184.3**
Offices & Others						
France	111.1	18.5	129.6	192.4	27.3	219.6
Others	38.9	61.1	100.0	63.5	81.7	145.2
Total Offices & Others	**150.0**	**79.6**	**229.7**	**255.9**	**108.9**	**364.8**
C. & E.[1]						
France	22.9	-	22.9	161.6	-	161.6
Total C. & E.	**22.9**	**-**	**22.9**	**161.6**	**-**	**161.6**
Total	**906.7**	**263.4**	**1,170.1**	**1,297.8**	**412.9**	**1,710.8**

(1) Convention & Exhibition segment.
(2) Before transfer between category of investment property.

NOTE 5. INVESTMENT PROPERTIES, TANGIBLE AND INTANGIBLE ASSETS, GOODWILL

5.1 INVESTMENT PROPERTIES

5.1.1 ACCOUNTING PRINCIPLES

INVESTMENT PROPERTIES (IAS 40 & IFRS 13)

In accordance with IAS 40, investment properties are shown at their market value. According to IFRS 13, the fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Expectations about future improvements or modifications to be made to the property interest to reflect its highest and best use have to be considered in the appraisal, such as the renovation of or an extension to the property interest.

URW complies with the IFRS 13 fair value measurement rule and the position paper(1) on IFRS 13 established by EPRA, the representative body of the publicly listed real estate industry in Europe.

Transaction costs incurred for an asset deal are capitalised in the value of the investment property. Capitalised expenses include capital expenditures, evictions costs, capitalised financial interests, external letting fees invoiced by third parties and other internal costs related to development projects.

In accordance with IFRS 16 and IAS 40, the right-of-use assets arising from leased property which meet the definition of an investment property are measured at fair value.

Investment Properties Under Construction (IPUC) are covered by IAS 40 and are eligible to be measured at fair value. In accordance with the Group's investment properties valuation method, they are measured at fair value by a qualified external appraiser twice a year. Projects for which the fair value is not reliably determinable are measured at cost until such time that a fair value measurement becomes reliable, or until one year before the construction completion.

According to the Group, a development project is eligible for a fair value measurement once all three of the following criteria are fulfilled:

- All administrative authorisations needed to complete the project are obtained;
- The construction has started and costs are committed toward the contractor;
- Substantial uncertainty in future rental income has been eliminated.

If the time to delivery is less than one year, the project is accounted for at fair value.

For properties measured at fair value, the market value adopted by URW is determined on the basis of appraisals by qualified independent external experts, who value the Group's portfolio as at June 30 and December 31 of each year. The gross value is reduced by disposal costs and transfer taxes(2), depending on the country and on the tax situation of the property, in order to arrive at a net market value.

For the Shopping Centres and Offices & Others portfolios, the independent appraisers determine the fair market value based on the results of two methods: the discounted cash flow methodology as well as the yield methodology. Furthermore, the resulting valuations are cross-checked against the initial yield, value per sqm and the fair market values established through actual market transactions.

Appraisers have been given access to all information relevant for valuations, such as the Group's confidential rent rolls, including information on vacancy, break options, expiry dates and lease incentives, performance indicators (e.g., footfall and sales where available), letting evidence and the Group's cash flow forecasts from annually updated detailed asset business plans. Appraisers make their independent assessments of current and forward-looking cash flow profiles and usually reflect risk either in the cash flow forecasts (e.g. future rental levels, growth, investment requirements, void periods and incentives, rent relief and lower variable rents in the context of the COVID-19 pandemic), in the applied required returns or discount rates and in the yield applied to capitalise the exit rent to determine an exit value.

The sites of the Convention & Exhibition portfolio are qualified as Investment property.

For the Convention & Exhibition portfolio, the valuation methodology adopted is mainly based on a discounted cash flow model applied to the total net income projected over the life of the concession, or over the life of the long-term lease (notably the Porte de Versailles long-term lease) or leasehold if it exists, or otherwise over a ten-year period, with an estimate of the asset value at the end of the given time period, based either on the residual contractual value for concessions or on capitalised cash flows over the last year. The valuations carried out by the appraisers took into account total net income, which comprised net rents and ancillary services, as well as net income from car parks. The cost of maintenance works, major repairs, refurbishments, redevelopments and extensions, as well as concession or leasehold fees, are included in projected cash flow figures.

The income statement for a given year (Y) records the change in value for each property, which is determined as follows: market value Y – [market value Y-1 + amount of works and other costs capitalised in year Y].

Capital gains on disposals of investment properties are calculated by comparison with their latest market value recorded in the closing statement of financial position for the previous financial year.

Properties under construction carried at cost are subject to impairment tests, determined on the basis of the estimated recoverable value of the project. The recoverable value of a project is assessed, for significant projects by a qualified external appraiser and for others internally by the Development & Investment teams through the expected delivery date, expected development costs, and considering a market exit capitalisation rate and the expected net rents. When the estimated recoverable value is lower than net book value, an impairment provision is recorded.

Properties held for sale are identified separately in the statement of financial position.

(1) EPRA position paper on IFRS 13 Fair value measurement and illustrative disclosures, February 2013.
(2) Transfer taxes are valued on the assumption that the property is sold directly, even though the cost of these taxes would, in certain cases, be reduced if the property's holding company would be sold.

5.1.2 INVESTMENT PROPERTIES AT FAIR VALUE: IFRS BASIS

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Shopping Centres	**34,893.3**	**38,971.4**
France	11,872.3	12,991.9
United States	5,354.4	6,437.1
Central Europe	4,160.7	4,413.5
Spain	3,302.3	3,562.4
United Kingdom & Italy	1,593.2	2,407.8
Nordics	2,940.1	3,114.6
Austria	2,221.2	2,433.9
Germany	1,899.0	2,021.0
The Netherlands	1,550.1	1,589.3
Offices & Others	**2,278.1**	**2,977.3**
France	1,633.1	2,255.3
Other countries	645.0	722.1
Convention & Exhibition	**2,452.2**	**2,641.2**
TOTAL	**39,623.6**	**44,589.9**

In 2020, valuation of investment properties at fair value decreased by -€4,676.2 Mn, mainly due to the impact of the COVID-19 crisis, reflected mainly through the decrease in estimated future cash flows of the assets and an increase in discount rates and exit capitalisation rates. This is affecting mainly the Shopping Centre portfolio in the UK and the US.

(€Mn)	Shopping Centres	Offices & Others	Convention & Exhibition	Total investment properties	Properties held for sale(4)	Total
Dec. 31, 2018	**40,142.2**	**3,295.1**	**2,631.5**	**46,068.8**	**16.5**	**46,085.3**
Right-of-use assets	462.6	-	10.8	473.4	-	473.4
Acquisitions	(5.4)	3.3	-	(2.1)	-	(2.1)
Capitalised expenses	679.5	226.7	161.4	1,067.6	-	1,067.6
Disposals/exits from the scope of consolidation	(253.8)	(798.4)	-	(1,052.2)	-	(1,052.2)
Reclassification and transfer of category	(1,382.2)	63.6	(0.1)	(1,318.7)	2,050.1	731.4
Discounting impact	4.2	-	-	4.2	-	4.2
Valuation movements	(870.7)	170.9	(162.3)	(862.1)	-	(862.1)
Currency translation	194.9	16.2	-	211.1	-	211.1
Dec. 31, 2019	**38,971.4**	**2,977.3**	**2,641.2**	**44,589.9**	**2,066.6**	**46,656.5**
Acquisitions	16.5	2.1	-	18.6	-	18.6
Entry into scope of consolidation(1)	540.8	-	-	540.8	-	540.8
Capitalised expenses(2)	586.3	118.9	22.8	728.0	-	728.0
Disposals/exits from the scope of consolidation	(84.9)	(38.9)	-	(123.8)	(2,066.6)	(2,190.4)
Reclassification and transfer of category(3)	(150.4)	(764.8)	5.1	(910.1)	907.7	(2.5)
Discounting impact	1.3	-	-	1.3	-	1.3
Valuation movements	(4,458.3)	(0.9)	(216.9)	(4,676.2)	-	(4,676.2)
Currency translation	(529.2)	(15.7)	-	(544.8)	-	(544.8)
Dec. 31, 2020	**34,893.3**	**2,278.1**	**2,452.2**	**39,623.6**	**907.7**	**40,531.3**

(1) Corresponds to the acquisition of the 50% remaining stake in JVs holding five assets in Florida described in note 1.1.2 “Disposal of five French shopping centres and other changes in the scope of consolidation”.
(2) Capitalised expenses mainly relate to:
- Shopping Centres in France and The Netherlands;
- Offices in France;
- Convention & Exhibition sites such as Parc des Expositions in Porte de Versailles.
(3) Includes the reclassification into the category of properties held for sale for -€907.7 Mn mainly related to the transaction regarding SHiFT office building described in note 14 “Subsequent events”.
(4) The amount reported in the consolidated statement of financial position as at December 31, 2020 comprises the trade receivables from activity related to the properties held for sale.

VALUATION ASSUMPTIONS AND SENSITIVITY OF THE FULLY CONSOLIDATED ASSETS

Considering the limited public data available, the complexity of real estate asset valuations, as well as the fact that appraisers use in their valuations the non-public rent rolls of the Group's assets, URW believes it is appropriate to classify its assets under Level 3 as per IFRS 13. The COVID-19 pandemic has no impact on the methodology applied. In addition, unobservable inputs, including appraisers' assumption on growth rates and exit capitalisation rates, are used by appraisers to determine the fair value of URW's assets.

As at December 31, 2020, 96% of URW's portfolio was appraised by qualified independent appraisers.

The outstanding balances of deferred lease incentives and key money amortised over the expected term of the lease, which corrected the appraisal value, represented -€130.6 Mn (-€69.1 Mn as at December 31, 2019).

The following tables provide a number of quantitative elements used by the appraisers to assess the fair valuation of the Group's assets.

SHOPPING CENTRES

All shopping centres are valued using the discounted cash flow (DCF) and/or yield methodologies. The table below only includes fully consolidated assets.

Shopping Centres – Dec. 31, 2020		Net Initial Yield	Rent in € per sqm[a]	Discount Rate[b]	Exit Captialisation Rate[c]	CAGR of NRI[d]
France	Max	7.1%	834	9.3%	8.1%	20.3%
	Min	1.9%	143	5.6%	3.9%	2.2%
	Weighted average	4.4%	560	6.0%	4.3%	3.9%
Central Europe	Max	7.0%	587	8.9%	8.2%	3.5%
	Min	4.6%	233	6.7%	4.9%	2.0%
	Weighted average	5.1%	398	7.1%	5.2%	2.6%
Spain	Max	8.0%	537	9.8%	7.8%	5.9%
	Min	4.1%	125	6.9%	4.6%	3.6%
	Weighted average	4.6%	340	7.2%	4.8%	5.1%
Nordics	Max	5.2%	421	8.5%	5.5%	5.6%
	Min	3.7%	180	6.3%	4.3%	3.8%
	Weighted average	4.1%	351	6.8%	4.5%	4.7%
Germany	Max	7.9%	471	8.4%	7.3%	4.0%
	Min	4.1%	212	6.1%	4.2%	2.0%
	Weighted average	4.8%	305	6.6%	4.9%	3.2%
Austria	Max	4.7%	388	6.3%	4.5%	2.5%
	Min	4.5%	340	6.2%	4.4%	2.5%
	Weighted average	4.6%	363	6.3%	4.4%	2.5%
The Netherlands	Max	7.3%	351	8.1%	7.1%	3.2%
	Min	4.4%	142	6.2%	4.5%	2.0%
	Weighted average	5.3%	239	6.8%	5.3%	2.6%
US	Max	11.8%	1,868	10.5%	8.3%	7.0%
	Min	3.2%	213	5.8%	4.3%	1.3%
	Weighted average	4.2%	541	6.3%	4.9%	4.4%

Net Initial Yield (NIY), Discount Rate (DR) and Exit Capitalisation Rate (ECR) weighted by Gross Market Value (GMV). Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW, the trademark and the airport activities are not included in this table as well as the UK asset.

(a) Average annual rent (Minimum Guaranteed Rent (MGR) + Sales Based Rent (SBR)) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise the exit rent to determine the exit value of an asset.
(d) Compound Annual Growth Rate (CAGR) of Net Rental Income (NRI) determined by the appraiser (between six and ten years depending on duration of DCF model used).

For the US, the split between Flagship and Regional shopping centres is as follows:

Shopping Centres – Dec. 31, 2020		Net Initial Yield	Rent in € per sqm[(a)]	Discount Rate[(b)]	Exit Capitalisation Rate[(c)]	CAGR of NRI[(d)]
US Flagships	Max	5.2%	1,868	6.8%	5.8%	5.9%
	Min	3.2%	314	5.8%	4.3%	1.3%
	Weighted average	3.7%	778	6.0%	4.7%	4.6%
US Regionals	Max	11.8%	326	10.5%	8.3%	7.0%
	Min	6.1%	213	8.5%	6.5%	1.9%
	Weighted average	7.9%	271	9.0%	7.2%	3.9%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW, the trademark and the airport activities are not included in this table.

(a) Average annual rent (MGR + SBR) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise the exit rent to determine the exit value of an asset.
(d) CAGR of NRI determined by the appraiser (ten years).

A change of +25 basis points in NIY, the main output of the appraisal models, would result in a downward adjustment of -€1,834 Mn (or -5.2%) of URW's Shopping Centres portfolio value (excluding assets under development, the trademark and the airport activities).

A change of +25 basis points in DR would have a negative impact of -€588 Mn (or -1.7%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark and the airport activities).

A change of +10 basis points in ECR would have a negative impact of -€514 Mn (or -1.5%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark and the airport activities).

A decrease of -5% in appraisers' Estimated Rental Value (ERV) assumptions for the leases to be signed during the model period would have a negative impact of -€1,334 Mn (or -3.8%) on URW's Shopping Centre portfolio value (excluding assets under development, the trademark and the airport activities).

OFFICES & OTHERS

A change of +25 basis points in NIY, the main output of the appraisal models, would result in a downward adjustment of -€177 Mn (-6.1%) of URW's Offices & Others portfolio value (occupied and vacant spaces, excluding assets under development).

CONVENTION & EXHIBITION

A change of +25 basis points in the weighted average cost of capital (WACC) as determined at December 31, 2020, would result in a downward adjustment of -€102.2 Mn (or -4.6%) of the Convention & Exhibition portfolio value.

5.1.3 INVESTMENT PROPERTIES UNDER CONSTRUCTION AT COST

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Shopping Centres	**875.9**	**755.6**
France	258.2	262.8
United States	33.5	18.7
Central Europe	36.2	39.9
Spain	206.5	179.7
United Kingdom & Italy	26.3	21.7
Nordics	12.6	10.2
Austria	-	-
Germany	302.6	222.7
The Netherlands	-	-
Offices & Others	**448.3**	**387.8**
France	137.9	122.7
Other countries	310.4	265.1
Convention & Exhibition	**-**	**-**
TOTAL	**1,324.1**	**1,143.3**

As at December 31, 2020, assets under construction valued at cost are notably:

- Shopping centres extension and renovation projects such as Garbera extension;
- Office developments such as Sisters in La Défense;
- Mixed-used projects such as Westfield Hamburg.

Assets still stated at cost were subject to impairment tests as at December 31, 2020. Allowances were recorded for a total amount of €46.2 Mn over fiscal year 2020.

(€Mn)	Gross value	Impairment	Total investment properties at cost	Properties held for sale	Total
Dec. 31, 2018	**1,663.3**	**(105.5)**	**1,557.8**	**49.7**	**1,607.5**
Acquisitions	1.9	-	1.9	-	1.9
Capitalised expenses	395.9	-	395.9	-	395.9
Disposals/exits from the scope of consolidation	(1.6)	-	(1.6)	-	(1.6)
Reclassification and transfer of category	(742.5)	-	(742.5)	11.8	(730.7)
Impairment/reversal	-	(72.8)	(72.8)	-	(72.8)
Currency translation	5.1	(0.4)	4.7	-	4.7
Dec. 31, 2019	**1,322.1**	**(178.7)**	**1,143.3**	**61.5**	**1,204.8**
Acquisitions	-	-	-	-	-
Capitalised expenses[(1)]	251.9	-	251.9	-	251.9
Disposals/exits from the scope of consolidation	(3.3)	-	(3.3)	(0.7)	(4.1)
Reclassification and transfer of category	(13.7)	-	(13.7)	33.7	20.0
Impairment/reversal	-	(46.2)	(46.2)	-	(46.2)
Currency translation	(9.4)	1.5	(7.9)	-	(7.9)
Dec. 31, 2020	**1,547.6**	**(223.4)**	**1,324.1**	**94.4**	**1,418.5**

(1) Capitalised expenses mainly refer to investments in Westfield Hamburg development project as well as Garbera extension project.

5.2 TANGIBLE ASSETS

5.2.1 ACCOUNTING PRINCIPLES

Under the preferential method proposed by IAS 16, operating assets are valued at their historic cost, less cumulative depreciation and any decrease in value. Depreciation is calculated using the "component accounting" method, where each asset is broken down into major components based on their useful life. The four components of a property are the main structure, the facade, technical equipment and finishing fixtures and fittings, depreciated respectively over 60, 30, 20 and 15 years for Offices & Others properties and 35, 25, 20 and 15 years for Shopping Centres assets.

The property owned and occupied by the Group, located at 7, Place Adenauer, Paris 16th, is classified in "Tangible assets".

If the appraisal value of a property is lower than net book value, an impairment provision is recorded.

5.2.2 CHANGES IN TANGIBLE ASSETS

Net value (€Mn)	Operating assets[1]	Furniture and equipment	Right-of-use assets	Total
Dec. 31, 2018	**146.7**	**145.6**	**-**	**292.2**
Right-of-use assets	-	-	74.1	74.1
Acquisitions and capitalised expenses	-	53.5	-	53.5
Reclassification	-	(29.5)	-	(29.5)
Disposals/exits from the scope of consolidation	-	(0.4)	-	(0.4)
Depreciation	(2.0)	(47.0)	-	(49.0)
Impairment/reversal	-	0.9	-	0.9
Currency translation	-	2.7	-	2.7
Dec. 31, 2019	**144.7**	**125.8**	**74.1**	**344.5**
Acquisitions and capitalised expenses	0.4	19.1	-	19.5
Reclassification	-	(15.9)	(11.7)	(27.6)
Disposals/exits from the scope of consolidation	-	(4.7)	-	(4.7)
Depreciation	(2.0)	(24.4)	(10.2)	(36.7)
Impairment/reversal[2]	-	(11.1)	-	(11.1)
Currency translation	-	(5.4)	0.5	(4.9)
Dec. 31, 2020	**143.2**	**83.4**	**52.6**	**279.2**

(1) Related to the headquarters of the Group located at 7 Place Adenauer (Paris).
(2) Impairment/reversal on Viparis assets according to the external appraisals.

5.3 INTANGIBLE ASSETS

5.3.1 ACCOUNTING PRINCIPLES

INTANGIBLE ASSETS (IAS 38)/IMPAIRMENT OF ASSETS (IAS 36)

An intangible asset is recognised when it is identifiable and separable and can be sold, transferred, licensed, rented, or exchanged, either individually or as part of a contract with an attached asset or a liability, or which arises from contractual or other legal rights regardless of whether those rights are transferable or separable. After initial recognition, intangible assets are recognised at cost less any amortisation charges and impairment losses.

Intangible assets with a finite life are amortised on a linear basis over the life of the asset.

Intangible assets with an indefinite useful life are not amortised.

The useful life of intangible asset is reviewed each year.

An impairment test is carried out whenever there is an indication of impairment and, at least annually, for intangible assets with an indefinite useful life. The impairment test consists of comparing the book value with the recoverable amount of the intangible. The recoverable amount of an asset is the maximum between its fair value less disposal costs and its value in use. The fair value of each asset is individually determined by qualified independent external appraisers using the DCF methodology. If the appraisal value of an intangible asset is lower than net book value, an impairment is recorded.

The intangible assets arise from:
- The Property Management (PM) business in the US and the UK;
- The Development, Design & Construction (DD&C) business in the US and the UK;
- The Airport activities in the US;
- The Westfield trademark;
- Rights and exhibitions: mainly Viparis entities;
- Other intangible assets.

Intangible assets for PM, DD&C and Airport relate to the value of the customer contracts identified for these activities at the date of acquisition of WFD. They correspond to contracts with shopping centres held through joint-ventures in accordance with IFRS 11 and to contracts with airport operators and/or local authorities. Customer contracts were separately analysed for Flagship and Regional centres as they present different features.

The incremental value of the Westfield trademark corresponds to the portion of the trademark value that is not captured in the shopping centre values.

The useful life of the PM contracts with Flagship centres are considered indefinite since the PM contracts have no termination date and URW shall remain the sole property manager as long as it is the co-owner of the shopping centres. The useful life of the Westfield trademark is also considered indefinite and tested for impairment. As a consequence, these assets are not amortised and tested for impairment.

Other assets are amortised over their remaining useful life:
- PM contracts with Regionals: three years;
- DD&C contracts: between one to three years;
- Airport activities: between 11 to 25 years.

5.3.2 CHANGES IN INTANGIBLE ASSETS

Net value (€Mn)	PM/DD&C/Airport	Trademark	Rights and exhibitions	Other intangible assets	Total
Dec. 31, 2018	**498.7**	**425.8**	**197.7**	**8.0**	**1,130.2**
Amortisation	(110.3)	-	(2.0)	(1.5)	(113.8)
Impairment/reversal	(39.0)	-	(19.1)	1.7	(56.4)
Currency translation	16.6	-	-	-	16.6
Reclassification	11.3	-	(11.3)	7.8	7.8
Dec. 31, 2019	**377.3**	**425.8**	**165.3**	**16.0**	**984.4**
Acquisitions	-	-	-	8.9	8.9
Amortisation	(72.3)	-	(2.0)	(15.9)	(90.2)
Impairment/reversal[1]	13.1	-	(44.6)	-	(31.5)
Currency translation	(22.1)	-	-	(1.4)	(23.6)
Reclassification	-	-	-	28.2	28.2
Dec. 31, 2020	**296.0**	**425.8**	**118.7**	**35.9**	**876.3**

(1) The amount of impairment relates mainly to the Convention & Exhibition's intangible assets and the Property Management business in the UK, partly offset by the reversal of impairment on the Development, Design & Construction in the US.

One of the main assumptions used to value the PM, DD&C, Airport business and the Trademark is the discount rate which stands between 7.0% and 10.0%.

PM, DD&C AND AIRPORT BUSINESS

A change of +25 basis points in the discount rate of the PM, DD&C and Airport business' intangible assets as determined at December 31, 2020, would result in an additional impairment of -€11.0 Mn.

A change of -10 basis points in the long term growth rate of the PM, DD&C and Airport business' intangible assets as determined at December 31, 2020, would result in an additional impairment of -€3.3 Mn.

TRADEMARK

For the Trademark, the impairment test performed was based on an independent external appraisal and no impairment was required.

A change of +25 basis points in the discount rate of the Trademark as determined at December 31, 2020, would not lead to any impairment of the intangible assets. An impairment would be necessary with a change of +27 basis points in the discount rate.

A change of -10 basis points in the long term growth rate of the Trademark as determined at December 31, 2020, would not lead to any impairment of the intangible assets. An impairment would be necessary with a change of -36 basis points in the long term growth rate.

RIGHTS AND EXHIBITIONS

As at December 31, 2020, impairment tests were performed on the intangible assets relating to the Viparis entities based on the valuations of independent external appraisers and a further impairment of -€44.6 Mn was recognised.

A change of +25 basis points in the WACC of Viparis intangible assets as determined at December 31, 2020, would result in a negative adjustment of -€28.9 Mn (-6.7%) on the appraisal value of the intangible assets and would not lead to any additional impairment.

5.4 GOODWILL

5.4.1 ACCOUNTING PRINCIPLES

The accounting rules for business combinations comply with IFRS 3 Revised.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

IFRS 3 Revised stipulates a maximum period of 12 months from the acquisition date for the accounting of the acquisition to be finalised: adjustments to values applied must be related to facts and circumstances existing at the acquisition date. Therefore, beyond this 12 month period, any earn-out adjustment must be recognised in income for the fiscal year unless the additional consideration is an equity instrument.

Where a business is acquired in stages, the previous investment is remeasured at fair value at the date if and when the control is transferred. Any difference between fair value and net book value of this investment is recognised in income.

Any change in the Group's interest in an entity that results in a loss of control is recognised as a gain/loss on disposal and the remaining interest is remeasured at fair value with the change being recognised in income.

A transaction that does not affect control (additional acquisition or disposal) is accounted for as an equity transaction between the Group share and the non-controlling interest share without an impact on profit or loss and/or a goodwill adjustment.

GOODWILL SUBSEQUENT MEASUREMENT AND IMPAIRMENT

Goodwill is carried at cost less any accumulated impairment losses. In compliance with IAS 36, the Group performs impairment testing to determine if there is any indication of impairment, at least once a year or whenever there is an indication of impairment. For the purposes of this test, assets are grouped into Cash Generating Units (CGUs).

CGUs are standardised groups of assets whose continued use generates cash inflows that are largely separate from those generated by other asset groups.

An impairment loss must be recognised whenever the recoverable value of the goodwill is less than its carrying amount. Impairment losses relating to the value of goodwill cannot be reversed.

GOODWILL RELATING TO OPTIMISED VALUE OF DEFERRED TAXES

Goodwill may arise on acquiring an asset via a share deal, where the Group inherits the fiscal basis of the assets. It is measured by the difference between the deferred taxes accounted for in the balance sheet according to IAS 12, and an estimate of the effective taxes to be paid in case of a share deal. Therefore, in this case the impairment test consists in a comparison between the accounting value of the goodwill and the potential tax optimisation existing at the date of reporting.

GOODWILL RELATING TO FEE BUSINESS

This goodwill relates to the following activities: Property Management (PM), Airport and Development, Design and Construction (DD&C).

Impairment tests are performed annually or when an impairment indicator is identified and are based on valuations performed by independent external appraisers, using the DCF method.

The values attributable to the PM business were allocated to the United States (US), the United Kingdom (UK) and Germany, the values attributable to the DD&C business were allocated to the US and the UK and the value of the Airport activities was allocated to the US, based on independent external valuation.

GOODWILL RELATING TO SYNERGIES AND WORKFORCE

Goodwill relating to the Westfield Corporation acquisition has been allocated per geographical segment as it is the lowest level within the Group at which goodwill is monitored.

The allocation per geographical segment was performed based on the cost and revenue synergies expected to be generated as a result of the business combination.

The expected cost and revenue synergies were allocated to the US, the UK, France Retail, Spain, Central Europe and the Nordics.

The amount related to the value of the workforce acquired was allocated to the US and the UK.

IMPAIRMENT TESTS

Since the geographical segments are the lowest level within the URW company at which goodwill is monitored, for internal management purposes, the impairment test is performed at geographical segment level and, as a result, in accordance with IAS 36 for a group of CGUs.

The geographical segments to which goodwill has been allocated are tested for impairment by comparing the net asset value of the geographical segment (as presented in note 4.5.2 "Statement of financial position by segment on a proportionate basis") with the recoverable value which is determined as the higher of the fair value less cost of disposal and its value in use.

The recoverable value is determined on value in use based on the DCF derived from the five-year Business Plan ("5YBP") approved by the Management Board and the Supervisory Board.

Although using the same method and impairment test model as the ones used by the Group in 2018 and 2019, current uncertainties about the impact of COVID-19 on the broader economy, the shape of the economic recovery and the impact on the business of the Group were taken into account in the cash flows and in the main assumptions used for the impairment tests.

The Group performs comprehensive impairment tests of the goodwill allocated to each geographical segment at the end of December, based on:

- The results of the 5-Year Business Plan ("5YBP") exercise for 2021-2025 per geographical segment (including detailed profit & loss statements, proposed capital expenditures and disposals) with a review per asset and geographical segment of the estimated impact of the COVID-19 crisis;
- The discount rates before tax per geographical segment based on a calculation of the WACC per region which reflect the current market assessment of the interest rates and the specific risks associated with each geographical segment as at December 31, 2020. These discount rates were also compared with the discount rates used by appraisers for the valuation of Investment Properties as at December 31, 2020, and the consistency between those was ensured;
- An allocation of the Group's corporate administrative expenses to the geographical segments, as a percentage of their respective NRI;
- A DCF calculation for each geographical segment on a ten-year basis, consistent with the method applied by the Group's appraisers, and a discounted terminal value, to which a long-term growth rate estimated as at December 31, 2020, is applied.

A comparison has been performed for each geographical segment, between:

- The value in use of the geographical segment at the end of December, as determined above;
- The net asset value of the geographical segment at the end of December, including the intangible assets and goodwill allocated, based on the segment reporting disclosed in the note 4.5.2 "Statement of financial position by segment on a proportionate basis".

GOODWILL RELATING TO THE ABILITY TO GENERATE DEVELOPMENT PROJECTS

This goodwill relates to URW Germany business.

Impairment tests performed on this goodwill are based on an independent external appraisal, performed once a year as at December 31, or when there is an indication of impairment, and using the DCF method.

5.4.2 CHANGES IN GOODWILL

As at December 31, 2020, the goodwill breaks down as follows:

Net Value (€Mn)	Dec. 31, 2019	Impairment	Currency translation	Dec. 31, 2020
Optimised value of deferred taxes	241.0	(41.5)	-	199.5
Fee business	839.1	(700.4)	(19.5)	119.3
Synergies, workforce and ability to generate development projects	1,798.3	(854.3)	(14.8)	929.3
Total URW	**2,878.4**	**(1,596.1)**	**(34.2)**	**1,248.1**

The allocation of the goodwill per geographical segment breaks down as follows:

(€Mn)	France Retail	Central Europe	Spain	Nordics	Austria	Germany	The Netherlands	United States	United Kingdom	C&E	Other	Total
Goodwill Dec. 31, 2019	**731.7**	**255.8**	**103.8**	**132.5**	**72.9**	**256.7**	**-**	**852.6**	**454.0**	**8.2**	**10.3**	**2,878.4**
Impairment	(0.8)	(0.3)	(103.8)	(132.2)	-	(78.2)	-	(838.6)	(434.1)	(8.2)	-	(1,596.1)
Currency translation	-	-	-	(0.4)	-	-	-	(14.0)	(19.9)	-	-	(34.2)
Goodwill Dec. 31, 2020	**731.0**	**255.4**	**-**	**-**	**72.9**	**178.5**	**-**	**-**	**-**	**-**	**10.3**	**1,248.1**

The Group performs an impairment test for each category of goodwill.

GOODWILL RELATING TO OPTIMISED VALUE OF DEFERRED TAXES

As at December 31, 2020, an additional impairment of -€41.5 Mn was recognised.

GOODWILL RELATING TO FEE BUSINESS

As at December 31, 2020, an additional impairment of -€700.4 Mn was recognised leading to the full impairment of the goodwill relating to the fee business in the US and the UK.

GOODWILL RELATING TO SYNERGIES, WORKFORCE AND ABILITY TO GENERATE DEVELOPMENT PROJECTS

As at December 31, 2020, an impairment of -€78.2 Mn was recognized for the goodwill relating to the ability to generate development projects in Germany.

As at December 31, 2020, a total impairment of -€776.1 Mn was recognized relating to the US, the UK, Spain and the Nordics geographical segments.

The main assumptions for calculating the enterprise value are the weighted average costs of capital (WACC), the long-term growth rates (LTGR) and the Compound Annual Growth Rate (CAGR) of NRI displayed in the table below.

	France Retail	Central Europe	Spain	Nordics	United States	United Kingdom
Dec. 31, 2019						
WACC before tax in %	*5.70%*	*6.50%*	*6.60%*	*6.20%*	*6.20%*	*5.75%*
LTGR in %	*1.50%*	*2.40%*	*2.30%*	*2.10%*	*2.20%*	*1.90%*
CAGR of NRI in %	*3.70%*	*2.45%*	*3.06%*	*3.45%*	*4.07%*	*3.03%*
Dec. 31, 2020						
WACC before tax in %	*6.00%*	*6.85%*	*6.90%*	*6.60%*	*6.35%*	*6.90%*
LTGR in %	*1.40%*	*2.30%*	*2.23%*	*2.04%*	*2.20%*	*1.80%*
CAGR of NRI in %	*3.82%*	*2.66%*	*5.10%*	*4.66%*	*4.22%*	*4.18%*

An increase in the WACC, a decrease in the LTGR or a decrease in the Compound Annual Growth Rate (CAGR) of Net Rental Income as determined at December 31, 2020, would not necessarily result in a value in use lower than the net asset value as the net asset value includes investment properties which are carried at fair value. These changes would reduce the fair value of those properties and ultimately the net asset value.

Therefore, the impact of such changes should be viewed on a combined basis on the value in use and the net asset value to appreciate the net effect on the financial statements.

A change of +25 basis points in the WACC as determined at December 31, 2020, without any change in the LTGR and in the CAGR of Net Rental Income would not lead to any impairment of goodwill.

A change of -10 basis points in the LTGR as determined at December 31, 2020, without any change in the WACC and in the CAGR of Net Rental Income would not lead to any impairment of goodwill.

A change of -50 basis points in the CAGR of Net Rental Income as determined at December 31, 2020, without any change in the WACC and in the LTGR would not lead to any impairment of goodwill.

5.5 VALUATION MOVEMENTS ON ASSETS

This item reflects changes in market valuation of investment properties, impairment and reversal on tangible and intangible assets and amortisation of fair value of assets recorded for the purpose of purchase price allocation.

(€Mn)	2020	2019
Investment properties at fair value	**(4,676.2)**	**(862.1)**
Shopping Centres	*(4,458.3)*	*(870.7)*
Offices & Others	*(0.9)*	*170.9*
Convention & Exhibition	*(216.9)*	*(162.3)*
Investment properties at cost	**(46.2)**	**(72.8)**
Tangible and intangible assets	**(114.9)**	**(167.5)**
Total	**(4,837.2)**	**(1,102.4)**

5.6 AMOUNTS PAID FOR WORKS AND ACQUISITION/DISPOSAL OF PROPERTY ASSETS (CONSOLIDATED STATEMENT OF CASH FLOWS)

In 2020, amounts paid for works and acquisition of property assets amount to €1,164.3 Mn. They comprise acquisitions, transaction capitalised costs, works and capitalised expenses and are adjusted for the changes on amounts due on investments of the period.

The result on disposal of investment properties, which stands at -€86.3 Mn, mainly includes the result on the sale of a portfolio of five shopping centres in France (see note 1.1.2 "Disposal of five French shopping centres and other changes in the scope of consolidation").

NOTE 6. SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

6.1 ACCOUNTING PRINCIPLES

The accounting principles are detailed in note 3.1.1 "Scope and methods of consolidation".

Following WFD's acquisition, the Group has significant co-ownership interest in a number of properties, mainly in the US through property partnerships or trusts. These joint ventures are accounted for using the equity method. The Group and its joint ventures use consistent accounting policies.

6.2 SHARES AND INVESTMENTS IN COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Shares in Shopping Centres and Convention & Exhibition companies	7,617.2	9,462.7
Loans granted to Shopping Centres and Convention & Exhibition companies	753.0	731.9
Total shares and investments in companies accounted for using the equity method	**8,370.3**	**10,194.6**

SHARE OF THE RESULT OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD AND INCOME ON FINANCIAL ASSETS

The contribution of affiliates breaks down as follows:

	2020			2019		
(€Mn)	Recurring activities	Non-recurring activities (1)	Result	Recurring activities	Non-recurring activities (1)	Result
Income from stake in Shopping Centres and Convention & Exhibition companies	306.4	(1,958.9)	(1,652.4)	455.6	(533.6)	(77.9)
Total share of income from companies accounted for using the equity method	**306.4**	**(1,958.9)**	**(1,652.4)**	**455.6**	**(533.6)**	**(77.9)**
Interests on the loans granted to Shopping Centres companies	24.8	-	24.8	32.2	-	32.2
Total interests on loans granted to companies accounted for using the equity method	**24.8**	**-**	**24.8**	**32.2**	**-**	**32.2**

(1) Corresponds mainly to the fair value adjustment and related deferred tax on the underlying investment properties.

6.3 JOINT VENTURES

According to IFRS 11, joint ventures are those entities in which the Group has joint control established by contractual agreement and rights to the net assets of the arrangement.

6.3.1 DESCRIPTION OF THE MAIN JOINT VENTURES ACCOUNTED FOR USING THE EQUITY METHOD

The main jointly controlled assets accounted for using the equity method are the following:

Name of investment	Geographical area	% Interest as at Dec. 31, 2020	% Interest as at Dec. 31, 2019
Westfield Stratford City	United Kingdom	50.0%	50.0%
Metropole Zlicin	Central Europe	50.0%	50.0%
Westfield Rosny 2	France	26.0%	26.0%
CentrO	Germany	50.0%	50.0%
Paunsdorf Center	Germany	25.5%	25.5%
Westfield Annapolis	United States	55.0%	55.0%
Westfield Culver City	United States	55.0%	55.0%
Westfield Garden State Plaza	United States	50.0%	50.0%
Westfield Montgomery	United States	50.0%	50.0%
Westfield Santa Anita	United States	49.3%	49.3%
Westfield Southcenter	United States	55.0%	55.0%
Westfield Topanga	United States	55.0%	55.0%
Westfield UTC	United States	50.0%	50.0%
Westfield Valley Fair	United States	50.0%	50.0%

The significant joint-ventures accounted for using the equity method are presented below:

WESTFIELD STRATFORD CITY (LONDON, UNITED KINGDOM)

Westfield Stratford City is a joint venture with Canneth Limited Partnership Inc.

The partnership is governed through a Business Manager, which is a company jointly owned by both partners. This Business Manager has significant powers to conduct the Business. The budget, capital expenditures, and a number of major decisions relating to the debt financing, approval of any refurbishment and development, disposals, require the approval of both partners. Therefore under IFRS 10, Westfield Stratford City is jointly controlled by both partners.

PARTNERSHIPS IN THE UNITED STATES

Per the Co-ownership and Property Management Agreements with its joint venture partners, the Group is restricted from exercising control over these interests even though the Group has more than 50% ownership interest and voting rights. Major decisions require the approval of both the Group and the joint venture partners and operating and capital budgets must be approved by the Management Committee (both owners have equal representation on this Committee). The Group therefore has joint control over the investments and they are accounted for using the equity method.

CENTRO (GERMANY)

CentrO, a leading shopping centre located in Oberhausen, is jointly held by the Group and Canada Pension Plan Investment Board (CPPIB). The joint venture is governed by a Board of Directors with six members, three of which are designated by URW and three designated by CPPIB. The relevant activities are the leasing, equipment, building, renovation as well as the management, servicing and maintenance of these assets. The decision-making process for all these relevant activities required the approval of both partners. Therefore these companies which are joint ventures are accounted for using the equity method.

6.3.2 CONSOLIDATED FINANCIAL POSITION OF THE JOINT VENTURES

The main items of the statements of financial position and income statement of joint ventures are presented in aggregate in the tables below. These items are stated in Group share including restatements for consolidation purposes.

SHOPPING CENTRES AND CONVENTION & EXHIBITION COMPANIES

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Investment properties	9,013.7	11,491.5
Other non-current assets	10.0	9.4
Current assets	323.8	270.6
Total assets	**9,347.5**	**11,771.5**
Restated shareholders' equity	6,786.0	8,845.6
Deferred tax liabilities	101.8	116.6
Internal borrowings	329.0	310.5
External borrowings(1)	1,939.1	2,299.9
Other non-current liabilities	14.0	21.8
Current liabilities	177.7	177.2
Total liabilities	**9,347.5**	**11,771.5**

(1) Includes current and non-current borrowings.

(€Mn)	2020	2019
Net rental income	342.0	506.0
Change in fair value of investment properties	(1,715.2)	(513.1)
Net result	(1,456.9)	(85.5)

6.4 ASSOCIATES

Associates are those entities, not controlled by the Group, but in which it has a significant influence according to IAS 28 R.

6.4.1 DESCRIPTION OF THE MAIN ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD

The main associates are the following assets:

- Zlote Tarasy complex (Warsaw);
- Gropius Passagen (Berlin);
- Starwood I, Starwood II and Blum (US);
- Foncière Crossroads which owns the shopping centres Aéroville and So Ouest in the Paris region, Rennes Alma in Rennes, Toison d'Or in Dijon, Confluence in Lyon and Novotel Lyon Confluence.

ZLOTE TARASY COMPLEX

The Group is the sole limited partner in a partnership which holds 100% of a holding company (Warsaw III) which owns 100% of Zlote Tarasy complex (Warsaw). In compliance with the restrictions imposed on URW by the Polish competition authorities in connection with the acquisition by the Group of the shopping centres Arkadia and Wilenska in July 2010, the management of Warsaw III and the shopping centre and parking is not performed by the Group. Consequently, the Group does not control this asset and its investment in the Zlote Tarasy complex is accounted for using the equity method.

FIVE SHOPPING CENTRES IN FRANCE HELD THROUGH A CONSORTIUM OF INVESTORS FORMED BY CRÉDIT AGRICOLE ASSURANCES, LA FRANÇAISE AND URW

On May 29, 2020, URW completed the disposal of a portfolio of five shopping centres in France (Aéroville and So Ouest in the Paris region, Rennes Alma in Rennes, Toison d'Or in Dijon and Confluence in Lyon) to the entity "Foncière Crossroads" formed by Crédit Agricole Assurances, La Française and URW.

URW has currently agreed to hold a 45.8% stake in Foncière Crossroads and manages the shopping centres on behalf of Foncière Crossroads through long-term management contracts. Foncière Crossroads is managed by a Chairman. URW cannot be designated as the Chairman as long as it manages the shopping centres. The proportion of the voting rights needed to make decisions about the relevant activities of

Foncière Crossroads is achieved by more than one combination of the parties agreeing.

As a result, URW has only a significant influence on Foncière Crossroads which is accounted for using the equity method.

6.4.2 CONSOLIDATED FINANCIAL POSITION OF ASSOCIATES

The main items of the statements of financial position and income statement of associates are presented in aggregate in the tables below. These items are stated in Group share including restatements for consolidation purposes.

SHOPPING CENTRES COMPANIES

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Investment properties	1,944.2	1,355.6
Other non-current assets	3.4	6.1
Current assets	104.6	57.2
Total assets	**2,052.2**	**1,418.8**
Restated shareholders' equity	764.7	526.7
Deferred tax liabilities	112.0	125.0
Internal borrowings	424.0	421.3
External borrowings	647.0	298.5
Other non-current liabilities	42.6	10.0
Current liabilities	61.9	37.3
Total liabilities	**2,052.2**	**1,418.8**

(€Mn)	2020	2019
Net rental income	74.5	72.7
Change in fair value of investment properties	(211.7)	(9.8)
Net result	(195.5)	7.6

6.5 VALUATION ASSUMPTIONS AND SENSITIVITY

The following tables provide a number of quantitative data in order to assess the fair valuation of the Group's assets accounted for using the equity method.

SHOPPING CENTRES

All shopping centres are valued using the discounted cash flow and/or yield methodologies.

Shopping Centres – Dec. 31, 2020		Net Initial Yield	Rent in € per sqm[(a)]	Discount Rate[(b)]	Exit Capitalisation Rate[(c)]	CAGR of NRI[(d)]
Europe	Max	6.6%	934	8.3%	6.8%	3.9%
	Min	4.2%	134	6.0%	4.2%	2.2%
	Weighted average	5.0%	389	6.7%	5.2%	3.5%
US	Max	9.7%	871	9.5%	8.5%	11.3%
	Min	3.1%	241	5.8%	4.3%	0.6%
	Weighted average	4.1%	508	6.7%	5.1%	4.1%

Net Initial Yield (NYI), Discount Rate (DR) and ECR weighted by Gross Market Value (GMV). Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW are not included in this table. The UK assets are included in this table.

(a) Average annual rent (MGR + SBR) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (between six and ten years depending on duration of DCF model used).

For the US, the split between Flagships and Regionals shopping centres is as follows:

Shopping Centres – Dec. 31, 2020		Net Initial Yield	Rent in € per sqm[(a)]	Discount Rate[(b)]	Exit Capitalisation Rate[(c)]	CAGR of NRI[(d)]
US Flagships[(e)]	Max	7.3%	871	8.8%	7.0%	6.8%
	Min	3.1%	297	5.8%	4.3%	0.6%
	Weighted average	3.7%	622	6.4%	4.7%	4.2%
US Regionals[(e)]	Max	9.7%	550	9.5%	8.5%	11.3%
	Min	4.0%	241	6.8%	5.8%	1.0%
	Weighted average	5.4%	367	7.8%	6.1%	3.8%

NIY, DR and ECR weighted by GMV. Vacant assets, assets considered at bid value and assets under restructuring are not included in Min and Max calculation. Assets under development or not controlled by URW are not included in this table.

(a) Average annual rent (Minimum Guaranteed Rent + Sales Based Rent) per asset per sqm.
(b) Rate used to calculate the net present value of future cash flows.
(c) Rate used to capitalise the exit rent to determine the exit value of an asset.
(d) Compounded Annual Growth Rate of Net Rental Income determined by the appraiser (ten years).
(e) The split between US Flagships and US Regionals has changed compared to the previous communications due to the reclassification of Westfield Annapolis, Westfield Fashion Square and Westfield Santa Anita from Flagships to Regionals and Westfield Mission Valley from Regionals to Flagships.

A change of +25 basis points in NIY, the main output of the appraisal models, would result in a downward adjustment of -€555 Mn (or -5.3%) to URW's Shopping Centre portfolio value (excluding assets under development).

A change of +25 bps in DR would have a negative impact of -€150 Mn (or -1.7%) on URW's standing Shopping Centre portfolio value (excluding assets under development and the assets not controlled by URW).

A change of +10 bps in ECR would have a negative impact of -€116 Mn (or -1.3%) on URW's standing Shopping Centre portfolio value (excluding assets under development and the assets not controlled by URW).

A decrease of -5% in appraisers' ERV assumptions for the leases to be signed during the model period would have a negative impact of -€320 Mn (or -3.7%) on URW's standing Shopping Centre portfolio value (excluding assets under development and the assets not controlled by URW).

6.6 TRANSACTIONS WITH RELATED-PARTIES (JOINT VENTURES AND ASSOCIATES)

The consolidated financial statements include all companies in the Group's scope of consolidation.

The Parent Company is Unibail-Rodamco-Westfield SE.

To the Group's knowledge, there are neither shareholders' pacts nor persons or groups of persons exercising or who could exercise control over the Group.

The main related party transactions relate to transactions with companies accounted for using the equity method.

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Shopping Centres and Convention & Exhibition companies		
Loans[(1)]	754.1	733.0
Recognised interest	24.8	32.2
Current account in debit	19.1	5.5
Current account in credit	(28.9)	(22.3)
Asset management fees invoiced and other fees	186.4	303.5

(1) Corresponds to 100% of the financing in the shopping centres investment.

All of these transactions are based on market prices.

No transactions with related parties had a material impact on the Group's consolidated financial statements.

NOTE 7. FINANCING AND FINANCIAL INSTRUMENTS

7.1 ACCOUNTING PRINCIPLES

7.1.1 FINANCIAL INSTRUMENTS (IAS 32/IFRS 7/IFRS 9/IFRS 13)

CLASSIFICATION AND MEASUREMENT OF NON-DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

Under IFRS 9, on initial recognition, a financial asset is classified and measured at amortised cost, at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value Through Profit and Loss (FVTPL). The classification of financial assets under IFRS 9 is based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interests on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income ("OCI"). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets for the Group:

FINANCIAL ASSETS AT FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

FINANCIAL ASSETS AT AMORTISED COST

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses if needed. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

FINANCIAL ASSETS AT FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

EQUITY INVESTMENTS AT FVOCI

These assets are subsequently measured at fair value though profit or loss except in the case of an irrevocable election to classify them at fair value through OCI that cannot be reclassified.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

FINANCIAL LIABILITIES

Interest bearing financial liabilities are initially measured at fair value, less transaction costs directly attributable to the issue, and after initial booking at amortised cost using the effective interest rate.

Being a financial debt with an embedded derivative, and based on the option provided by IFRS 9, the ORNANE convertible bonds, net of write off of the issuance costs, are accounted for fully, at inception, at fair value, on a separate line in the statement of financial position, with subsequent changes recorded on a separate line in the income statement, except for the impact of the variation of the credit spread which is accounted for OCI. The interest expenses are recorded based on the contractual interest rates and are classified in the statement of comprehensive income on the line "Net financing costs".

Other non-derivative financial liabilities are recognised at FVTPL.

CLASSIFICATION AND MEASUREMENT OF FINANCIAL DERIVATIVES AND HEDGE ACCOUNTING

The Group uses derivative financial instruments to hedge its exposure to movements in interest and currency exchange rates.

All financial derivatives are recorded as financial assets or liabilities at fair value on the statement of financial position. Fair value variations of financial derivatives, apart from those designated as cash flow hedges or as net investment hedges (see below), are recognised in the income statement for the period.

URW has a macro-hedging strategy for its debt. Except for some currency derivatives, it has chosen not to use the hedge accounting proposed by IFRS 9. All such derivatives are therefore measured at their market value and any fair value variations are recorded in the income statement.

Changes in the fair value of forward exchange contracts that economically hedge monetary assets and liabilities in foreign currencies and for which no hedge accounting is applied are recognised in the income statement.

Both the changes in fair value of the forward contracts and the foreign exchange gains and losses relating to the monetary items are recognised as part of the "financing result" as these instruments are designated as hedging instruments.

HEDGING INSTRUMENTS

The Group, which holds a group of financial assets or financial liabilities, is exposed to market risks and credit risks of every single counterparty as defined in IFRS 7. The Group applies the exception provided by IFRS 13 (§ 48) which permits to measure the fair value of a group of financial assets or a group of financial liabilities on the basis of the price that would be received to sell or transfer a net position towards a particular risk in an orderly transaction between market participants at the measurement date under current market conditions.

To determine the net position, the Group takes into account existing arrangements to mitigate the credit risk exposure in the event of default (e.g. a master netting agreement with the counterparty). The fair value measurement takes into consideration the likelihood that such an arrangement would be legally enforceable in the event of default.

Valuation of derivatives takes into account the Credit Valuation Adjustment (CVA) and the Debit Valuation Adjustment (DVA).

CVA, calculated for a given counterparty, is the product of:
- the total mark-to-market the Group has with this counterparty, in case it is positive;
- the probability of default of this counterparty over the average maturity, weighted by the nominal of the derivatives recorded with them. This probability of default is taken from the Bloomberg model, based on market data and derived from the Credit Default Swaps of the banks; and
- the loss given default following market standard.

DVA based on URW's credit risk corresponds to the loss that the Group's counterparties may face in case of the Group's default. It is the product of:
- the total mark-to-market the Group has with a counterparty, in case it is negative;
- the probability of default of the Group over the average maturity, weighted by the nominal of the total portfolio of derivatives. The Group's probability of default is derived from the Credit Default Swaps of URW and taken from the Bloomberg model; and
- the loss given default following market standard.

7.1.2 BORROWING COSTS GENERATED BY CONSTRUCTION PROJECTS (IAS 23)

Borrowing costs directly attributable to the acquisition or construction of an asset are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest costs capitalised are calculated using the Group's weighted average costs of borrowing applied to the average value of the work completed during each quarter, unless specific financing exists for the project. In this case, the specific interest costs of the project are capitalised.

Capitalisation of borrowing costs starts when the asset is qualified as an Investment Property Under Construction and/or as inventory and ends when the project is transferred to standing investment property at the delivery date to the tenant or earlier when the project is technically completed or when an asset is available for sale.

7.1.3 DISCOUNTING OF DEFERRED PAYMENTS

Long-term liabilities and receivables are discounted when this has a significant impact.
- Deferred payments on assets deals, share deals, acquisitions of lands have been discounted up to the payment date;
- Provisions for material liabilities taken under IAS 37 are discounted over the estimated duration of the disputes they cover;
- Guarantee deposits received from tenants have not been discounted given the negligible impact of discounting.

7.2 FINANCING RESULT

7.2.1 NET FINANCING COSTS

(€Mn)	2020	2019
Security transactions	2.0	3.6
Other financial interest	10.4	16.5
Interest income on derivatives	235.8	258.2
Subtotal financial income	**248.1**	**278.3**
Security transactions	(2.1)	(0.1)
Interest on bonds and EMTNs	(506.4)	(478.7)
Interest and expenses on borrowings	(52.3)	(55.1)
Interest on Lease liability	(46.4)	(46.2)
Interest on preferred shares	(12.0)	(14.5)
Interest on partners' advances	(21.5)	(24.2)
Other financial interest	(6.5)	(3.9)
Interest expenses on derivatives	(75.8)	(85.1)
Financial expenses before capitalisation of financial expenses	**(722.9)**	**(707.8)**
Capitalised financial expenses	43.3	37.8
Subtotal net financial expenses	**(679.7)**	**(670.0)**
Total net financial costs	**(431.5)**	**(391.7)**

Financial income and expenses from the consolidated statement of cash flows correspond to cash amounts of financial interest paid and received during the period. They do not include any non-cash items such as accrued interest and amortisation of issuance costs.

7.2.2 FAIR VALUE ADJUSTMENT OF DERIVATIVES, DEBTS AND CURRENCY EFFECT

(€Mn)	2020	2019
Mark-to-market of the ORNANEs	1.8	(7.6)
Currency impact	(83.6)	81.8
Restructuring of hedges and mark-to-market of derivatives	(438.4)	(396.2)
Debt discounting and other items	(48.9)	(29.8)
Total non-recurring financial result	**(569.1)**	**(351.8)**

7.3 FINANCIAL ASSETS AND LIABILITIES

7.3.1 INVESTMENT IN FINANCIAL ASSETS

Change in Investments in financial assets is mainly due to equity interests in unlisted investments in the US.

7.3.2 MAIN FINANCING TRANSACTIONS IN 2020

Despite the challenging market conditions, the Group secured additional liquidity and increased(1) its debt maturity, though at a higher cost, through the following public EMTN Bonds:

- On April 2, 2020:
  - €600 Mn with a 2.125% coupon and five-year maturity;
  - €800 Mn with a 2.625% coupon and ten-year maturity;
- On June 22, 2020:
  - €750 Mn with a 2.0% coupon and 12-year maturity;
- On November 25, 2020:
  - €1,000 Mn with a 0.625% coupon and six-year and five-month maturity;
  - €1,000 Mn with a 1.375% coupon and 11-year maturity.

In total, €4,150 Mn of bonds were issued with a weighted average maturity of 9.0 years and a weighted average coupon of 1.66%.

Part of the long-term debt raised was used to repay existing debt with shorter maturities, including:

- On September 4, 2020, $300 Mn partial repayment of the 144A bond maturing in October 2020;
- On December 2, 2020, €544.9 Mn (in nominal) tender offer on five outstanding public bonds maturing over 2021-2024 (representing 19.56% of the outstanding amount subject to the tender offer) with an average remaining maturity of 1.3 years and an average coupon of 1.0%; it was accounted for as a derecognition of debt;
- On December 16, 2020, €500 Mn full repayment of a Floating Rate Note private placement maturing in June 2021.

In addition, URW accessed the money markets by issuing short-term paper.

In April 2020, the Group raised £600 Mn in European Commercial Paper (ECP) from the Bank of England as part of its COVID Corporate Financing Facility (CCFF) program with a maturity of ten months and an average yield of 0.49%.

In December 2020, the Group fully repaid in advance the £600 Mn ECP maturing in Q1-2021 with its available cash. The average amount of short-term paper(2) in 2020, was €1,364 Mn (€1,061 Mn on average in 2019).

The Group also took the following actions in 2020 to ensure it had ample liquidity:

- In March, URW drew down part of its credit lines for a total amount of €3.2 Bn. These drawdowns were repaid and these credit lines are available in full at the end of December 2020;
- In April, a €100 Mn one-year term loan was put in place with a yield of 0.49%;
- Since September, the Group extended part of its credit facilities for an amount of €500 Mn, with an average maturity of four years.

As at December 31, the total amount of undrawn credit lines(3) came to €9,240 Mn (€9,195 Mn) and the cash on hand came to €2,138 Mn (€489 Mn), which will be used to repay debt maturities coming due in the next 12 months. The undrawn credit lines include a $3,200 Mn (ca. €2,608 Mn) multi-currency revolving credit facility.

The average residual maturity of these undrawn credit lines stands at 1.9 year.

On October 30, 2020, the Group acquired its JV partner's shares (50%) in five US assets (Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Sarasota). These properties and their related mortgage debt are fully consolidated in URW's accounts as at December 31, 2020. This debt totals $411 Mn, reflecting the repayment in full of the Brandon mortgage debt ($131 Mn at 100%) in November 2020 through corporate financing. These properties and the related loans were previously equity accounted at the Group's 50% share.

(1) Taking into account the undrawn credit lines and cash on hand.
(2) Neu CP, Neu MTN and ECP.
(3) Subject to covenants.

7.3.3 FINANCIAL DEBT BREAKDOWN AND OUTSTANDING DURATION TO MATURITY

	Current	Non-current		Total	Total
Outstanding duration to maturity (€Mn)	Less than 1 year	1 year to 5 years	More than 5 years	Dec. 31, 2020	Dec. 31, 2019
Net share settled bonds convertible into new and/or existing shares (ORNANE)	**102.6**	**497.7**	**-**	**600.3**	**602.1**
Principal debt	102.9	500.0	-	602.9	602.9
Mark-to-market of debt	(0.3)	(2.3)	-	(2.6)	(0.8)
Accrued interest	-	-	-	-	-
Bonds and EMTNs	**1,079.0**	**6,273.5**	**15,508.9**	**22,861.3**	**22,276.1**
Principal debt[(1)]	1,022.3	6,279.8	15,506.5	22,808.5[(1)]	22,215.8[(1)]
Accrued interest	239.8	-	-	239.8	220.8
Issuance costs	(81.1)	-	-	(81.1)	(59.7)
Bonds redemption premium	(98.3)	-	-	(98.3)	(88.0)
Mark-to-market of debt	(3.6)	(6.3)	2.4	(7.5)	(12.7)
Bank borrowings	**668.5**	**950.9**	**308.1**	**1,927.6**	**1,553.3**
Principal debt[(2)]	670.2	954.0	308.6	1,932.7	1,562.6
Accrued interest	32.6	-	-	32.6	9.4
Borrowings issue fees	(10.5)	-	-	(10.5)	(17.0)
Bank overdrafts & current accounts to balance out cash flow	9.8	-	-	9.8	2.8
Mark-to-market of debt	(33.5)	(3.1)	(0.5)	(37.1)	(4.5)
Other financial liabilities	**1,040.0**	**105.2**	**1,164.0**	**2,309.2**	**1,659.5**
Interbank market instruments and negotiable instruments	1,040.0	-	-	1,040.0	352.0
Accrued interest on interbank market instruments and negotiable instruments	-	-	-	-	(0.4)
Current accounts with non-controlling interests[(3)]	-	105.2	1,164.0	1,269.2	1,307.9
Lease liabilities	**32.2**	**10.4**	**786.2**	**828.8**	**848.1**
Total financial debt	**2,922.3**	**7,837.6**	**17,767.2**	**28,527.2**	**26,939.2**
Including liabilities directly associated with Properties or Shares classified as held for sale	203.5	-	-	203.5	-
Total financial debt net of liabilities directly associated with Properties or Shares classified as held for sale	**2,718.9**	**7,837.6**	**17,767.2**	**28,323.7**	**26,939.2**

(1) Include currency impacts on debt raised in foreign currency for an amount of +€8.7 Mn as at December 31, 2020 (+€8.5 Mn as at December 31, 2019). The amount shown in the Financial Resources note (€22,800 Mn) corresponds to the amount of bonds after impact of derivatives instruments on debt raised in foreign currencies.
(2) Including mortgage debt under foreclosure in the US.
(3) They are considered as non-current as they are financing the related assets.

The variation of financial debt by flows breaks down as follows:

		Cash flows[(1)]			Non-cash flows				
	Dec. 31, 2019	Increase[(2)]	Decrease	Variation of accrued interest[(3)]	Variation of scope[(4)]	Currency translation	Fair value impact	Others[(5)]	Dec. 31, 2020
Net share settled bonds convertible into new and/or existing shares (ORNANE)	602.1	-	-	-	-	-	(1.8)	-	600.3
Bonds and EMTNs	22,276.1	4,094.4	(3,131.4)	23.7	-	(428.3)	4.5	22.3	22,861.3
Bank borrowings	1,553.3	97.1	(149.5)	17.4	455.1	(61.6)	(0.1)	15.9	1,927.6
Other financial liabilities	1,659.5	1,436.0	(786.7)	0.4	-	-	-	-	2,309.2
Lease liabilities	848.1	20.1	(25.5)	-	-	(38.5)	-	24.6	828.8
Total	**26,939.2**	**5,647.6**	**(4,093.1)**	**41.5**	**455.1**	**(528.4)**	**2.6**	**62.8**	**28,527.2**

(1) The cash flows differ from those in the Consolidated statement of cash flows mainly due to the variation of guarantee deposits received.
(2) Net of bonds and EMTNs issuance costs and issue fees.
(3) The variation of accrued interest is included in lines Financial income/Financial expenses of the Consolidated statement of cash flows.
(4) The variation of scope includes the change of consolidation method from equity to full consolidation of the O'Connor portfolio following the acquisition of its JV partner's shares (50%) in five US assets: Westfield Brandon, Westfield Broward, Westfield Citrus Park, Westfield Countryside and Westfield Sarasota.
(5) The variation of Others includes straight-lining of premiums & fees on EMTNs and Bank borrowings and additional recognition of lease liabilities in application of IFRS 16.

MATURITY OF CURRENT AND NON-CURRENT PRINCIPAL DEBT

(€Mn)	Current	Non-current					Total Dec. 31, 2020
	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	
Net share settled bonds convertible into new and/or existing shares (ORNANE)	102.9	500.0	-	-	-	-	602.9
Bonds and EMTNs	1,022.3	1,189.5	592.0	1,508.7	2,989.6	15,506.5	22,808.5
Bank borrowings[(1)]	670.2	203.3	640.8	109.8	-	308.6	1,932.7
Interbank market instruments and negotiable instruments	1,040.0	-	-	-	-	-	1,040.0
Total	**2,835.4**	**1,892.8**	**1,232.8**	**1,618.5**	**2,989.6**	**15,815.2**	**26,384.2**

(1) Including mortgage debt under foreclosure in the US.

7.3.4 NET SHARE SETTLED BONDS CONVERTIBLE INTO NEW AND/OR EXISTING SHARES (ORNANE)

As at December 31, 2020, the ORNANEs are presented in the table below.

(€Mn)	Debt at fair value	Fair value recognised in the profit and loss
ORNANE issued in 2014	102.6	0.2
ORNANE issued in 2015	497.7	1.6
Total	**600.3**	**1.8**

7.3.5 CHARACTERISTICS OF BONDS AND EMTNS (EXCLUDING ORNANE)

Issue date	Rate	Currency	Amount at Dec. 31, 2020 (€Mn)	Maturity
November 2010	Fixed rate 4.17%	EUR	41.0	November 2030
October 2011	Fixed rate 4.10%	EUR	27.0	October 2031
November 2011	Fixed rate 4.05%	EUR	20.0	November 2031
May 2012	Fixed rate 3.196%	EUR	425.0	May 2022
February 2013	Fixed rate 2.375%	EUR	387.2	February 2021
February 2013	Fixed rate HKD swapped back into EUR	HKD	73.6	February 2025
March 2013	Fixed rate HKD swapped back into EUR	HKD	61.5	March 2025
June 2013	Fixed rate 2.500%	EUR	467.0	June 2023
October 2013	Fixed rate HKD swapped back into EUR	HKD	42.0	October 2025
November 2013	Fixed rate CHF swapped back into EUR	CHF	125.0	November 2023
February 2014	Fixed rate 2.50%	EUR	643.7	February 2024
March 2014	Fixed rate 3.08%	EUR	20.0	March 2034
April 2014	Fixed rate 3.08%	EUR	30.0	April 2034
June 2014	Fixed rate 2.50%	EUR	600.0	June 2026
September 2014	Fixed rate 3.75%	USD	814.9	September 2024
September 2014	Fixed rate 4.75%	USD	407.5	September 2044
October 2014	Fixed rate 1.375%	EUR	257.3	October 2022
April 2015	Fixed rate 1.375%	EUR	655.0	April 2030
April 2015	Fixed rate 1.00%	EUR	500.0	March 2025
October 2015	Float rate (Erb3M + 81 bps)	EUR	50.0	October 2024
November 2015	Fixed rate 2.066%	EUR	30.0	November 2030
November 2015	Fixed rate HKD swapped back into EUR	HKD	78.8	November 2025
December 2015	Fixed rate 2.1 % during 3 years then Constant Maturity Swap 10 years (floored at 0%, capped at 4%)	EUR	70.0	December 2030
March 2016	Fixed rate 1.375%	EUR	500.0	March 2026
March 2016	Float rate (Erb6M+0%, floored at 0.95%, capped at 3%)	EUR	20.0	March 2027
April 2016	Fixed rate 1.125%	EUR	500.0	April 2027

Issue date	Rate	Currency	Amount at Dec. 31, 2020 (€Mn)	Maturity
April 2016	Fixed rate 2%	EUR	500.0	April 2036
October 2016	Fixed rate 0.850% SEK	SEK	149.5	October 2021
November 2016	Fixed rate 0.875%	EUR	500.0	February 2025
December 2016	Fixed rate HKD swapped into EUR	HKD	52.5	November 2026
February 2017	Fixed rate 1.5%	EUR	600.0	February 2028
March 2017	Fixed rate 2.125%	GBP	333.7	March 2025
March 2017	Fixed rate 2.625%	GBP	556.2	March 2029
April 2017	Fixed rate 3.15%	USD	407.5	April 2022
May 2017	Fixed rate 1.5%	EUR	500.0	May 2029
May 2017	Fixed rate 2.0%	EUR	500.0	May 2037
June 2017	Fixed rate 0.875% SEK	SEK	59.8	June 2022
June 2017	Float rate SEK (Stib3M + 80 bps)	SEK	39.9	June 2022
May 2018	Fixed rate 0.125%	EUR	485.5	May 2021
May 2018	Fixed rate 1.125%	EUR	800.0	September 2025
May 2018	Fixed rate 1.875%	EUR	900.0	January 2031
May 2018	Fixed rate 2.25%	EUR	500.0	May 2038
June 2018	Structured coupon linked to CMS 15 year	EUR	40.0	June 2033
September 2018	Fixed rate 4.125%	USD	407.5	September 2028
September 2018	Fixed rate 4.625%	USD	407.5	September 2048
December 2018	Fixed rate 2.0%	EUR	100.0	December 2033
February 2019	Fixed rate 1.75%	EUR	750.0	February 2034
February 2019	Fixed rate 1.0%	EUR	750.0	February 2027
June 2019	Fixed rate 3.5%	USD	611.2	June 2029
July 2019	Fixed rate 1.75%	EUR	500.0	July 2049
October 2019	Fixed rate 2.875%	USD	611.2	January 2027
October 2019	Fixed rate 0.875%	EUR	750.0	March 2032
April 2020	Fixed rate 2.625%	EUR	800.0	April 2030
April 2020	Fixed rate 2.125%	EUR	600.0	April 2025
June 2020	Fixed rate 2.0%	EUR	750.0	June 2032
December 2020	Fixed rate 0.625%	EUR	1,000.0	May 2027
December 2020	Fixed rate 1.375%	EUR	1,000.0	December 2031
Total			**22,808.5**	

7.3.6 COVENANTS

As at December 31, 2020, the LTV[1] ratio amounted to 44.7% (38.6%).

The Interest Coverage Ratio ("ICR") for the period stood at 3.5x[2] (5.7x).

The Group's corporate debt covenant levels and corresponding current ratios, including the covenants on available credit facilities and on the US dollar bond indentures (Rule 144A and Reg S bonds) are set at:

Financial ratios	Dec. 31, 2020	Europe Credit facility covenants level	US Credit facility covenants level	US Bond covenants level
LTV	44.7%	< 60%	< 65%	< 65%
ICR	3.5x	> 2x	> 1.5x	> 1.5x
FFO[3]/NFD	4.8%	> 4%	na.	na.
Secured debt ratio[4]	2.8%	na.	< 50%	< 45%
Unencumbered leverage ratio[5]	1.8x	na.	> 1.5x	> 1.25x

These covenants are tested twice a year based on the Group's IFRS financial statements.

(1) Loan-to-Value (LTV) = Net financial debt/Total assets excluding €1,129 Mn of goodwill as per the Group's European leverage covenants, including transfer taxes. The proportionate ratio LTV ratio was 46.3%.
(2) Proportionate ICR of 3.1x.
(3) Funds From Operations: on an annualised basis, the recurring EBITDA minus (i) net recurring financial expenses and (ii) tax on recurring operating result.
(4) Secured debt/Total assets.
(5) Unencumbered assets/unsecured debt.

As at December 31, 2020:

CORPORATE DEBT:

- 96% of the Group's credit facilities allowed an LTV of up to 60% for the Group or the borrowing entity, as the case may be.
- 100% of the Group's credit facilities and loans require an ICR > 2x for the Group or the borrowing entity, as the case may be.
- 70% of the Group's credit facilities and loans include a FFO/NFD covenant. These require an FFO/NFD above 4% for the Group or the borrowing entity, as the case may be.

SECURED DEBT NON-RECOURSE:

- 19% of the non-recourse mortgage debt raised by certain entities of the Group includes Debt Yield[1] covenants (usually 7%-7.5% for the mortgaged asset).

Regarding secured mortgage debt, with the decrease of the rent collection over 2020 and increased vacancy following the various lockdowns, potential covenant breaches could happen in Q1-2021 (on cash flow-related ratios). Figures are under review as well as alternatives to deal with this situation. Any such breach should have a limited impact on the Group's financial statements and would not lead to a cross-default on the Group's borrowings.

As a result of the COVID-19 pandemic, debt service payments on certain mortgage loans ($476 Mn on a proportionate basis) on some regional US assets have not been made. Two of these assets with loans totalling $278 Mn are currently in foreclosure. The Group is in discussion with the servicers regarding the loans representing the remainder of this amount. Defaults under these loans are not expected to have a material adverse effect on the Group's finances.

SHORT TERM DEBT:

- There are no financial covenants (such as loan-to-value or interest coverage ratios) in the Neu MTN, the Neu CP, the ECP and the USCP programs of URW.

7.3.7 OTHER FINANCING ACTIVITIES

In the consolidated statement of cash flows, "Other financing activities" comprise mainly costs paid on derivatives purchase and disposal and margin calls on derivatives.

7.3.8 DEBT MARKET VALUE

The market value of URW's fixed-rate and index-linked debt is presented in the table below.

	Dec. 31, 2020		Dec. 31, 2019	
(€Mn)	Carrying value	Market value	Carrying value	Market value
Fixed-rate and index-linked debt				
Fixed-rate & index-linked borrowings, interbank instruments and negotiable market instruments	25,683.5[1]	26,670.8	23,855.7[1]	24,811.1

(1) ORNANE included, at market value (see note 7.3.4 "Net share settled bonds convertible into new and/or existing shares (ORNANE)").

Financial debt is valued at market value based on market rates and on spread issuers at each closing date.

(1) Debt Yield: ratio of the net operating income to the outstanding loan amount, net of certain cash as defined in the relevant mortgage loan documentation.

7.3.9 NET FINANCIAL DEBT

Net financial debt is determined as below:

NET FINANCIAL DEBT

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Amounts accounted for in balance sheet		
Net share settled bonds convertible into new and/or existing shares (ORNANE)	497.7	602.1
Non-current bonds and borrowings	24,310.5	22,931.6
Current borrowings and amounts due to credit institutions	2,686.7	2,557.4
Liabilities directly associated with Properties or Shares classified as held for sale	203.5	-
Total financial liabilities	**27,698.3**	**26,091.0**
Adjustments		
Mark-to-market of debt	47.3	18.1
Current accounts with non-controlling interests	(1,269.2)	(1,307.9)
Impact of derivatives instruments on debt raised in foreign currency	(8.7)	(8.4)
Accrued interests/issuance fees	(82.5)	(65.1)
Total financial liabilities (nominal value)	**26,385.1**[1]	**24,727.8**[1]
Cash and cash equivalents	**(2,137.6)**[1]	**(488.8)**[1]
Net financial debt	**24,247.5**	**24,239.0**

(1) Bank overdrafts and current accounts to balance out cash flow are included in the total financial liabilities, in 2020 for €9.8 Mn and in 2019 for €2.8 Mn.

NET CASH AT PERIOD-END

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Marketable securities[1]	10.9	9.3
Short term deposit[2]	945.0	-
Cash	1,181.8	479.5
Total asset	**2,137.6**	**488.8**
Bank overdrafts & current accounts to balance out cash flow	(9.8)	(2.8)
Total Liabilities	**(9.8)**	**(2.8)**
Net cash at period-end	**2,127.8**[3]	**486.0**

(1) This item includes investments in money-market SICAV (marketable securities) denominated in SEK at fair value through Profit and Loss.
(2) All short term deposits are denominated in EUR.
(3) The high level of cash as at December 31, 2020 aims to cover URW's debt repayment needs corresponding to the bonds and bank loans outstanding as at December 31, 2020, and maturing within one year of €1,469 Mn (including €1,125 Mn of bonds and ORNANE).

7.4 HEDGING INSTRUMENTS

CHANGE IN DERIVATIVES

		Amounts recognised in the Statement of Comprehensive Income						
(€Mn)	Dec. 31, 2019	Fair value adjustments of derivatives	Other comprehensive income	Changes in scope of consolidation	Acquisitions	Disposals	Reallocation	Dec. 31, 2020
Assets								
Derivatives at fair value Non-current	**599.6**	**15.5**	-	-	**148.8**	**63.8**	**(0.9)**	**826.8**
• *Without a hedging relationship*	*599.6*	*15.5*	-	-	*148.8*	*63.8*	*(0.9)*	*826.8*
• *Other derivatives*	-	-	-	-	-	-	-	-
Derivatives at fair value Current	-	-	-	-		-	-	-
• *Without a hedging relationship*	-	-	-	-		-	-	-
Liabilities								
Derivatives at fair value Non-current	**1,025.0**	**447.3**	-	-	-	-	-	**1,502.3**
• *Without a hedging relationship*	*1,025.0*	*477.3*	-	-	-	-	-	*1,502.3*
Derivatives at fair value Current	**30.1**	**(27.9)**	**(1.3)**	-	-	-	**(0.9)**	-
• *Other derivatives*	*30.1*	*(27.9)*	*(1.3)*	-	-	-	*(0.9)*	-
Net	**(455.4)**	**(433.9)**	**(1.3)**	-	**148.8**	**63.8**	-	**(675.5)**

7.5 MANAGEMENT OF EXCHANGE RISKS

7.5.1 MEASURE OF EXPOSURE TO FOREIGN EXCHANGE RISKS AS AT DECEMBER 31, 2020

The Group is active in countries outside the Eurozone. When converted into euros, the income and value of the Group's investments may be influenced by fluctuations in exchange rates against the euro. The Group's policy objective is to apply a broadly consistent LTV by currency allowing it to match part of the foreign currency asset value and income with debt and financial expenses in the same currency, thus reducing the exchange rate effects on the Group's balance sheet and earnings.

Foreign exchange risk can be hedged by either matching investments in a specific currency with debt in the same currency or using derivatives to achieve the same risk management goal.

Currency risk during the building period of pipeline investments is covered as early as possible after signing the actual building contract.

7.5.2 EXPOSURE SENSITIVITY TO CURRENCY EXCHANGE RATE

MEASURE OF THE EXPOSURE TO OTHER RISKS AS AT DECEMBER 31, 2020 (€MN)

Currency	Assets	Liabilities	Net Exposure	Hedging instruments	Exposure net of hedges
USD	11,535	(5,438)	6,097	-	6,097
GBP	3,008	(1,073)	1,935	-	1,935
SEK	2,661	(637)	2,024	-	2,024
Other	685	(720)	(35)	433	398
Total	**17,888**	**(7,867)**	**10,021**	**433**	**10,455**

EXPOSURE SENSITIVITY TO CURRENCY EXCHANGE RATE

Before hedging, the main exposures kept are in USD, GBP and SEK. A change of 10% of EUR/USD, EUR/GBP or EUR/SEK (i.e. a 10% increase of EUR against the USD, GBP or SEK) would have an impact on shareholders' equity and the net recurring result as follows:

	Dec. 31, 2020		Dec. 31, 2019	
(€Mn)	Net recurring result Gain/(Loss)	Equity Gain/(Loss)	Net recurring result Gain/(Loss)	Equity Gain/(Loss)
Impact of an increase of +10% in the EUR/USD exchange	(10.6)	(554.3)	(33.7)	(671.1)
Impact of an increase of +10% in the EUR/GBP exchange	(5.4)	(175.9)	(12.6)	(227.3)
Impact of an increase of +10% in the EUR/SEK exchange	(7.7)	(184.0)	(9.1)	(190.5)

The impact on the net recurring result (or conversely a positive impact in case of a decrease of EUR vs. these currencies) would be fully offset by the FX hedging that the Group has put in place against EUR/USD, EUR/GBP and EUR/SEK fluctuations.

7.6 RISK MANAGEMENT POLICY

7.6.1 MARKET RISK

Market risks can generate losses resulting from fluctuations in interest rates, exchange rates, raw material prices and share prices. URW's risk mainly relates to interest rate fluctuations on the debt it has taken out to finance its investments and maintain the cash position it requires and exchange rate fluctuations due to the Group's activities in countries outside the Eurozone, in particular in the US and the UK following the Westfield acquisition.

The Group, through its activities, may be exposed to market risks which can generate losses as a result of fluctuations in stock markets. The Group is either: (i) directly exposed to fluctuations in stock prices due to the ownership of shares or financial instruments, or (ii) indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share based derivatives which are directly correlated with the price of the asset underlying such derivatives.

LIQUIDITY RISK

The following table shows the Group's contractually agreed interest payments and repayments of the non-derivative financial liabilities (excluding leases liabilities and current accounts) and the derivatives with positive and negative fair values. Amounts in foreign currency were translated at the closing rate at the reporting date. The payments of the floating-rate interests have been calculated on the basis of the last interest rates published on December 31, 2020.

Commercial paper have been allocated at the earliest period of redemption even if they are rolled over. All other borrowings have been allocated by date of maturity.

	Carrying amount[1]	Less than 1 year		1 year to 5 years		More than 5 years	
(€Mn)	Dec. 31, 2020	Interest	Redemption	Interest	Redemption	Interest	Redemption
Bonds, borrowings and amounts due to credit institutions							
Bonds and EMTNs	(23,411.4)	(456.7)	(1,125.1)	(1,641.6)	(6,779.8)	(2,402.3)	(15,506.5)
Bank borrowings and other financial liabilities[2]	(2,972.7)	(46.3)	(1,710.0)	(55.2)	(954.1)	(3.5)	(308.6)
Financial derivatives							
Derivative financial liabilities							
Derivatives without a hedging relationship	(1,502.3)	(43.4)	-	(1,430.5)	(27.9)	3,923.5	-
Derivative financial assets							
Derivatives without a hedging relationship	826.8	401.8	-	1,014.0	10.9	855.1	8.2

(1) Corresponds to the amount of principal debt (see note 7.3.3 "Financial debt breakdown and outstanding duration to maturity").
(2) Excludes current accounts with non-controlling interests and lease liabilities.

The average maturity of the Group's debt as at December 31, 2020, taking into account the undrawn credit lines[1] and cash on hand, stood at 8.4 years.

URW's debt repayment needs for the next 12 months (€2,518 Mn)[2] are fully covered by the cash on hand (€2,138 Mn)[3] and available undrawn credit lines[1] (€9,240 Mn).

The amount of bonds, ORNANE, mortgage and bank loans outstanding as at December 31, and maturing or amortising within one year is €1,469 Mn (including €1,125 Mn of bonds and ORNANE). The amount of Neu CP maturing in the next 12 months is €1,040 Mn.

The credit facilities maturing over the next 12 months stood at €2,350 Mn. URW has engaged in discussions to extend these lines.

URW's long-term refinancing policy consists of diversifying the Group's expiry schedules and financial resources. Accordingly (on IFRS basis), bonds & EMTN issues represented 86% of financial nominal debt at December 31, 2020, bank loans, mortgages and overdrafts 7%, convertible bonds 2% and short term paper 4%.

The commercial paper programmes are backed by confirmed credit lines. These credit lines[1] protect URW against the risk of a temporary or more sustained absence of lenders in the short- or medium-term debt markets and were provided by leading international banks.

(1) Subject to covenants.
(2) Including short term paper maturing in 2021 (€1,040 Mn) and overdrafts (€10 Mn) and excluding debt of assets under foreclosure in the US.
(3) To be noted that the cash on hand does not include proceeds from the disposal of SHiFT and Les Villages 3, 4 and 6 office buildings.

COUNTERPARTY RISK

Due to its use of derivatives to minimise its interest and exchange rate risk, the Group is exposed to potential counterparty defaults. The counterparty risk is the risk of replacing the derivative transactions at current market rates in the case of default. To limit counterparty risk, URW relies solely on major international banks for its hedging operations.

In case of derivative termination, netting can apply as a result of existing agreements between the Group and the banks. The related amounts of derivative instruments, including accrued interests, would be €40.8 Mn for assets and €786.2 Mn for liabilities.

7.6.2 INTEREST RATE RISK MANAGEMENT

AVERAGE COST OF DEBT

It corresponds to the ratio between "recurring financial expenses (excluding the ones on financial leases and partners' current accounts) + capitalised financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact)" and "average net debt over the period".

The average cost of debt for 2020 was 1.7% (1.6%), representing the blended average cost of debt, of which an average of 1.1% for EUR and SEK denominated debt and an average of 3.6% for USD and GBP denominated debt.

This average cost of debt results from:
- The low coupon levels the Group achieved on its fixed rate debt;
- The level of margins on existing borrowings;
- The hedging instruments in place;
- The cost of carry of the undrawn credit lines;
- The cost of debt to finance the Westfield acquisition;
- Higher base rates in the US and the UK and debt issued by Westfield prior to completion of the acquisition;
- The cost of carry in relation with the significant liquidity raised by the Group in 2020;
- The impact of rating downgrade in 2020 on the cost of its credit lines and financing.

MEASURING INTEREST RATE RISK

As at December 31, 2020, the measuring interest risk is as follow:

	Financial liabilities	
(€Mn)	Fixed rate	Variable rate(1)
Less than 1 year	2,508.4	10.0
1 year to 2 years	1,879.1	49.9
2 years to 3 years	1,313.2	120.0
3 years to 4 years	1,658.7	50.0
4 years to 5 years	2,989.6	0.0
More than 5 years	15,585.1	230.0
Total	**25,934.0**	**459.9**

(1) Including index-linked debt.

The Group does not have a micro-hedging strategy, except when both currency exchange risk and interest rate risk are hedged, which enables it not to correlate its liquidity risk and interest rate risk management. Consequently, the maturities of the debts and hedging instruments can be dissociated and the outstanding derivatives instruments can hedge a part of the fixed rate debt maturing in the following years.

The interest cost of outstanding debt was fully hedged as at December 31, 2020, through both:
- Debt kept at a fixed rate;
- Hedging in place as part of URW's macro-hedging policy.

The hedging balance as at December 31, 2020, breaks down as follows:

(€Mn)	Outstanding total at Dec. 31, 2020	
	Fixed rate	Variable rate[(1)]
Financial liabilities before hedging program	**(25,934.0)**	**(459.9)**
Micro-hedging	10,252.7	(10,243.9)
Financial liabilities after micro-hedging[(2)]	**(15,681.4)**	**(10,703.8)**
Swap rate hedging[(3)]		-
Net debt not covered by swaps		**(10,703.8)**
Cap and floor hedging		13,191.6
Hedging balance		**2,487.8**

(1) Including index-linked debt.
(2) Partners' current accounts are not included in variable-rate debt.
(3) Forward hedging instruments are not accounted for in this table.

Following the new bonds issue at fixed rate and the floating debt buyback in December 2020, and caps maturing in early January 2021, the Group had an overhedging position as at December 31, 2020.

However, in view of the Group's fully hedged position, the debt raised at fixed rate in 2020 and the anticipated debt reduction resulting from its planned disposal programme, the hedging program starting from 2021 has been adjusted to reduce the amount of hedging instruments for a total net cash cost of €44.4 Mn.

Based on the estimated average proportionate debt position of URW in 2021, if interest rates (Euribor, Libor, Stibor or Pribor) were to rise by an average of +50 bps[(1)] during 2021, the estimated negative impact on financial expenses would be €42.3 Mn, decreasing the 2021 net recurring result by a broadly similar amount:
- Euro financial expenses would increase by €42.3 Mn;
- No impact on Dollar financial expenses;
- No impact on Sterling financial expenses.

An additional +50 bps would increase financial expenses by a further €42.0 Mn.

In total, a +100 bps increase in interest rates during 2021 would have a net negative impact on financial expenses of €84.3 Mn.

A -50 bps drop in interest rates would have a positive impact on the financial expenses of €42.3 Mn, increasing the net recurring profit in 2021 by a broadly equivalent amount:
- Euro financial expenses would decrease by €42.3 Mn;
- No impact on Dollar financial expenses;
- No impact on Sterling financial expenses.

7.6.3 CREDIT RISK

Credit risk arises from cash and equivalents as well as credit exposures with respect to rental customers. Credit risk is managed on a Group level. The Group structures the level of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties, and to geographical and industry segments. Such risks are subject to at least an annual review, and often more frequently. The Group has policies in place to ensure that rental contracts are made with customers with an appropriate credit history.

The Group's tenants may be impacted by COVID-19 depending on the restrictions in place, government support and their industry.

The main tenants of URW's Office properties in France are blue-chip companies. The tenant profile minimises insolvency risks.

In the Shopping Centres segment, the risk of insolvency is spread widely across a large number of tenants.

When tenants sign their lease agreements, they are typically required to provide financial guarantees, such as a deposit, first-demand guarantee or a surety bond amounting to between three and six months' rent.

Payments for ancillary services provided by the Convention & Exhibition segment are generally received in advance, thereby reducing the risk of unpaid debt.

Late payment reminders are automatically issued in respect of late payments and penalties are applied. Such late payments are monitored by a special "default" Committee in each business segment which decides on the pre-litigation or litigation action to be taken.

According to IFRS 9, the estimated provision corresponds to the amount which the company does not expect to recover. Though, when collecting a tenant deposit or obtaining a bank guarantee, URW partially covers the possible future losses.

(1) The impact on exchange rates due to this theoretical increase of +50 bps in interest rates is not taken into account. The theoretical impact of a rise or decrease in interest rates is calculated relative to the applicable rates as at December 31, 2020: 3m Euribor (-0.545%), 3m USD Libor (0.2384%) and 3m GBP Libor (0.2550%).

URW's provision policy meets the simplified model of IFRS 9:
- The estimated losses are calculated on a homogeneous segment of receivables;
- The rate of estimated loss reflects the best estimation of the expected future losses, on the considered client segment: URW respects the notion of back testing (comparisons are performed with historical rates of losses) and if needed, the rates are adjusted to take into account any new trigger event;
- Historical data are reviewed to better reflect the actual situation and integrate the best estimates for the near future.

The Group applies the following rules to calculate the provision for doubtful accounts as at December 31, 2020:
- Receivables from tenants under bankruptcies proceedings were fully depreciated;
- Doubtful debt provisions are defined on the basis of an estimated default rate based on a forward looking approach. This percentage of default may be refined by the tenant segment and position of the Shopping Centre in its catchment area. Ultimately, this default is rationalised based on recent events like tenant bankruptcies in 2020 and also the evolution of shop closures in the past quarters;
- This percentage was applied on the amount of receivables from which security deposit and deferred amounts not yet due were deducted.

The amounts of tenants receivables and the related provisions for doubtful debtors increased significantly during the period due to the COVID-19 pandemic (see note 1.1.1 COVID-19 pandemic).

Over the fiscal year 2020, the Group has provisioned €126.6 Mn of doubtful receivables (€202.7 Mn under proportionate) which have been charged to the income statement under the item "property operating expenses".

As at December 31, 2020, the gross amount of receivables amounted to €746.4 Mn and the provision for doubtful debtors to -€207.0 Mn compared to €601.2 Mn and -€88.2 Mn, respectively, at the end of December 2019.

7.7 CARRYING VALUE OF FINANCIAL INSTRUMENTS PER CATEGORY

FAAC: Financial Asset at Amortised Cost
FAFVOCI: Financial Asset at Fair Value through Other Comprehensive Income
FAFVTPL: Financial Asset at Fair Value Through Profit or Loss
FLAC: Financial Liabilities at Amortised Cost
FLFVTPL: Financial Liabilities at Fair Value Through Profit or Loss

			Amounts recognised in statement of financial position according to IFRS 9			
Dec. 31, 2020 (€Mn)	Categories in accordance with IFRS 9	Carrying Amount Dec. 31, 2020	Amortised Cost	Fair value recognised in equity	Fair value recognised in profit & loss	Fair value
Assets						
Investments in financial assets	FAAC/FAFVOCI/FAFVTPL	303.6	211.2	24.0	68.5	303.6
Derivatives at fair value	FAFVTPL	826.8	-	-	826.8	826.8
Trade receivables from activity[(1)]	FAAC	374.1	374.1	-	-	374.1
Other receivables[(2)]	FAAC	339.8	339.8	-	-	339.8
Cash and cash equivalents	FAFVTPL	2,137.6	945.0	-	1,192.6	2 137.6
		3,981.9	**1,870.1**	**24.0**	**2,087.8**	**3,981.9**
Liabilities						
Commitment to non-controlling interests	FLFVTPL	100.4	-	-	100.4	100.4
Financial debts (excluding *ORNANE*)	FLAC	27,926.9	27,926.9	-	-	28,914.2
Net share settled bonds convertible into new and/or existing shares (*ORNANE*)	FLFVTPL	600.3	-	-	600.3	600.3
Derivatives at fair value	FLFVTPL	1,502.3	-	-	1,502.3	1,502.3
Non-current amounts due on investments	FLAC	102.2	102.2	-	-	102.2
Amounts due to suppliers and other current debt[(3)]	FLAC	1,158.4	1,158.4	-	-	1,158.4
Other non-current liabilities	FLAC	63.0	63.0	-	-	63.0
		31,453.4	**29,250.5**	**-**	**2,203.0**	**32,440.8**

(1) Excluding rent-free periods and step rents.
(2) Excluding prepaid expenses, service charges due and tax receivables.
(3) Excluding deferred income, service charges billed and tax liabilities.

Dec. 31, 2019 (€Mn)	Categories in accordance with IFRS 9	Carrying Amount Dec. 31, 2019	Amounts recognised in statement of financial position according to IFRS 9			Fair value
			Amortised Cost	Fair value recognised in equity	Fair value recognised in profit & loss	
Assets						
Investments in financial assets	FAAC/FAFVOCI/FAFVTPL	343.5	288.7	43.7	11.1	343.5
Derivatives at fair value	FAFVTPL	599.6	-	-	599.6	599.6
Trade receivables from activity[(1)]	FAAC	388.3	388.3	-	-	388.3
Other receivables[(2)]	FAAC	227.9	227.9	-	-	227.9
Cash and cash equivalents	FAFVTPL	488.8	-	-	488.8	488.8
		2,048.1	**904.9**	**43.7**	**1,099.5**	**2,048.1**
Liabilities						
Commitment to non-controlling interests	FLFVTPL	173.2	-	-	173.2	173.2
Financial debts (excluding *ORNANE*)	FLAC	26,337.0	26,337.0	-	-	27,292.4
Net share settled bonds convertible into new and/or existing shares *(ORNANE)*	FLFVTPL	602.1	-	-	602.1	602.1
Derivatives at fair value	FLFVTPL	1,055.1	-	-	1,055.1	1,055.1
Non-current amounts due on investments	FLAC	149.1	149.1	-	-	149.1
Amounts due to suppliers and other current debt[(3)]	FLAC	1,318.9	1,318.9	-	-	1,318.9
		29,635.4	**27,805.0**	**-**	**1,830.4**	**30,590.8**

(1) Excluding rent-free periods and step rents.
(2) Excluding prepaid expenses, service charges due and tax receivables.
(3) Excluding deferred income, service charges billed and tax liabilities.

"Trade receivables from activity", "Other receivables", "Cash and cash equivalents" and "Amounts due to suppliers and other current debt" mainly have short-term maturity. Consequently, their carrying amounts at the reporting date approximate the fair value.

7.7.1 FAIR VALUE HIERARCHY OF FINANCIAL ASSETS AND LIABILITIES

IFRS 13 establishes a hierarchy of valuation techniques for financial instruments. The following categories are identified:

- Level 1: financial instruments quoted in an active market;
- Level 2: financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets;
- Level 3: financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable current market transactions in the same instrument (i.e. without modification or repackaging) and not based on available observable market data. The COVID-19 pandemic has no impact on the methodology applied.

		Fair value measurement at Dec. 31, 2020		
(€Mn)	Total	Level 1	Level 2	Level 3
Assets				
Fair value through profit or loss				
Investments in financial assets	68.5	-	-	68.5
Derivatives	826.8	-	826.8	-
Marketable securities	10.9	10.9	-	-
Fair value through equity				
Financial assets	24.0	-	-	24.0
Derivatives	-	-	-	-
Total	**930.1**	**10.9**	**826.8**	**92.4**
Liabilities				
Fair value through profit or loss				
Commitment to non-controlling interests	100.4	-	-	100.4
ORNANE	600.3	600.3	-	-
Derivatives	1,502.3	-	1,502.3	-
Total	**2,203.0**	**600.3**	**1,502.3**	**100.4**

7.7.2 NET GAIN/LOSS BY CATEGORY

URW closely monitors its financial risk linked to its activity and the financial instruments it uses. The Group identifies and evaluates regularly its different risk exposures (liquidity, interest rates and currency exchange rates) in order to implement the adopted strategy.

2020 (€Mn)	From interest	Net gain/(loss) in profit & loss	Net gain/(loss) in equity
Investments in financial assets	6.6	6.6	(14.9)
Derivatives at fair value through profit and loss	160.0	160.0	-
Financial liabilities at amortised cost	(641.3)	(641.3)	-
	(474.8)	**(474.8)**	**(14.9)**
Capitalised expenses		43.3	
Net financial expenses		**(431.5)**	

2019 (€Mn)	From interest	Net gain/(loss) in profit & loss	Net gain/(loss) in equity
Investments in financial assets	11.0	11.0	3.4
Derivatives at fair value through profit and loss	173.1	173.1	-
Financial liabilities at amortised cost	(613.6)	(613.6)	-
	(429.5)	**(429.5)**	**3.4**
Capitalised expenses		37.8	
Net financial expenses		**(391.7)**	

NOTE 8. TAXES

8.1 ACCOUNTING PRINCIPLES

8.1.1 INCOME TAX EXPENSES

The Group companies are taxable according to the tax rules of their country. In some countries, special tax regimes for public property companies exist.

Calculation of income tax expenses is based on local rules and rates.

8.1.2 DEFERRED TAX

Deferred taxes are recognised in respect of all temporary differences between the carrying amount and tax base of assets and liabilities at each financial year-end.

Deferred tax assets or liabilities are calculated based on total temporary differences and on tax losses carried forward, using the local tax rate that will apply on the expected reversal date of the concerned differences, if this rate has been set. Otherwise, they are calculated using the applicable tax rate in effect at the financial year-end date. Within a given fiscal entity or group and for a given tax rate, debit balances are recorded to assets for the amount expected to be recoverable over a foreseeable period. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be used.

The main deferred tax liabilities relate to:

- the mark-to-market of investment properties, resulting in the recognition of a deferred tax liability for non-tax-exempt assets;
- the recognition of intangible assets at the acquisition date identified on Viparis entities, particularly Viparis-Porte de Versailles and Paris Nord Villepinte, as well as on WFD entities.

8.1.3 TAX REGIMES

Different tax regimes exist in the following countries.

FRANCE – SIIC REGIME (SOCIÉTÉ D'INVESTISSEMENT IMMOBILIER COTÉE)

URW elected to participate in the SIIC regime from the creation of the regime on January 1, 2003. Its French subsidiaries eligible for SIIC status have also opted for this regime. The SIIC regime is based on the concept of tax transparency, meaning that rental income and capital gains made from divestments are not subject to income tax at the level of the Group's French property companies, but upon distribution to URW's shareholders. The SIIC regime requires that URW and its SIIC subsidiaries distribute 95% of their recurring income and 100% of their dividend income received from SIIC or equivalent subsidiaries before the end of the following tax year, and 70% of their capital gains before the end of the second tax year following the year in which the gain was generated.

The SIIC regime limits the dividend payment to the statutory distribution capacity and the unpaid SIIC obligation as a result of the capping mechanism is carried forward until the statutory distribution capacity is restored.

The SIIC regime only applies to real estate rental activities, therefore income generated by URW and its SIIC subsidiaries' ancillary activities remains subject to income tax.

SPAIN – SOCIMI REGIME (SOCIEDADES ANÓNIMAS COTIZADAS DE INVERSIÓN EN EL MERCADO INMOBILIARO)

URW entered the SOCIMI regime in 2013 with most of its Spanish subsidiaries which own standing-assets. The SOCIMI regime provides for a tax rate of 0% on recurring income provided that certain requirements – some of them related to the shareholders of URW – are fulfilled. Capital gains realised within the SOCIMI regime are taxed at 0%, and capital gains related to the period before entering into the regime are taxed at the moment of realisation. Based on the SOCIMI regime, the company has to fulfil distribution obligations of at least 80% of its profits annually, as well as 50% of its capital gains, provided that the remaining 50% is reinvested in the real estate sector within a three-year period.

THE NETHERLANDS – FBI/FII REGIME (FISCALE BELEGGINGSINSTELLING/FISCAL INVESTMENT INSTITUTION)

The requirements for companies to qualify for the FBI regime are partly related to their activities and their shareholding base. For the main part of the Group's Dutch real estate, following an agreement with the Dutch tax authorities, the FBI regime is not applied. Unibail-Rodamco-Westfield N.V., which owns the majority of the US portfolio, does apply the FBI/FII regime. An FBI/FII has to distribute its income, calculated according to the rules for Corporate Income Tax, on a yearly base.

UNITED KINGDOM – UNITED KINGDOM REIT

URW applies the United Kingdom REIT regime for part of its United Kingdom real estate portfolio. Based on the regime, various restrictions apply, among them the requirement that at least 75% of the REIT's net profit must be derived from the property rental business, and 75% of the REIT's assets must be used in the property rental business or be held as cash. At least 90% of the income from the property rental business must be distributed within 12 months after the end of the accounting period. There's no distribution obligation for gains arising from the disposal of real estate used in the property rental business.

UNITED STATES – UNITED STATES REIT

URW has elected to apply the REIT regime for the main part of its United States portfolio. Like in other REIT regimes, there's an asset test (75%) along with various securities ownership limits, and in addition there is a combined income test: at least 75% of the gross income must be derived from real estate property rental or from interest on mortgages on real estate property, whereas at least 95% of the gross income must come from a combination of real estate related sources and passive sources, such as dividends and interest. United States law requires the REIT to annually distribute at least 90% of its ordinary taxable income.

8.2 INCOME TAX EXPENSES

(€Mn)	2020	2019
Recurring deferred and current tax on:		
• Allocation/reversal of provision concerning tax issues	0.2	(8.3)
• Other recurring results	(20.1)	(41.1)
Total recurring tax	**(19.9)**	**(49.4)**
Non-recurring deferred and current tax on:		
• Change in fair value of investment properties and impairment of intangible assets[(1)]	249.7	1,393.0
• Other non-recurring results[(1)]	51.3	(278.2)
Total non-recurring tax	**301.0**	**1,114.8**
Total tax	**281.1**	**1,065.4**
Total tax paid[(1)]	(18.2)	(211.7)

(€Mn)	2020	2019
Current tax	19.4	(322.5)
Deferred tax	261.7	1,387.9
Total tax	**281.1**	**1,065.4**

(1) In 2019, mainly related to the impact of the changes in the structure of US operations described in note 1.2.1 "Changes in the structure of US operations".

Reconciliation of effective tax rate	%	2020	2019
Profit/(loss) before tax, impairment of goodwill and result of associates		**(4,707.4)**	**125.1**
Income tax using the average tax rate	25.1%	1,179.7	(56.5)
Tax exempt profits (including SIIC, SOCIMI and REIT regimes)	(11.8)%	(557.0)	178.5
Non-deductible costs	(0.3)%	(12.9)	(95.7)
Effect of tax provisions	0.0%	0.2	(6.2)
Effect of non-recognised tax losses	(6.8)%	(322.0)	(20.8)
Effect of change in tax rates	(0.1)%	(5.7)	0.0
Effect of currency translation in tax	0.0%	0.2	(0.3)
Effect of changes in structure of US operations[(1)]	-	-	1,046.2
Other	(0.1)%	(1.5)	20.3
Total tax	**6.0%**	**281.1**	**1,065.4**

(1) Mainly related to the impact of the changes in the structure of US operations described in note 1.2.1 "Changes in the structure of US operations".

8.3 DEFERRED TAXES

2020 CHANGE

(€Mn)	Dec. 31, 2019	Net Variation	Reclassification	Currency translation	Change in scope of consolidation	Dec. 31, 2020
Deferred tax liabilities	**(2,303.6)**	**250.3**	**-**	**0.7**	**-**	**(2,052.5)**
Deferred tax on investment properties	(2,084.4)	214.2	-	5.8	-	(1,864.4)
Deferred tax on intangible assets	(219.1)	36.1	-	(5.1)	-	(188.1)
Other deferred tax	**27.6**	**26.4**	**(13.1)**	**3.9**	**-**	**44.8**
Tax loss carry-forward(1)	53.8	22.3	(13.2)	0.1	-	63.0
Other(1)	(26.2)	4.1	0.1	3.8	-	(18.2)
Total deferred tax liabilities	**(2,276.0)**	**276.7**	**(13.1)**	**4.6**	**-**	**(2,007.8)**
Deferred tax assets						
Tax loss carry-forward	35.0	(18.3)	13.2	-	-	29.9
Other deferred tax assets(1)	8.6	3.3	-	(0.2)	-	11.7
Provision on tax loss carry-forward	(15.2)	-	-	-	-	(15.2)
Total deferred tax assets	**28.4**	**(15.0)**	**13.2**	**(0.2)**	**-**	**26.5**

(1) Deferred tax assets and liabilities within a same tax group are offset.

2019 CHANGE

(€Mn)	Dec. 31, 2018	Net Variation	Reclassification	Currency translation	Change in scope of consolidation	Dec. 31, 2019
Deferred tax liabilities	**(3,694.7)**	**1,393.5**	**(8.5)**	**(34.6)**	**40.8**	**(2,303.6)**
Deferred tax on investment properties	(3,384.9)	1,350.6(2)	(56.1)	(34.8)	40.8	(2,084.4)
Deferred tax on intangible assets	(309.8)	42.9	47.6	0.2	-	(219.1)
Other deferred tax	**25.2**	**(7.4)**	**9.4**	**0.4**	**-**	**27.6**
Tax loss carry-forward(1)	81.2	(27.8)	0.4	-	-	53.8
Other(1)	(56.0)	20.4	9.0	0.4	-	(26.2)
Total deferred tax liabilities	**(3,669.5)**	**1,386.1**	**0.8**	**(34.2)**	**40.8**	**(2,276.0)**
Deferred tax assets						
Tax loss carry-forward	20.1	15.4	(0.5)	-	-	35.0
Other deferred tax assets(1)	9.8	(1.4)	-	0.2	-	8.6
Provision on tax loss carry-forward	(3.0)	(12.2)	-	-	-	(15.2)
Total deferred tax assets	**26.9**	**1.8**	**(0.5)**	**0.2**	**-**	**28.4**

(1) Deferred tax assets and liabilities within a same tax group are offset.
(2) Mainly related to the impact of the changes in the structure of US operations described in note 1.2.1 "Changes in the structure of US operations".

Deferred tax liabilities on properties refer to:

1) those countries where there is no REIT regime (like the SIIC regime in France), providing a tax exemption on recurring income and capital gains on property sales with an obligation to distribute part of their net result, or
2) to countries where such tax efficient status does exist, but where the structure of URW in its current form and under current legislation would lead to tax amounts to be paid in case of capital gains on property sales.

UNRECOGNISED DEFERRED TAX ASSETS

The table below presents the tax basis on which no deferred tax assets were recognised:

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Temporary differences investment properties	-	-
Tax loss carry-forwards not recognised	1,735.7	829.4
Total unrecognised tax-basis	**1,735.7**	**829.4**

DETAIL OF UNRECOGNISED TAX LOSSES AT THE END OF 2020 INTO FINAL YEAR OF USE:

(€Mn)	
2021	32.9
2022	0.1
2023	18.8
2024	16.1
2025	28.6
Unlimited	1,639.2
Total	**1,735.7**

The tax losses are to a large extent related to negative financial results on French SIIC entities (€813.8 Mn), next to losses caused by impairments in some other countries (mainly United States and The Netherlands). Deferred tax assets have not been recognised because it is not probable that future taxable profit will be available against which these losses can be offset.

NOTE 9. PROVISIONS

The determination of the amount of provisions for liabilities and charges requires the use of estimates, assumptions and judgement made by management based on information available or situations prevalent at the date of preparation of the accounts, information and situation which may vary from subsequent actual events, as well as on the basis of estimated conditions at a given date.

2020 CHANGE

(€Mn)	Dec. 31, 2019	Allocations	Reversals used	Reversals not used	Foreign currency translation impact	Other movements	Dec. 31, 2020
Non-current provisions	**110.3**	**1.2**	**(2.1)**	**(30.4)**	**(4.8)**	**0.4**	**74.6**
Non-current provisions excluding employee benefits[1]	95.4	0.3	(2.0)	(30.4)	(4.8)	(0.2)	58.3
Employee benefits	14.9	0.9	(0.1)	-	-	0.6	16.3
Current provisions	**39.9**	**6.0**	**(2.5)**	**(3.9)**	**(1.0)**	**(5.7)**	**32.7**
Total	**150.2**	**7.2**	**(4.6)**	**(34.3)**	**(5.8)**	**(5.3)**	**107.3**

(1) Relates mainly to the allocation/reversal of tax provisions.

NOTE 10. OTHER CURRENT LIABILITIES

Other current liabilities break down as follows:

(€Mn)	Dec. 31, 2020	Dec. 31, 2019
Tax and social liabilities	471.6	523.0
Other liabilities	209.4	206.8
Total other current liabilities	**681.0**	**729.8**

NOTE 11. EMPLOYEE REMUNERATION AND BENEFITS

11.1 HEADCOUNT

The average number of employees of the Group's companies breaks down as follows:

Regions	2020	2019
France[(1)]	1,074	1,083
United States	929	1,061
Central Europe	146	143
Spain	137	137
United Kingdom and Italy	342	467
Nordics	113	118
Austria	64	63
Germany	474	461
The Netherlands	95	89
Australia	1	4
Total	**3,374**	**3,625**

(1) Of which Viparis: 370/375.

11.2 PERSONNEL COSTS

(€Mn)	2020	2019
Personnel costs	421.0	489.8
Employee benefits[(1)]	14.3	15.3
Total	**435.3**	**505.1**

(1) Expenses relating to the Company Savings Plan, stock options and performance shares, recognised with an equivalent increase in equity.

EMPLOYEE PROFIT SHARING

Employees belonging to the UES ("*Unité Économique et Sociale*"-Social and Economic Group) comprising notably Unibail Management and Espace Expansion, and employees of Unibail-Rodamco-Westfield SE benefit from a common employee profit-sharing plan and a common profit-sharing agreement introduced in 1999. The common profit-sharing agreement was renewed in 2017, then extended for a period of one year covering the 2020 financial year. The profit-sharing agreement is based on the annual growth of the net recurring result and of the EPRA NNNAV, weighted for the activity in France and adjusted for indexation.

Employees belonging to the UES Viparis benefit from a common employee profit-sharing plan and a common profit-sharing agreement introduced in 2008. The profit-sharing agreement was renewed in 2017.

11.3 EMPLOYEE BENEFITS

11.3.1 PENSION PLAN

ACCOUNTING PRINCIPLES

Under IAS 19 Revised, a company must recognise all commitments made to its employees (i.e. current or future, formal or informal, cash payments or payments in kind). The cost of employee benefits must be recorded during the vesting period.

POST-EMPLOYMENT BENEFITS

Pension schemes may be defined contribution or defined benefit schemes.

Under defined contribution schemes, the employer only pays a contribution, with no commitment from the Group regarding the level of benefits to be provided. The contributions paid are recorded as expenses for the year.

Under defined benefit schemes, the employer makes a formal or implied commitment to an amount or level of benefits and therefore carries the medium- or long-term risk. A provision is recorded to liabilities to cover all of these pension commitments. This provision is assessed regularly by independent actuaries using the projected unit credit method, which takes into account demographic assumptions, early retirements, salary increases and discount and inflation rates.

In the majority of the Group companies, pensions due under the various compulsory retirement schemes to which employers contribute are managed by specialist external organisations. Defined contributions paid into these various compulsory retirement schemes are recognised in the income statement for the period.

Provisions are recorded for retirement allowances relating to defined benefit schemes based on the net present value of these future allowances. According to IAS 19 Revised, the actuarial gains and losses are accounted for in "other comprehensive income".

LONG-TERM BENEFITS

These are benefits paid to employees more than 12 months after the end of the financial year during which the corresponding service was provided. The same valuation method is used as for post-employment benefits.

With the exception of provision for retirement allowances and long-service awards, no commitments relating to long-term or post-employment benefits need to be accrued.

Provisions for pension liabilities (€Mn)	Dec. 31, 2020	Dec. 31, 2019
Retirement allowances	13.0	12.0
Pension plans with defined benefit(1)	3.3	2.9
Total	**16.3**	**14.9**

(1) The provision corresponds to the remaining obligation to the defined benefit contract in The Netherlands.

11.3.2 SHARE-BASED PAYMENTS

ACCOUNTING PRINCIPLES

Under IFRS 2, all transactions relating to share-based payments must be recognised in the income statement. This is the case for URW's Company Savings Plan, Stock Option Plan and Performance Shares Plan.

Shares issued under the Company Savings Plan are offered at a discount to the share price. This discount represents an employee benefit and is recorded in the income statement for the period, with a corresponding increase in equity.

Stock options granted to employees are stated at their fair value on the date of allocation. As the transactions are equity-settled share-based payments, this value remains unchanged, even if the options are never exercised. The value applied to the number of options finally exercised at the end of the vesting period (estimation of the turnover) is recorded as an expense, with a corresponding increase in equity which is spread over the vesting period (i.e. the period during which employees must work for the Company before they can exercise the options granted to them).

The stock options and performance shares, all subject to performance condition, have been valued using a Monte Carlo model.

The additional expenses incurred by the Company Savings Plan, Stock Option Plans and Performance Shares Plans are classified under personnel expenses.

COMPANY SAVINGS PLAN

Subscription to the Company Savings Plan is offered to employees in France who have been with the Group for more than three months. The subscription period is opened once per year, after the share capital increase reserved to employees has been authorised by the Management Board, which also sets the subscription price. The subscription price is equal to the average of the opening share prices on the Eurolist of Euronext Paris over the 20 trading days preceding the decision of the Management Board, less a 20% discount. The Group also makes a top-up contribution applied exclusively to voluntary contributions (including profit-sharing), made by employees to the Group URW Fund (fund fully vested in Stapled Shares as from June 2018). These voluntary contributions are limited to a maximum of one quarter of the annual salary with a cap of €25,000 (for shares acquired at the discount).

The total cost of subscriptions to the Company Savings Plan (employer contribution and difference between the subscription price and the share price on the date of the capital increase) amounted to €2.0 Mn in 2020 compared to €2.7 Mn in 2019.

STOCK OPTION PLANS

There are currently five plans for stock options granted to Directors and employees of the Group. The plans have a duration of eight years[(1)] and may be exercised at any time, in one or more instalments, as from the third anniversary of the date of their allocation[(2)].

All plans are subject to both internal and external performance conditions.

The external performance is assessed on the basis of the Total Shareholders Return (TSR) of URW's shares (with dividends reinvested) against a Reference Index[(3)] and a Corporate Social Responsibility (CSR) external rating. These KPIs weight 45% and 5% of the total performance achievement respectively.

The internal performance is assessed on the basis of the attainment of URW's Adjusted Recurring Earnings per Share (AREPS) guidance communicated to investors[(4)], and on the level of achievement of the CSR agenda Better Places 2030, Group-wide[(5)]. These KPIs weight 45% and 5% of the total performance achievement respectively.

The stock-options allocated in March 2020 were valued at €0.03 for those with a TSR condition and at €0.04 for those with non-market performance conditions (i.e. AREPS and internal/external CSR), using a Monte Carlo model. This valuation is based on an initial exercise price of €92.03, the share price at the date of allocation of €67.24, a vesting period of three years, an estimated duration of 3.7 years, a market volatility of 17.56%, a dividend representing 16.06% of the share value, a risk-free interest rate of -0.334% and a volatility of the reference composite index of 12.7% with a correlation reference composite index/URW of 66.94%.

Stock options are accounted for in accordance with IFRS 2. The expense recorded on the income statement in relation to stock options came to €2.3 Mn in 2020 and €4.2 Mn in 2019.

(1) The duration was seven years for the plans granted before 2019.
(2) The exercise was possible only as from the fourth anniversary of the grant date for the plans granted before 2019.
(3) For the 2018 performance, the TSR taken into account is the one of Unibail-Rodamco before the Westfield Acquisition against index EPRA Eurozone “retail and office”.
(4) For the 2018 performance, the performance is assessed on the attainment of the Recurring Earning Per Share (REPS) guidance on the scope of Unibail-Rodamco standalone.
(5) For the 2018 performance, the assessment is based on the scope Unibail-Rodamco standalone and on the integration of the US, the UK and Italy into URW's CSR agenda.

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The table below shows allocated stock options not exercised at the period-end:

Plan		Exercise period[1]	Adjusted subscription price (€)[2]	Number of options granted	Adjustments in number of options[2]	Number of options cancelled	Number of options exercised	Potential additional number of shares[3]
2011 plan (n°7)	2013	from 05/03/2017 to 04/03/2020	173.16	617,066	-	261,729	355,337	-
	2014	from 04/03/2018 to 03/03/2021	186.10	606,087	-	217,621	23,466	365,000
2015 plan (n°8)	2015	from 04/03/2019 to 03/03/2022	256.81	615,860	-	205,928	-	409,932
	2015	from 05/09/2019 to 04/09/2022	238.33	7,225	-	7,225	-	-
	2016	from 09/03/2020 to 08/03/2023	227.24	611,608	-	159,595	1,913	450,100
	2017	from 08/03/2021 to 07/03/2024	218.47	611,611	-	115,608	-	496,003
2018 plan (n°9)	2018	from 06/03/2022 to 05/03/2025	190.09	630,135	-	82,880	-	547,255
2019 plan (n°10)	2019	from 20/03/2022 to 19/03/2027	144.55	748,372	-	87,813	-	660,559
2020 plan (n°11)	2020	from 22/03/2023 to 21/03/2028	92.03	885,291	-	34,236	-	851,055
Total				**5,333,255**	**-**	**1,172,635**	**380,716**	**3,779,904**

(1) Under assumption that the performance and presence conditions are satisfied. If the first day of the exercise period is a non-business day, the retained date will be the next business day. If the end of the exercise period is a non-business day, the retained date will be the first preceding business day.
(2) Adjustments reflect distribution paid from retained earnings.
(3) All the options are subject to presence and performance conditions.

The table below shows the number and weighted average exercise prices of stock options:

	2020		2019	
	Number	Weighted average price (€)	Number	Weighted average price (€)
Outstanding at the beginning of the period	3,186,184	197.66	2,610,638	212.44
Allocated over the period	885,291	92.03	748,372	144.55
Cancelled over the period	(881,064)	170.00	(164,113)	193.33
Exercised over the period	-	-	(8,713)	146.11
Average share price on date of exercise	-	-	-	148.85
Outstanding at the end of the period	3,779,904	175.05	3,186,184	197.66
Of which exercisable at the end of the period	1,225,032	-	904,387	-

PERFORMANCE SHARE PLAN

All the shares are subject to both external and internal performance conditions, except those allocated in May 2018 which are only subject to internal performance conditions. The performance conditions are the same as for the Stock-Options described above.

The awards allocated in March 2020 were valued at €21.53 for those with a TSR condition and at €41.53 for those with non-market conditions (i.e. AREPS and internal/external CSR), using a Monte Carlo model.

This valuation is based on the share price at the date of allocation of €67.24, a vesting period of three years, a market volatility of 17.9%, a volatility of the reference composite index of 12.92% with a correlation reference composite index/URW of 64.19%, a dividend representing 16.06% of the share value and a risk-free interest rate of -0.396%.

Performance shares are accounted for in accordance with IFRS 2. The expense recorded on the income statement in relation to performance shares came to €10.5 Mn in 2020 and €9.4 Mn in 2019.

The table below shows allocated performance shares not exercised at the period-end:

Starting date of the vesting period[1]	Number of performance shares allocated	Number of performance shares cancelled	Number of performance shares acquired	Potential additional number of shares[2]
2016	36,745	7,918	28,827	-
2017	39,770	12,517	14,235	13,018
March 2018	82,539	10,842	-	71,697
May 2018	38,130	1,252	-	36,878
March 2019	172,174	20,174	-	152,000
March 2020	489,440	18,930	-	470,510
Total	**858,798**	**71,633**	**43,062**	**744,103**

(1) For French tax residents: a minimum vesting period of three years, and a minimum holding period of two years once vested.
For non-French tax residents: a minimum vesting period of four years without any requirement to hold the shares.
Plans granted in March 2020 and March 2019: a minimum vesting period of three years for the French and non-French tax residents without any requirement to hold the shares.
(2) The acquisition of the shares is subject to presence and performance conditions.

11.3.3 REMUNERATION OF THE SENIOR MANAGEMENT TEAM AND THE SUPERVISORY BOARD

REMUNERATION OF THE SENIOR MANAGEMENT TEAM:

(€ thousands) Paid in:	2020	2019
Fixed income	5,077	5,270
Short-term incentive	6,876	6,207
Other benefits[1]	3,817	1,871
Total	**15,770**	**13,348**

(1) Supplementary Contribution Scheme, company car and other additional benefits.

In 2020, the total amount relates to the total remuneration of the Senior Management Team which comprises the members of the Management Board[1].

In 2020 members of the Senior Management Team were allocated a total of 250,279 performance stock options, all subject to performance condition, and 138,335 performance shares

Regarding the 2020 performance achievements, the Management Board Member and its Permanent Guest[2] will receive in 2021 a total Short Term Incentive ("STI") amounting to €1,880 K. The payment for those who were Management Board Members in 2020 will be made after the approval of the Annual General Meeting ("AGM").

REMUNERATION OF THE SUPERVISORY BOARD:

The remuneration of the Supervisory Board amounts to €1,185,205 for the 2020 fiscal year.

TRANSACTIONS INVOLVING SUPERVISORY BOARD MEMBERS OR MANAGEMENT BOARD MEMBERS (INCLUDING LOANS OR GUARANTEES GRANTED):

In 2020, upon the recommendation of the Remuneration Committee, the SB agreed the terms and conditions of a settlement agreement to be entered between the Company and Mr Cuvillier to settle the conditions and consequences of the termination of his MB mandate. This settlement agreement is conditioned upon an irrevocable and mutual waiver and general release of claims and includes, subject to a binding approval by the 2021 Annual General Meeting, the payment of a termination indemnity of €936.5 K and the maintenance pro rata temporis of the existing LTI grants subject to performance conditions. It also includes usual provisions related to confidentiality, cooperation, non-disparagement, tax preparation assistance and the temporary benefit of a company car.

(1) The Management Board consists of two members since June 7, 2018, until December 31, 2020.
(2) Starting 2021, a new organisation has been adopted by URW. An extended Management Board has replaced the former Senior Management Team.

TRANSACTIONS INVOLVING MEMBERS OF THE SENIOR MANAGEMENT TEAM (INCLUDING LOANS OR GUARANTEES GRANTED):

Indemnities, primarily expatriation-related, amounting to €6,489 K for non-MB members were also paid or accrued in 2020.

In order to enable several Group employees to meet margin calls in connection with the bank financing for the exercise of URW stock options, the Group granted them short-term loans for a total amount of €16,255 K with interest, combined with a €2,176 K guarantee to enable the bank financing to be extended. As at December 31, 2020, the outstanding loans amounted to €8,390 K including €4,750 K in favour of members of the Senior Management Team who are not Board Members. At the date of publication of the financial statements, as the members of the Senior Management Team had repaid their loans in full, the outstanding loans to employees amounted to €3,640 K.

NOTE 12. SHARE CAPITAL AND DIVIDENDS

12.1 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may issue new debt or buy back existing outstanding debt, adjust the amount of dividends paid to shareholders (subject to the Group's fiscal status under the SIIC regime in France), return capital to shareholders, issue new shares or buy back outstanding shares or sell assets to reduce debt.

The Group has disclosed the debt ratio "Loan-to-Value" (LTV) which is calculated as the net financial nominal debt expressed as a percentage of the portfolio valuation (including transfer taxes). As at December 31, 2020, net financial debt stood at €24,248 Mn[(1)], excluding partners' current accounts and after taking cash surpluses into account (€2,138 Mn).

As at December 31, 2020, the total Portfolio valuation amounts to €54,192 Mn, including transfer taxes.

As at December 31, 2020, the calculated ratio amounted to 44.7%, compared to 38.6% as at December 31, 2019.

12.2 NUMBER OF SHARES

ACCOUNTING PRINCIPLES

The Earnings Per Share indicator is calculated by dividing net result (Holders of the Stapled Shares) by the weighted average number of ordinary shares in circulation over the period.

To calculate diluted Earnings Per Share, the average number of shares in circulation is adjusted to take into account the conversion of all potentially dilutive ordinary shares, in particular, stock options and performance shares during the vesting period, as well as the bonds redeemable for shares (*ORA*) and the net share settled bonds convertible into new and/or existing shares (*ORNANE*).

The dilutive impact is determined using the treasury stock method, which assumes that proceeds from the exercise of options are used to repurchase Company shares at their market value. The market value corresponds to the average monthly share price weighted by trading volumes. The theoretical number of shares that may be purchased at the market value is deducted from the total number of shares resulting from the exercise of rights. This number is then added to the average number of shares in circulation and hence constitutes the denominator.

The ORNANE being accounted as a debt at fair value, the impact of the variation of their fair value and the related financial expenses are restated from the net result when taking into account the dilutive impact.

CHANGE IN SHARE CAPITAL

	Total number of shares
As at Jan. 1, 2019	**138,288,601**
Capital increase reserved for employees under Company Savings Plan	47,337
Shares granted	26,772
Exercise of stock options	8,713
Bonds redeemable for shares	7,182
As at Dec. 31, 2019	**138,378,605**
Capital increase reserved for employees under Company Savings Plan	69,150
Shares granted	24,630
As at Dec. 31, 2020	**138,472,385**

(1) After impact of derivatives instruments on debt raised in foreign currencies.

AVERAGE NUMBER OF SHARES DILUTED AND UNDILUTED

	2020	2019
Average number of shares (undiluted)	**138,437,274**	**138,350,731**
Dilutive impact		
Potential shares via stock options[(1)]	-	-
Attributed performance shares (unvested)[(1)]	314,217	198,736
Potential shares via ORNANE	1,851,806	1,913,286
Potential shares via ORA	-	3,652
Average number of shares (diluted)	**140,603,298**	**140,466,405**

(1) Corresponds only to stock options and attributed performance shares which are in the money and for which the performance condition is fulfilled.

12.3 DIVIDENDS

On May 15, 2020, Unibail-Rodamco-Westfield SE's combined General Meeting of shareholders resolved to distribute a dividend of €5.40 per Stapled Share.

The cash dividend amounted to €747.4 Mn. An interim dividend of €747.4 Mn was paid on March 26, 2020. Taking a prudent view of the uncertainties about the duration and the impact of the COVID-19 pandemic, the Group decided not to propose to the combined General Meeting the planned final dividend of €5.40 per Stapled Share, in order to further increase the Group's strong liquidity.

In accordance with the combined Ordinary and Extraordinary General Meeting held on May 17, 2019, a dividend of €1,493.9 Mn (€10.80 per Stapled Share) was paid in cash to the shareholders, of which €746.9 Mn as an interim dividend on March 29, 2019, and the remaining balance of €747.0 Mn on July 5, 2019.

In accordance with the combined Ordinary and Extraordinary General Meeting held on May 17, 2018, a dividend of €1,079.2 Mn (€10.80 per share) was paid in cash to the shareholders, of which €539.5 Mn as an interim dividend on March 29, 2018, and the remaining balance of €539.7 Mn on May 30, 2018.

NOTE 13. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT LIABILITIES

All significant commitments are shown below. The Group does not have any complex commitments.

The amounts are disclosed under IFRS.

13.1 COMMITMENTS GIVEN

Commitments given (€Mn)	Description	Maturities	Dec. 31, 2020	Dec. 31, 2019
1) Commitments related to the scope of the consolidated Group			**18.0**	**26.6**
Commitments for acquisitions	• Purchase undertakings and earn-out	2021	0.3	2.2
Commitments given as part of specific transactions	• Warranties and bank letters of credit given in the course of the ordinary business	2021+	17.7	24.4
2) Commitments related to Group financing			**1,931.8**	**1,671.2**
Financial guarantees given	• Mortgages and first lien lenders[(1)]	2021 to 2027	1,557.7	1,262.6
	• Guarantees relating to entities under the equity method	2021+	374.1	408.6
3) Commitments related to Group operational activities			**1,230.9**	**1,501.5**
Commitments related to development activities	• Properties under construction: residual commitments for works contracts and forward purchase agreements	2021+	656.9	865.2
	• Residual commitments for other works contracts	2021+	3.4	12.4
	• Commitments subject to conditions precedent	2021 to 2025	251.3	250.8
Commitments related to operating contracts	• Commitments for construction works[(2)]	2021 to 2064	221.6	233.2
	• Rental of premises and equipment	2021+	9.1	11.6
	• Other	2021+	88.5	128.2
Total commitments given			**3,180.7**	**3,199.3**

(1) The outstanding balances at the reporting date of the debts and drawn credit lines which are secured by mortgages. The gross amount of mortgages was €1,557.7 Mn as at December 31, 2020 (€1,262.6 Mn as at December 31, 2019).
(2) Under the 50-year lease contract to operate Porte de Versailles (Paris), an amount of €497.0 Mn for renovation works and €227.2 Mn for maintenance works have to be spent (i.e. €724.2 Mn, representing an initial commitment of €362.1 Mn (Group share), of which €519.4 Mn has already been invested).

COMMITMENTS RELATING TO GROUP FINANCING

- The €2,000 Mn hybrid securities issued on April 16, 2018 are deeply subordinated perpetual instruments with a coupon deferral option. The coupon is to be paid when a mandatory payment event occurs, such as the approval of a dividend payment, though the Group can suspend payments while making the minimum required REIT distributions.

- Westfield America Limited Partnership, Urban Shopping Centers and Westfield Growth have guaranteed loans entered into by joint ventures for a portion of the principal amount of the loans greater than their stake in the joint ventures.

OTHER UNQUANTIFIABLE COMMITMENTS GIVEN RELATED TO THE SCOPE OF THE CONSOLIDATED GROUP

- For a number of recent acquisitions of properties in France, Unibail-Rodamco-Westfield SE has committed to the French tax authorities to retain these interests for at least five years, in accordance with the SIIC tax regime.

- For a number of disposals, the Group granted usual representations and warranties to the purchasers.

- The agreements in connection with joint investments with partners may include usual clauses like (i) a lock-up period during which the shareholders have to retain their interest in shared subsidiaries or (ii) arrangements pursuant to which the parties can organise the exit of the shareholders (e.g. right of first offer, tag-along right in case the partner sells its shares to a third party).

OTHER COMMITMENTS GIVEN RELATED TO GROUP OPERATIONAL ACTIVITIES

- The Group's 50% subsidiary SCI Propexpo has committed that the Espace Champerret venue in Paris, France, will continue to be used as an exhibition hall until 2066.

- In a number of countries in which the Group operates, specific tax regimes for real estate companies exist. For many companies of the Group eligible for such regimes, the Group has opted to use such regimes. Although the details of those regimes are not exactly the same for all countries, one of the standard elements is a requirement to distribute all/nearly all of the recurring income, a large part of the capital gains and all dividends received from other companies that have opted for the application of such specific regime.
  URW SE's SIIC distribution obligation stands at €212.5 Mn as at December 31, 2020; it will be delayed until URW SE has sufficient statutory results to meet this obligation.

- In 2014, the City of Brussels selected Unibail-Rodamco-Westfield as the co-developer, with its partners BESIX and CFE, of the NEO project. BESIX has the possibility to increase its interest in the Mall of Europe from 12.5% to 20%.
  CFE has an option to sell its shares in the Mall of Europe to Unibail-Rodamco-Westfield from December 31 following the opening of the shopping centre and during a period of one year. If the put is not exercised, the Group has an option to buy CFE's shares in the Mall of Europe.
  BESIX has an option to sell its shares in the Mall of Europe to Unibail-Rodamco-Westfield from the end of the second full year after the opening of the shopping centre and lasting 38 months from such date.
  Unibail-Rodamco-Westfield SE together with the parent companies of BESIX and CFE provided guarantees to the City of Brussels with respect of all payment obligations of the joint ventures which will develop the project.
  Several counter guarantees were provided between Unibail-Rodamco-Westfield SE, BESIX and CFE, to ensure that each joint venture shall not bear any financial consequence beyond its programme and that the ultimate shareholder shall not bear more than its share in each joint venture.

13.2 COMMITMENTS RECEIVED

Commitments received (€Mn)	Description	Maturities	Dec. 31, 2020	Dec. 31, 2019
1) Commitments related to the scope of the consolidated Group			**8.6**	**0.8**
Commitments for acquisitions	• Sales undertakings	2022	8.6	0.8
2) Commitments related to Group financing			**9,239.7**	**9,195.5**
Financial guarantees received	• Undrawn credit lines(1)	2021 to 2025	9,239.7	9,195.5
3) Commitments related to Group operational activities			**587.1**	**703.1**
Other contractual commitments received related to operations	• Bank guarantees on works and others	2021+	19.5	13.5
	• Other	2021+	168.0	228.9
Assets received as security, mortgage or pledge, as well as guarantees received	• Guarantees received relating to Hoguet regulation (France)	2021	108.4	124.5
	• Guarantees received from tenants	2021+	225.5	251.8
	• Guarantees received from contractors on works	2021 to 2025	65.7	84.4
Total commitments received			**9,835.3**	**9,899.5**

(1) These agreements contain financial covenants based on the Group's IFRS financial statements (see Section 7.3.6 Covenants). Certain credit lines are also subject to an early prepayment clause (in full or in part) in the event of a change in ownership or a series of disposals reducing portfolio assets below a given threshold. A total amount of €424 Mn is secured by mortgages as at December 31, 2020.

13.3 CONTINGENT LIABILITIES

The Group is involved in an arbitration procedure with PEAB involving claims regarding the development of Mall of Scandinavia. The process involves claims by both sides and is expected to take time to resolve.

Based on the risk analysis, no provision was recorded in the consolidated accounts.

NOTE 14. SUBSEQUENT EVENTS

On January 21, further to an agreement entered into on October 12, 2020, URW completed the disposal of the SHiFT office building, located in Issy-les-Moulineaux (Paris region), to a consortium of French institutional buyers (Primonial REIM, La Française and EDF Invest). The Disposal Price(1) of €620 Mn represented a premium to the June 30, 2020, book value.

Further to the agreements signed with several French institutional investors for the sale of Les Villages 3 office building on December 9, and Les Villages 4 and 6 office buildings on December 18, URW expects to close these disposals in Q1-2021. The total Net Disposal Price(2) of €213 Mn will represent a premium to the latest unaffected book value.

From the end of December, most of the regions the Group operates in applied some form of lockdown, with the exception of Sweden, certain regions in Spain and the US. As at February 10, 2021, 69% of the Group's European centres by value were closed, except for "essential" stores, and 52% at Group level.

In France, based on current estimates related to the duration of the shopping centres closure since January 31, 2021, and expected supporting measures from French government to the tenants, the Group estimate, at the date of publication of the consolidated financial statements, that this closure should have no material impact on the market value of the French Investment properties as at December 31, 2020.

(1) Total Acquisition Cost reduced by the transaction taxes and expenses incurred by the buyer. As per standard market practice, the remaining lease incentives will be paid by the vendor.
(2) Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

NOTE 15. LIST OF THE MAIN CONSOLIDATED COMPANIES

List of the main consolidated companies	Country	Method[1]	% interest Dec. 31, 2020	% control Dec. 31, 2020	% interest Dec. 31, 2019
Unibail-Rodamco-Westfield SE	**France**	**FC**	**100.00**	**100.00**	**100.00**
WCL Finance Pty Limited	Australia	FC	100.00	100.00	100.00
Westfield Corporation Limited	Australia	FC	100.00	100.00	100.00
Westfield Investments Pty Limited	Australia	FC	100.00	100.00	100.00
Donauzentrum Besitz- u. Vermietungs GmbH	Austria	FC	100.00	100.00	100.00
Shopping Center Planungs- und Entwicklungsgesellschaft mbH & Co. Werbeberatung KG	Austria	FC	100.00	100.00	100.00
Centrum Cerny Most as	Czech Republic	FC	100.00	100.00	100.00
Centrum Chodov	Czech Republic	FC	100.00	100.00	100.00
Doria	France	FC	100.00	100.00	100.00
Financière 5 Malesherbes	France	FC	100.00	100.00	100.00
Lyon Garibaldi	France	FC	100.00	100.00	100.00
Rodamco France	France	FC	100.00	100.00	100.00
SA Uni-Expos	France	FC	100.00	100.00	100.00
SA Union Internationale Immobilière	France	FC	100.00	100.00	100.00
SCI Chesnay Pierre 2	France	FC	50.00	50.00	50.00
SCI du Forum des Halles de Paris	France	FC	65.00	65.00	65.00
SCI Propexpo	France	FC	50.00	50.00	50.00
SCI SCC de La Défense	France	FC	53.30	53.30	53.30
SNC CC Francilia	France	FC	100.00	100.00	100.00
SNC Viparis – Porte de Versailles	France	FC	50.00	100.00	50.00
Uni-commerces	France	FC	100.00	100.00	100.00
CentrO companies	Germany	EM-JV	50.00	50.00	50.00
Unibail-Rodamco-Westfield Germany GmbH	Germany	FC	51.00	51.00	51.00
SARL Red Grafton 1	Luxembourg	FC	65.00	65.00	65.00
Crystal Warsaw Sp zoo	Poland	FC	100.00	100.00	100.00
GSSM Warsaw Sp zoo	Poland	FC	100.00	100.00	100.00
Zlote Tarasy partnership	Poland	EM-A	100.00	-	100.00
Aupark as	Slovakia	FC	100.00	100.00	100.00
Unibail-Rodamco Retail Spain	Spain	FC	100.00	100.00	100.00
Unibail-Rodamco Steam SLU	Spain	FC	51.11	100.00	51.11
Rodamco AB	Sweden	FC	100.00	100.00	100.00
Rodamco Centerpool AB	Sweden	FC	100.00	100.00	100.00
Rodamco Handel AB	Sweden	FC	100.00	100.00	100.00
Rodamco Northern Europe AB	Sweden	FC	100.00	100.00	100.00
Rodamco Sverige AB	Sweden	FC	100.00	100.00	100.00
Rodamco Täby Centrum KB	Sweden	FC	100.00	100.00	100.00
Rodamco Austria BV	The Netherlands	FC	100.00	100.00	100.00
Rodamco Central Europe BV	The Netherlands	FC	100.00	100.00	100.00
Rodamco Czech BV	The Netherlands	FC	100.00	100.00	100.00
Rodamco Deutschland BV	The Netherlands	FC	100.00	100.00	100.00
Rodamco Europe Properties BV	The Netherlands	FC	100.00	100.00	100.00
Rodamco Retail Deutschland BV	The Netherlands	FC	100.00	100.00	100.00
Unibail-Rodamco Nederland Winkels BV	The Netherlands	FC	100.00	100.00	100.00
Unibail-Rodamco TH BV	The Netherlands	FC	100.00	100.00	100.00
URW UK Olympic 1 and 2	The Netherlands	FC	100.00	100.00	100.00
URW UK Olympic 3	The Netherlands	FC	100.00	100.00	-
URW UK Shepherds 1 to 9	The Netherlands	FC	100.00	100.00	100.00
URW UK Shepherds 10 to 13	The Netherlands	FC	100.00	100.00	-
Unibail-Rodamco-Westfield N.V.	The Netherlands	FC	100.00	100.00	100.00
Stratford City Shopping Centre n°1 & 2 Limited	United Kingdom	EM-JV	50.00	50.00	50.00

List of the main consolidated companies	Country	Method(1)	% interest Dec. 31, 2020	% control Dec. 31, 2020	% interest Dec. 31, 2019
Westfield Europe Limited	United Kingdom	FC	100.00	100.00	100.00
Westfield UK & Europe Finance PLC	United Kingdom	FC	100.00	100.00	100.00
White City Acquisitions Limited	United Kingdom	FC	100.00	100.00	100.00
New WTC Retail Member LLC	United States	FC	100.00	100.00	100.00
URW America	United States	FC	100.00	100.00	100.00
URW US Services, Inc.	United States	FC	100.00	100.00	100.00
URW WEA LLC	United States	FC	100.00	100.00	99.76
WEA Finance, LLC	United States	FC	100.00	100.00	100.00
WEA Holdings, LLC	United States	FC	100.00	100.00	100.00
Westfield America, LP	United States	FC	100.00	100.00	100.00
Westfield DDC, LLC	United States	FC	100.00	100.00	100.00
Westfield Head, LP	United States	FC	100.00	100.00	100.00
Westfield, LLC	United States	FC	100.00	100.00	100.00
WHL USA Acquisitions, Inc.	United States	FC	100.00	100.00	100.00

(1) FC: full consolidation method, EM-JV: joint ventures under the equity method, EM-A: associates under the equity method.

NOTE 16. RELATIONSHIP WITH STATUTORY AUDITORS

Statutory Auditors are:

- Ernst & Young Audit
  - Commencement date of first term of office: AGM of May 13, 1975;
  - Persons responsible: Jean-Yves Jégourel since May 2017 and Antoine Flora since December 2020.

- Deloitte & Associés
  - Deloitte & Associés succeeded Deloitte Marque & Gendrot which was appointed on April 28, 2005;
  - Persons responsible: Emmanuel Gadret and Emmanuel Proudhon, since May 2019.

The six-year term of office for Ernst & Young Audit and Deloitte & Associés comes to an end as at the Annual General Meeting approving the 2022 accounts.

5.

FEES OF STATUTORY AUDITORS EXCLUDING THEIR NETWORKS FOR THE 2020 AND 2019 FISCAL YEARS:

Statutory Auditors' fees Dec. 31, 2020 (€Mn)	Ernst & Young Audit		Deloitte & Associés	
	2020	2019	**2020**	2019
Audit and half-year review of the consolidated and non-consolidated financial statements (*Parent company + controlled companies*(1))	1.2	1.6	1.5	1.5
Non-audit services(2) (*Parent company + controlled companies*(1))	1.0	0.5	0.7	0.3
Total	**2.2**	**2.1**	**2.2**	**1.8**

(1) The controlled companies correspond to the fully consolidated companies as well as the jointly controlled companies.
(2) Relates to the non-audit services in accordance with legal and regulatory requirements and to the non-audit services provided at the request of the company. The amounts correspond to (i) comfort letters issued in connection with bond issuances of the Group, (ii) the certificate CSR (Corporate social responsibility), (iii) statements on turnover, (iv) review of Q3-2020 financial statements and other diligences in relation to the unrealised rights issues, and (v) other services such as reports on interim dividends.

5.3 STATUTORY FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

5.3.1 INCOME STATEMENT AS AT DECEMBER 31, 2020

(€ thousand)	Notes	2020	2019
Revenue		**164,924**	**185,524**
Production of stock		5,735	0
Reversals of depreciation, amortisation, impairment and expense transfers		18,310	27,750
Other income		993	2,008
Total operating income	**21**	**189,962**	**215,282**
Other purchases and external charges		144,591	145,934
Taxes and related		4,584	4,222
Wages and salaries		1,204	2,061
Payroll taxes		1,493	2,584
Depreciation and amortisation of non-current assets - operating items		37,342	42,618
Impairment of non-current assets - operating items		50,406	5,094
Impairment of current assets - operating items		1,777	570
Provisions - operating items		6,754	2,443
Other operating expenses		4,649	4,859
Total operating expenses	**22**	**252,800**	**210,385**
1 - OPERATING RESULT		**(62,838)**	**4,897**
Investment income		174,769	1,293,005
Income from other marketable securities and receivables on non-current assets		299,115	349,698
Other interest income		362,396	287,992
Reversals of impairment and expense transfers		80,485	317,132
Foreign Exchange gains		65,288	28,560
Net income from sales of marketable securities		26	70
Total financial income	**23**	**982,079**	**2,276,457**
Depreciation, amortisation and impairment - financial items		3,270,833	1,684,292
Interest expenses		692,318	646,799
Foreign Exchange losses		45,548	27,128
Net expenses on sales of marketable securities		8	102
Total financial expenses	**24**	**4,008,707**	**2,358,321**
2 - FINANCIAL RESULT		**(3,026,628)**	**(81,864)**
3 - RECURRING RESULT BEFORE TAX		**(3,089,466)**	**(76,967)**
Non-recurring income on management transactions		419	58
Non-recurring income on capital transactions		489,670	936,924
Reversals of impairment and expense transfers		0	2,470
Total non-recurring income		**490,089**	**939,452**
Non-recurring expenses on management transactions		51,508	1,597
Non-recurring expenses on capital transactions		31,297	904,446
Depreciation, amortisation and provisions - non-recurring items		9,230	2,980
Total non-recurring expenses		**92,035**	**909,023**
4 - NON-RECURRING RESULT	**25**	**398,054**	**30,429**
Employee profit-sharing		3	3
Income tax	26	(382)	(115)
Total income		**1,662,130**	**3,431,191**
Total expenses		**4,353,163**	**3,477,617**
5 - NET RESULT		**(2,691,033)**	**(46,426)**
Average number of shares (undiluted)		138,437,274	138,350,731
RESULT FOR THE PERIOD PER SHARE IN EUROS		**(19.44)**	**(0.34)**

5.3.2 BALANCE SHEET AS AT DECEMBER 31, 2020

ASSETS

(€ thousands)	Notes	12/31/2020	Depr., amort., impair.	12/31/2020 Net	12/31/2019
Intangible assets	**3**	**285**	**285**	**0**	**0**
Tangible assets	**3**	**1,453,262**	**372,028**	**1,081,234**	**1,116,519**
Financial assets		**33,852,612**(1)	**5,525,256**	**28,327,356**	**30,446,353**
Investments in subsidiaries	4	20,288,449	5,525,256	14,763,193	17,333,744
Other long-term investments	5	14,918	0	14,918	32,838
Loans	5	13,549,106	0	13,549,106	13,079,765
Other financial assets	5	139	0	139	6
TOTAL NON-CURRENT ASSETS		**35,306,159**	**5,897,569**	**29,408,590**	**31,562,872**
Stocks		5,735	0	5,735	0
Advances and downpayments		**1,046**	**0**	**1,046**	**3,420**
Receivables	**6**	**5,821,262**(2)	**4,396**	**5,816,866**	**6,737,434**
Trade receivables from activity		61,120	2,350	58,770	44,457
Other receivables		5,411,758	2,046	5,409,712	6,285,077
Difference of assessment of derivatives		348,384	0	348,384	407,900
Cash and cash equivalents	**7**	**1,877,227**	**229**	**1,876,998**	**293,680**
Prepaid expenses	**8**	**167**	**0**	**167**	**330**
TOTAL CURRENT ASSETS		**7,705,437**	**4,625**	**7,700,812**	**7,034,864**
Deferred charges	9	173,172	0	173,172	143,968
Unrealised foreign exchange losses	10	313,081	0	313,081	154,457
TOTAL ASSETS		**43,497,849**	**5,902,194**	**37,595,655**	**38,896,161**

(1) Current and liquid financial assets (€ thousands): 3,149,369
(2) Current and liquid receivables (€ thousands): 5,591,686

LIABILITIES AND EQUITY

(€ thousands)	Notes	12/31/2020	12/31/2019
Shareholders'equity	**12**	**11,762,653**	**15,192,371**
Share capital		692,362	691,893
Additional paid-in capital		13,480,690	13,478,187
Legal reserve		69,144	69,144
Other reserves		27,314	27,314
Retained earnings		169,237	963,143
Result for the period		(2,691,033)	(46,426)
Untaxed provisions		14,939	9,116
Other equity	**13**	**2,000,000**	**2,000,000**
Hybrid securities		2,000,000	2,000,000
Provisions for contingencies and expenses	**14**	**326,212**	**166,254**
Borrowings and financial liabilities		**23,475,986**(1)	**21,501,753**
Convertible bonds	15	602,911	602,911
Other bonds	15	18,181,393	16,265,675
Bank borrowings and debt	15	154,251	58,995
Other borrowings and financial liabilities	15	4,112,736	4,144,686
Advances and downpayments received		1,439	5,389
Other liabilities	16	406,491	401,969
Deferred income	17	16,765	22,128
Unrealised foreign exchange gains	**18**	**30,804**	**35,783**
TOTAL LIABILITIES AND EQUITY		**37,595,655**	**38,896,161**

(1) Current and liquid liabilities (€ thousands): 5,357,846

5.3.3 BREAKDOWN OF BALANCE SHEET AND INCOME STATEMENT BY ENTITY

INCOME STATEMENT

(€ thousands)	France	Dutch permanent establishment	Total
Revenue	**143,545**	**21,379**	**164,924**
Production of stocks, other income and expense transfers	21,639	3,399	25,038
Total operating income	165,184	24,778	189,962
Total operating expenses	184,647	68,153	252,800
1 - OPERATING RESULT	**(19,463)**	**(43,375)**	**(62,838)**
Total financial income	979,504	2,575	982,079
Total financial expenses	3,118,613	890,094	4,008,707
2 - FINANCIAL RESULT	**(2,139,109)**	**(887,519)**	**(3,026,628)**
3 - RECURRING RESULT BEFORE TAX	**(2,158,572)**	**(930,894)**	**(3,089,466)**
Total non-recurring income	490,089	0	490,089
Total non-recurring expenses	91,983	52	92,035
4 - NON-RECURRING RESULT	**398,106**	**(52)**	**398,054**
Employee profit-sharing	3	0	3
Income tax	(382)	0	(382)
Total income	1,634,777	27,353	1,662,130
Total expenses	3,394,864	958,299	4,353,163
5 - NET RESULT	**(1,760,087)**	**(930,946)**	**(2,691,033)**

ASSETS

(€ thousands)	France	Dutch permanent establishment	Total
Intangible assets	0	0	0
Tangible assets	609,417	471,817	1,081,234
Financial assets	19,739,154	8,588,202	28,327,356
TOTAL NON-CURRENT ASSETS	**20,348,571**	**9,060,019**	**29,408,590**
Stocks	5,735	0	5,735
Advances and downpayments	1,046	0	1,046
Receivables	4,202,473	1,614,393	5,816,866
Cash and cash equivalents	1,873,654	3,344	1,876,998
Prepaid expenses	167	0	167
TOTAL CURRENT ASSETS	**6,083,075**	**1,617,737**	**7,700,812**
Deferred charges	173,172	0	173,172
Unrealised foreign exchange losses	313,067	14	313,081
TOTAL ASSETS	**26,917,885**	**10,677,770**	**37,595,655**

LIABILITIES AND EQUITY

(€ thousands)	France	Dutch permanent establishment	Total
Shareholders' equity	12,693,599	(930,946)	11,762,653
Other equity	2,000,000	0	2,000,000
Provisions	326,197	15	326,212
Borrowings and financial liabilities	22,862,537	613,449	23,475,986
Unrealised foreign exchange gains	29,978	826	30,804
TOTAL LIABILITIES AND EQUITY	**37,912,311**	**(316,656)**	**37,595,655**

5.4 NOTES TO THE STATUTORY FINANCIAL STATEMENTS

Unibail-Rodamco-Westfield SE has been listed on the Paris stock exchange since 1972, and has been included in the CAC 40 index since June 18, 2007, and the Euronext 100 and AEX indices since February 2010. On January 1, 2003, the Company opted for SIIC tax status as a real estate investment company. Unibail-Rodamco-Westfield SE has had a permanent establishment based in the Netherlands since 2007.

NOTE 1. ACCOUNTING POLICIES

1.1 APPLICATION OF ACCOUNTING POLICIES

The statutory financial statements are presented in accordance with the French General Chart of Accounts and the French Commercial Code.

The general accounting policies were applied in accordance with the principles of:

- Consistent accounting method;
- Independence of financial years;
- Rules for preparing statutory financial statements, based on a going concern assumption.

1.2 BASIS OF MEASUREMENT

Non-current assets are recognised as assets when all of the following conditions are simultaneously met:

- It is probable that the Company will benefit from the corresponding future economic benefits;
- The cost or value of the assets can be measured with sufficient reliability.

1.2.1 INTANGIBLE ASSETS

GROSS VALUE

Intangible items are measured at acquisition or production cost. They mainly comprise business goodwill.

IMPAIRMENT

When the net book value is higher than the present value being assessed in particular, using profitability criteria, the difference is booked as an impairment.

1.2.2 TANGIBLE ASSETS

GROSS VALUE

Since January 1, 2005, tangible assets are recognised at acquisition or construction cost (purchase price plus ancillary expenses): divided into four components: Main structure, Façade, Technical equipment and Miscellaneous fixtures and fittings. For assets acquired or built between 1997 and 2004, cost also includes financial expenses arising during the construction period.

DEPRECIATION OF BUILDINGS AND FIXTURES

Depreciation is calculated on a straight-line basis over the estimated useful life:

OFFICES & OTHERS

- Main structure: 60 years
- Façade: 30 years
- Technical equipment: 20 years
- Miscellaneous fixtures and fittings: 15 years

SHOPPING CENTRES

- Main structure: 35 years
- Façade: 25 years
- Technical equipment: 20 years
- Miscellaneous fixtures and fittings: 15 years

CONVENTION & EXHIBITION

- Main structure: 40 years
- Façade: 40 years
- Technical equipment: 30 years
- Miscellaneous fixtures and fittings: 10 years

The depreciation periods applicable to the "Offices & Others" portfolio were used for the CNIT complex, which covers the three segments ("Offices & Others", "Shopping Centres" and "Convention & Exhibition").

IMPAIRMENT OF TANGIBLE ASSETS

Tangible assets are measured consistently by both external and internal appraisers, as follows:

INVESTMENT PROPERTY

At the end of each reporting period, investment property is assessed at market value. This valuation is carried out by independent real estate appraisers.

Any loss in value of investment property is calculated by comparing the net book value and the appraisal value net of transfer taxes ("value excluding taxes").

Impairment charged can only be reversed when the net book value falls below the appraisal value.

BUILDINGS UNDER CONSTRUCTION

If the project has been valued by an independent appraiser, impairment is calculated in the same way as for investment property.

If the project has not been valued by an independent appraiser, its value is determined internally by the Development & Investment teams through a market Exit Capitalisation Rate and the estimated net rentals at completion. Impairment is booked when this value is lower than the estimated total investment.

1.2.3 FINANCIAL ASSETS

Financial assets are recognised at acquisition cost on the balance sheet.

Technical losses from mergers or merger transactions via dissolution without liquidation allocated to investments in subsidiaries are recognised in this item.

Investments in subsidiaries are determined on the basis of their value in use corresponding to the price the Company would accept to pay to purchase these shares.

The value in use includes unrealised capital gain on assets or properties held by the subsidiaries such properties being measured at each year end by independent appraisers. These valuations take into account rentals, the last real estate transactions and their Net Initial Yield. The value in use also includes the valuation of the intangible assets made by independent appraisers, which are owned by the subsidiaries, and based on the Discounted Cash Flows on these activities.

When the value in use is lower than the acquisition cost plus any technical loss related to said investments in subsidiaries, an impairment is booked first on the merger loss and subsequently on the investment in subsidiaries.

1.2.4 ACQUISITION FEES AND TRANSFER TAXES

Since January 1, 2018, the Company has decided to capitalise the costs of transfer taxes, fees or commissions and legal expenses related to the acquisition cost of tangible, intangible and financial assets. For tangible and intangible assets, these costs and taxes are spread across the corresponding components of the related asset and depreciated over the components useful life.

1.2.5 STOCKS

GROSS VALUE

Inventories represent buildings constructed under sale before completion.

Inventories and work-in-progress are valued at the actual cost of acquisition or construction or at their probable realisation value if the latter is lower.

Financial costs are excluded from the valuation of stocks.

The revenue and the margin are recognised using the percentage-of-completion basis. This progress is certified by the project manager and served on the buyer by an "authentic" deed.

IMPAIRMENT

Each building is valued at market value. If the construction completion value becomes lower than the realisable value, a depreciation is recorded at the end of the financial year.

1.2.6 TRADE RECEIVABLES

Receivables are recorded at their nominal value.

Uncollected receivables are recognised in "Doubtful receivables" whenever there is a risk of non-collection and if applicable, depreciated to take into account the eventual cash collection difficulties, according to the available information at year-end closing.

The provisions are calculated by lease on the amount payable excluding VAT and the guarantee deposits and working capital called from tenants, and completed by the rental discounts not issued at year-end closing. The rate applied to calculate the provision depends on the geographical segment of the asset and the risk situation of the tenants.

Due to the particular context of 2020, the Group agreed to rent adjustments which resulted in rental discounts. These discounts were granted with or without consideration (in particular the postponement of the break-option).

The impact of signed or not signed but expected discounts without consideration was noted as a reduction in revenue for the year.

The impact of signed discounts with consideration is spread from the date of signature over the residual fixed term of the lease, reducing the revenue.

The balance of receivables from tenants for which discounts are expected with consideration are included in the base of the receivables with a risk of cash collection.

DISCOUNTED RENT PERIODS AND STEP RENTS

When a lease includes rent adjustment clauses such as discounted rent periods and step rents, the overall impact of these adjustments granted over the firm term of the lease is recognised over the lease term. This is calculated as from the date the asset is made available if this predates the effective date of the lease. The impact is recognised in a receivable sub-account.

1.2.7 BOND ISSUANCE COSTS

Bond and EMTN (Euro Medium Term Notes) issuance costs along with bond premiums are recognised on an actuarial basis over the term of the debt.

1.2.8 PROVISIONS

Provisions are defined as liabilities of uncertain timing or amount. A liability represents an obligation with regard to a third party which is likely or certain to result in an outflow of resources to the third party, with no equivalent consideration expected in return.

1.2.9 MARKETABLE SECURITIES

Marketable securities are measured at historical cost. At the end of the reporting period, the amount shown on the balance sheet is compared with the last known redemption price and a provision for impairment booked if the redemption price is lower than the book value in the balance sheet.

1.2.10 RENTAL INCOME

CALCULATION OF SALES-BASED-RENT

The Sales Based Rents invoiced are estimated on the basis of the turnover certificates sent by the tenants the previous year. This amount is subject to an invoice/credit note upon receipt of the certified turnover certificate obtained from the tenants between April and June of the following year. At the year-end closing, the Company adjusts, if necessary, the amount of Sales Based Rents recognised according to the turnover declared by the tenants.

REBILLING OF MAJOR WORKS

The part of capitalised works rebilled to tenants is recognised in prepaid income over a three-year period, corresponding to the average firm term of the leases.

KEY MONEY

Key money is recognised over the fixed term of the lease.

1.2.11 FOREIGN CURRENCY TRANSACTIONS

Foreign currency income and expenses are booked at their equivalent value in euros at the value date. Foreign currency receivables and payables are translated into euros and recognised on the balance sheet based on the closing exchange rate. Any resulting differences are included in unrealised foreign exchange gains or losses.

A contingency and expense provision is booked for any unrealised losses.

In the event the Company has entered into a perfect and symmetric hedging as soon as foreign currency transactions are issued (the setting up of a currency swap for the same amount and the same issue and maturity dates as the hedged currency transaction), the transactions are recognised at the exchange rate set by the hedging transaction.

1.3 OTHER ACCOUNTING PRINCIPLES

1.3.1 FINANCIAL COSTS RELATING TO CONSTRUCTION OPERATIONS

Financial costs relating to major restructuring or construction operations are expensed as incurred.

1.3.2 FORWARD FINANCIAL INSTRUMENTS

Unibail-Rodamco-Westfield SE uses a variety of derivative instruments including swaps and caps to manage overall interest rate and/or currency risk.

Premiums paid upon signing an agreement are booked as a financial instrument asset on the balance sheet and recognised on an actuarial basis over the term of the agreement.

Interest income or expenses are booked in the income statement as incurred.

Financial instruments are recognised according to the intention with which the corresponding transactions were carried out.

Regarding hedging transactions:

- when the forward financial instruments are restructured with the initial counterparty or cancelled and new hedge instruments are set up with a new counterparty, the balancing cash adjustments are booked in the transitional cash instrument accounts as required under French accounting rules, while the set-up balancing cash is considered as a cash instrument. The unrealised and realised results related to these hedging instruments are recognised in the income statement over the residual life of the hedged item on a symmetrical basis with the income and charges of the hedged item.

Regarding isolated positions:

- Changes in value are recognised in the balance sheet;
- A provision is booked for unrealised losses;
- Any balancing cash adjustments arising on renegotiating these instruments are recognised directly in the income statement.

The instruments in portfolio at the end of financial year are recorded in off-balance sheet financial commitments for the nominal value of the contracts.

1.3.3 INCOME TAX

Unibail-Rodamco-Westfield SE as well as most of its eligible French subsidiaries opted for the SIIC regime. Rental income and gains from the disposal of real estate investments are exempt from income tax if minimum distribution obligations are met, within the limit of its statutory result. Unibail-Rodamco-Westfield SE and its SIIC subsidiaries are required to distribute at least:

- 95% of their recurring income and 100% of their dividend income received from SIIC or equivalent subsidiaries (e.g. SOCIMI), before the end of the financial year following the year in which the income was recognised or received; and
- 70% of capital gains, before the end of the second tax year following the year in which the gain was generated.

Unibail-Rodamco-Westfield SE also reports a taxable sector for its non-SIIC ancillary activities.

1.3.4 TREASURY SHARES

Treasury shares are classified when repurchased, either in financial assets, or in a “treasury shares” sub-account of marketable securities, when the shares have been purchased for allocation to employees. As at December 31, 2020, the Company has 4,000 treasury shares acquired under a liquidity contract with Rothschild Bank.

NOTE 2. HIGHLIGHTS OF THE REPORTING PERIOD

2.1 SIGNIFICANT EVENTS OF THE YEAR

PROPERTY BUSINESS

- On May 29, 2020, the Company sold the units owned in the shopping centre La Toison d’Or, in Dijon, for a sale price of €41.4 Mn.
- On June 30, 2020, the Company sold the unit owned in the property complex “So Ouest Plaza”, in Levallois-Perret, for a sale price of €4.2 Mn.
- The COVID-19 pandemic has had an impact on the Company’s activities with shopping centre closures imposed by public authorities. Rental discounts, signed or provisioned, in favour of the tenants, have been recorded. The amount of these rental discounts for 2020 amounts to €3.3 Mn.
- The refurbishment of the Gaîté property complex (« Boccador » project) continued during 2020. Leasing of the shopping centre is still ongoing (84% of retail spaces already leased) and the office spaces are already leased.

HOLDING COMPANY BUSINESS

- On May 29, 2020, as part of the sale by the Group of a portfolio of five shopping centres in France to Foncière Crossroads (formerly JVCO Road), formed by Crédit Agricole Assurances, La Française and URW, the Company contributed to its subsidiary Uni-Commerces the shares held in the companies Aéroville, Eiffel Levallois Commerces and Randoli under the preferential regime set out by article 210 B of the French Tax Code for an initial contribution value of €445.8 Mn reduced by a cash price adjustment of €1.2 Mn.

FINANCIAL RESOURCES

In 2020, despite the challenging market conditions, Unibail-Rodamco-Westfield SE secured additional liquidity and increased its debt maturity, though at a higher cost, through the following public EMTN Bonds:

- On April 2, 2020:
  - €600 Mn with a 2.125% coupon and 5-year maturity;
  - €800 Mn with a 2.625% coupon and 10-year maturity.
- On June 22, 2020:
  - €750 Mn with a 2.0% coupon and 12-year maturity.
- On November 25, 2020:
  - €1,000 Mn with a 0.625% coupon and 6-year and 5 month maturity;
  - €1,000 Mn with a 1.375% coupon and 11-year maturity.

In total, €4,150 Mn of bonds were issued with a weighted average maturity of 9.0 years and a weighted average coupon of 1.66%.

Part of the long-term debt raised was used to repay existing debt with shorter maturities, including:

- On December 2, 2020, €544.9 Mn (in nominal) tender offer on five outstanding public bonds maturing over 2021-2024 (representing 19.56% of the outstanding amount subject to the tender offer) with an average remaining maturity of 1.3 year and an average coupon of 1.0%;
- On December 16, 2020, €500 Mn full repayment of a Floating Rate Note private placement maturing in June 2021.

The Company also took the following actions in 2020 to ensure it had ample liquidity:
- In March, Unibail-Rodamco-Westfield SE drew down part of its credit lines for a total amount of €3.2 Bn. These drawdowns were fully repaid and these credit lines are available at the end of December 2020;
- In April, a €100 Mn 1-year term loan was put in place with a yield of 0.49%;
- Since September, the Company extended part of its credit facilities for an amount of €500 Mn, with an average maturity of four years.

As at December 31, 2020, the total amount of undrawn credit lines came to €6,258 Mn.

Unibail-Rodamco-Westfield SE also restructured its portfolio of derivatives in H2-2020.

The restructuring mainly consisted in:
- The cancellation of the year 2021 of €3.4 Bn swaps of 4 and 5-year maturity and $1.0 bn swaps with a balancing payment for a total amount of €79.9 Mn. This amount is recognised in the balance sheet assets under the item “Difference on assessment of derivatives”. It will be spread over the year 2021;
- The cancellation of £500 Mn swaps of 8-year maturity, in isolated position, with a balancing payment received for a total amount of €27.2 Mn. This amount is recognised in the income statement under the item “Income on caps, floors and swaps”.

2.2 SIGNIFICANT EVENTS OF 2019

2019 was principally marked by:
- The sale of the Zoetermeer property complex to a subsidiary of the Group for a total amount of €229.8 Mn;
- The contribution of the shares just acquired in URW US Services Inc and WCL Holdings Inc to its subsidiary Rodamco Europe Properties BV for a total amount of €489 Mn;
- The acquisition of shares in the company WHL USA Acquisition Inc for an amount of €1,213 Mn, partly transferred for an amount of €686 Mn, thus bringing its stake in the subsidiary WHL USA Acquisition Inc to 25.20% and an amount of €527 Mn.

NOTE 3. INTANGIBLE AND TANGIBLE ASSETS

CHANGES IN THE GROSS VALUE OF INTANGIBLE AND TANGIBLE ASSETS IN 2020

(€ thousands)	Gross value Opening balance	Acquisitions Additions	Interaccount transfers	Decreases resulting from contributions or sales to third parties or retirements	Gross value Closing balance
INTANGIBLE ASSETS	**285**				**285**
Tangible assets					
Land	342,021			(526)	341,495
Buildings	812,691		9,095	(10,388)	811,398
General installations	593				593
Other tangible assets	327			(41)	286
Non-current assets under construction	249,436	66,108	(7,444)	(10,254)	297,846
Advances and downpayments	2,187	1,209	(1,651)	(101)	1,644
TOTAL TANGIBLE ASSETS	**1,407,255**	**67,317**		**(21,310)**	**1,453,262**
TOTAL	**1,407,540**	**67,317**		**(21,310)**	**1,453,547**

The main movements in tangible assets during the year relate to:
- The restructuring works of Gaîté and the Pullman hotel (“Boccador” project) recognised in “non-current assets under construction” in 2020 for €51.8 Mn;
- The sale of the units owned in the shopping centre La Toison d’Or for a gross book value of €12.7 Mn;
- The works of “Eole” project in CNIT property complex recognised in “non-current assets under construction” in 2020 for €9.7 Mn;
- Delivery in December of works in the Stadshart Amstelveen complex owned by the Dutch permanent establishment, for €7.3 Mn that was shown in non-current assets under construction as at December 31, 2019;
- Delivery in September of works in CNIT property complex for €1.7 Mn that was shown in non-current assets under construction in 2019;
- The sale of the unit owned in “So Ouest Plaza” property complex for a gross book value of €1.1 Mn.

CHANGES IN DEPRECIATION, AMORTISATION AND IMPAIRMENT IN 2020

TANGIBLE ASSETS

(€ thousands)	Depreciation and amortisation Opening balance	Expense in the period	Decreases due to contributions, sales or reversals	Interaccount transfers	Depreciation and amortisation Closing balance
Buildings	284,792	37,336	(6,429)		315,699
General installations	590	3			593
Other tangible assets	260	2	(26)		236
TOTAL AMORTISATION	**285,642**	**37,341**	**(6,455)**		**316,528**

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

(€ thousands)	Opening balance	Expense in the period	Reversals in the period		Interaccount transfers	Closing balance
			Non-used	Used		
Impairment of other intangible assets	285					285
Impairment of properties	5,094	50,406				55,500
TOTAL IMPAIRMENT	**5,379**	**50,406**	**-**	**-**		**55,785**
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT	**291,021**	**87,747**	**(6,455)**	-		**372,313**

The impairment on properties on the assets side of the balance sheet as at December 31, 2020, relates to Dutch assets for €41.2 Mn and the "Boccador" project for €14.3 Mn. The allowances and reversals have been booked in operating result.

NOTE 4. FINANCIAL ASSETS

EQUITY INVESTMENTS

(€ thousands)	Gross value Opening balance	Increases due to acquisitions or capital increases	Decreases due to capital redemption or sale	Decreases due to merger transactions via dissolution without liquidation	Gross value Closing balance
Group subsidiary investments	19,252,175	456,542	(17,190)	(1)	19,691,526
Technical loss on group subsidiary investments	585,374	0	0	0	585,374
Long-term investments	11,430	0	0	0	11,430
Other investments	119	0	0	0	119
TOTAL	**19,849,098**	**456,542**	**(17,190)**	**(1)**	**20,288,449**

Changes in "Group subsidiary investments" result mainly from:

- The 4,529,620 shares newly issued, in the subsidiary Uni-Commerces for €445.8 Mn, in counterpart of the contribution of shares of the companies Aéroville, Eiffel Levallois Commerces and Randoli;
- The subscription to the capital increase of UR-Phobos for €5.6 Mn;
- The subscription to the capital increase of Unibail-Rodamco Participations for €4.6 Mn;
- The contribution of shares of the companies Aéroville, Eiffel Levallois Commerces and Randoli to Uni-Commerces for €10.5 Mn;
- The decrease in the value of Rodamco Europe Properties BV securities for an amount of €6.7 Mn following the adjustment on the amounts of the contribution transactions done in 2019.

IMPAIRMENT

(€ thousands)	Gross value Opening balance	Expense in the period	Reversals in the period		Gross value Closing balance
			Non-used	Used	
Impairment of Group subsidiary investments	2,473,709	3,026,198	(24,538)	(3)	5,475,366
Impairment of merger losses	41,639	8,245	0	0	49,884
Impairment of long-term investments	0	0	0	0	0
Impairment of other equity investments	6	0	0	0	6
TOTAL	**2,515,354**	**3,034,443**	**(24,538)**	**(3)**	**5,525,256**

As at December 31, 2020, the Company booked provisions related to the following shares and merger loss items:

- Westfield Corporation Limited: €974.2 Mn;
- Unibail-Rodamco-Westfield NV: €886.7 Mn;
- Unibail-Rodamco TH BV: €719.3 Mn;
- WHL Acquisition USA Inc.: €217.0 Mn;
- Rodamco Europe Properties BV: €165.0 Mn;
- Doria: €27.0 Mn;
- Unibail-Rodamco SIF France: €18.4 Mn;
- Beg Investissements: €8.2 Mn;
- R.E. France Financing: €6.6 Mn;
- UR-Phobos: €5.6 Mn;
- SCI Tour Triangle: €2.2 Mn;
- Unibail-Rodamco Participations: €0.6 Mn;
- Sistemas Edgerton II SL: €0.3 Mn.

The Company also booked the following reversals of provision:

- Gaîté Bureaux: €19.6 Mn;
- Gaîté Parkings: €4.9 Mn.

Financial statements as at December 31, 2020

Notes to the statutory financial statements

Details of equity investments are presented below in the table of subsidiaries and investments.

SUBSIDIARIES AND INVESTMENTS

Company (€Mn)	Share Capital	Shareholders' equity other than share capital before income allocation	Capital held (%)	Gross carrying amount of shares	Merger loss	Net carrying amount of shares	Loans and advances not yet repaid	Deposits and guarantees given	Revenue excl. VAT	2020 statutory result	Dividends received in 2020 and included in income
1. Subsidiaries (more than 50 % owned)											
3BORDERS			99.90%				6				
ACARMINA			99.90%								
AMSOMBRA			100.00%								
AQUABON	1		100.00%	1		1			1	1	1
BEG INVESTISSEMENTS			99.98%	4	21	17	15		2		2
BELWARDE1			100.00%								
BUREAUX DE LA TOUR CRÉDIT LYONNAIS			99.99%	17		17	13		2	1	1
CNIT DEVELOPPEMENT			99.90%				88				
COBRAQ			100.00%								
DORIA	6	46	90.34%	246		219	113	400		14	
EDIFICACIONES DENHAN IV SL			100.00%								
ESPACE EXPANSION IMMOBILIERE			99.93%								
FÉTUNO			100.00%								
FINANCIÈRE 5 MALESHERBES			99.98%	118		118					11
FLOCOGNE			100.00%								
GAÎTÉ BUREAUX			99.99%	20		20	38				
GAÎTÉ PARKINGS		8	99.99%	16		13	10		2	1	1
GALILÉE-DÉFENSE	11		99.99%	11		11	77			(9)	
GLOBAL ETSY INVESTMENTS SL	14	8	100.00%	23		21	26		3	(1)	1
G.P.I			100.00%	11		9					
HIPOKAMP			99.90%								
IMMOBILIÈRE LIDICE			100.00%								
ISEULT	1	(3)	100.00%	21		21	191		17	7	
MADISON PROPERTIES GROUP SL			100.00%								
MALTESE			99.98%				44		5	2	2
MARCEAU BUSSY-SUD			99.99%				4			1	1
MAVILLEROY			100.00%								
MIBROKY			100.00%								
MONTHÉRON			99.90%				1				
NOTILIUS			99.90%								
PROYECTOS INMOBILIARIOS KANSAR III SL	22	15	100.00%	37		37	39		5		2
PROYECTOS INMOBILIARIOS TIME BLUE SL			51.11%	1		0					
R.E. FRANCE FINANCING			100.00%	7		0	849				
RODAMCO EUROPE PROPERTIES BV	670	6,196	100.00%	7,131		6,966			1,646	(12)	
RODAMCO FRANCE	146	377	100.00%	655	522	1,177	161		3	82	12
RODAMCO PROJECT I BV		3	100.00%	3		3					
SA CROSSROADS PROPERTY INVESTORS			100.00%	1		1					
SCI LE SEXTANT			99.99%	30		30	12		4	3	3
SCI SEPT ADENAUER			99.97%			0	29		11	9	9
SCI TOUR TRIANGLE			99.91%	2		0	33	23			
SISTEMAS EDGERTON II SL	3	(1)	100.00%	5		1	4				
SISTEMAS INMOBILIARIOS EL ACEITUNAL SL			100.00%								
SOCIÉTÉ DE TAYNINH	15	2	97.68%	21		17					
SOCIÉTÉ FONCIÈRE IMMOBILIÈRE			100.00%	4		0					
SOUTH PACIFIC REAL ESTATE SL			100.00%								
TRINITY DÉFENSE			99.90%				294			(2)	
U&R MANAGEMENT BV		1	100.00%								

Company (€Mn)	Share Capital	Shareholders' equity other than share capital before income allocation	Capital held (%)	Gross carrying amount of shares	Merger loss	Net carrying amount of shares	Loans and advances not yet repaid	Deposits and guarantees given	Revenue excl. VAT	2020 statutory result	Dividends received in 2020 and included in income
UNIBAIL-RODAMCO PARTICIPATIONS			100.00%	5		4	20				
UNIBAIL-RODAMCO REAL ESTATE SL	14	5	100.00%	23		23	62		5	(1)	2
UNIBAIL-RODAMCO RETAIL SPAIN SLU	50	87	100.00%	773		773	827		116	38	11
UNIBAIL-RODAMCO SIF France	22	(5)	100.00%	22	42	0	9			(25)	
UNIBAIL-RODAMCO SPAIN SL	48	68	100.00%	150		150	49		20		
UNIBAIL-RODAMCO STEAM SL	4	27	51.11%	210		210			40	14	8
UNIBAIL-RODAMCO TH BV	2,972	1,117	100.00%	4,127		1,574					
UNI-COMMERCES	924	1,374	99.99%	1,601		1,601	1,205			171	96
UNIWATER		14	100.00%	22		22	41			(1)	
UR VERSAILLES CHANTIERS			99.90%				48		3		1
UR-PHOBOS		2	100.00%	6		0					
VALOREXPO			100.00%								
VILLAGE 3 DÉFENSE	2	8	100.00%	2		2	25		3	1	1
VILLAGE 4 DÉFENSE	3	7	100.00%	3		3	31		3	1	
VILLAGE 5 DÉFENSE	5	13	100.00%	5		5	35		3	1	4
VILLAGE 6 DÉFENSE	2	18	100.00%	2		2	18		2	1	2
VILLAGE 7 DÉFENSE	2	8	100.00%	2		2	11		3	2	2
VILLAGE 8 DÉFENSE			100.00%				3				
WESTFIELD CORPORATION LIMITED	583	556	100.00%	2,866		1,297				24	
TOTAL I	**5,520**	**9,951**		**18,204**	**585**	**14,367**	**4,431**	**423**	**1,899**	**323**	**173**
2. Investments (between 10% to 50% owned)											
GENIEKIOSK			50.00%	1		1					
LA ROUBINE			50.00%	1		1	1				
SIAGNE NORD	5	4	22.48%	2		2			2	2	
SP POISSY RETAIL ENTERPRISES			50.00%			0					
UNIBAIL-RODAMCO-WESTFIELD NV	116	2,167	40.26%	957		71	2,167			(70)	
WHL USA ACQUISITIONS INC.	417	(79)	25.20%	527		310				(99)	
TOTAL II	**538**	**2,092**		**1,488**	**0**	**385**	**2,168**	**0**	**2**	**(167)**	
Other Investments				11		11					1
TOTAL (I + II)	**6,058**	**12,043**		**19,703**	**585**	**14,763**	**6,599**	**423**	**1,901**	**156**	**174**

NOTE 5. LOANS AND OTHER FINANCIAL ASSETS

(thousands of currency units)	Currency	12/31/2019	Increases	Decreases	Impact of exchange rate fluctuations	12/31/2020
Other long-term investments (bonds issued by subsidiaries)	**EUR**	**32,632**		**(17,799)**		**14,833**
Receivable from other long-term investments	**EUR**	**206**	**85**	**(206)**		**85**
Loans to subsidiaries						
Loans to subsidiaries in EUR	EUR	8,613,326	1,629,944	(1,447,573)		8,795,697
Loans to subsidiaries in AUD	AUD	1,623,924	1,623,924	(3,247,848)		0
Loans to subsidiaries in CZK	CZK	9,019,400				9,019,400
Loans to subsidiaries in DKK	DKK	300,000				300,000
Loans to subsidiaries in GBP	GBP	21,536				21,536
Loans to subsidiaries in PLN	PLN	1,288,983	13,061			1,302,044
Loans to subsidiaries in SEK	SEK	9,987,500		(800,000)		9,187,500
Loans to subsidiaries in USD	USD	1,903,357	1,944,532	(36,482)		3,811,407
TOTAL EURO EQUIVALENT VALUE OF LOANS TO SUBSIDIARIES	**EUR**	**13,011,067**	**4,239,058**	**(3,612,477)**	**(142,590)**	**13,495,058**
Amounts receivable on loans	**EUR**	**68,698**	**54,048**	**(68,698)**		**54,048**
Other loans	**EUR**	**6**	**133**			**139**
TOTAL	**EUR**	**13,112,609**	**4,293,324**	**(3,699,180)**	**(142,590)**	**13,564,163**

The maturity of loans to subsidiaries as at December 31, 2020 is as follows:

1 year or less:	€3,080 Mn
Between 1 and 5 years:	€7,279 Mn
More than 5 years:	€3,136 Mn
TOTAL	**€13,495 Mn**

NOTE 6. RECEIVABLES

(€ thousands)	12/31/2020	12/31/2019
Receivables from Group and associated companies	5,170,857	6,077,422
Difference on assessment of derivatives	348,384	407,900
Accrued income on derivatives	119,717	98,686
Sundry debtors	71,441	64,633
Other trade receivables	46,120	44,040
VAT receivables	36,423	42,099
Other tax receivables	2,172	1,572
Employee receivables	11,148	815
Doubtful or disputed receivables	15,000	1,049
TOTAL	**5,821,262**	**6,738,216**

"Receivables from Group and associated companies" mainly relate to current account financing granted to Group companies and profit and losses from subsidiaries.

"Difference on assessment of derivatives" corresponds to the balancing cash adjustments relating to the cancellation of swaps or swaptions. This item includes the amount of balancing cash adjustment not yet amortised relating to the derivatives restructured in previous financial years for €268.5 Mn. An additional amount related to 2020 transactions is included in this item for €79.9 Mn.

"Sundry debtors" primarily corresponds to funds received from tenants in relation to service charges.

"Other trade receivables" mainly relate to accrued receivables and the outstanding balance of rent-free periods and step rents.

"Employee receivables" item: in order to enable several Group employees to meet margin calls in connection with the bank financing of the exercise of URW stock options, the Company granted them, during year 2020, short-term loans for an amount of €16.1 Mn, with interest, combined with a guarantee of €2.2 Mn to enable the bank financing to be extended. As at December 31, 2020, the outstanding loans amounted to €8.38 Mn, including €4.74 Mn in favour of members of the Senior Management Team who are not Board Members. At the date of publication of the financial statements, the members of the Senior Management Team had repaid their loan in full, the outstanding loans to employees amounted to €3.6 Mn.

"Doubtful or disputed receivables" partly include the second quarter receivables bought by the Company from companies contributed to Uni-Commerces as part of the operation to create the entity Foncière Crossroads (formerly JVCO Road), between Crédit Agricole Assurances, La Française and URW. Losses relating to these receivables are reflected in the non-recurring items (see note 25) for an amount of €12.5 Mn.

IMPAIRMENT OF RECEIVABLES

(€ thousands)	Opening balance	Expense in the period	Reversals in the period		Other movements	Closing balance
			Non-used	Used		
Impairment of doubtful receivables	632	1,777	(3)	(77)	21	2,350
Impairment of subsidiary current accounts	150	1,896				2,046
TOTAL	**782**	**3,673**	**(3)**	**(77)**	**21**	**4,396**

NOTE 7. CASH AND CASH EQUIVALENTS

(€ thousands)	12/31/2020	12/31/2019
Term deposits	895,330	3
Bank accounts with a debit balance	892,691	177,986
Cash instruments	88,977	115,691
TOTAL	**1,876,998**	**293,680**

There is no difference between the book value of marketable securities on the balance sheet and their market value.

"Cash instruments" mainly relate to premiums on caps not yet amortised.

NOTE 8. PREPAID EXPENSES

(€ thousands)	12/31/2020	12/31/2019
General expenses	167	330
TOTAL	**167**	**330**

NOTE 9. DEFERRED CHARGES

(€ thousands)	12/31/2020	12/31/2019
Charges on bank loans and borrowings	4,495	5,711
Charges on bonds	63,190	40,479
Charges on convertible bonds	866	1,791
Charges on hybrid securities	6,320	8,034
Bond issue premium	98,301	87,953
TOTAL	**173,172**	**143,968**

NOTE 10. UNREALISED FOREIGN EXCHANGE LOSSES

(€ thousands)	12/31/2020	12/31/2019
Subsidiary loans in AUD	0	7,417
Subsidiary loans in CZK	681	0
Subsidiary loans in DKK	0	0
Subsidiary loans in PLN	18,029	281
Subsidiary loans in SEK	96,183	127,279
Subsidiary loans in USD	197,800	10,171
Group debt in CZK	16	0
Group debt in DKK	0	9
Group debt in GBP	223	8,993
Group debt in SEK	149	52
Group debt in USD	0	255
TOTAL	**313,081**	**154,457**

NOTE 11. ACCRUED INCOME

(€ thousands)	12/31/2020	12/31/2019
Financial assets	54,133	68,904
Other trade receivables	27,806	25,024
Trade payables	1,015	3,293
Taxes	16,944	12,955
Group and associates	7,788	7,997
Other receivables	119,451	98,421
TOTAL	**227,137**	**216,594**

NOTE 12. CHANGES IN SHAREHOLDERS' EQUITY AS AT DECEMBER 31, 2020

Number of shares: 138,472,385

Par value: €5

(€ thousands)	Before allocation of net result 12/31/2019	Allocation of 2019 net result	2020 changes(1)	Before allocation of net result 12/31/2020	Proposed allocation of 2020 net result(2)	After allocation of 2020 net result
Share capital	**691,893**		**469**	**692,362**		**692,362**
Reserves	**13,574,645**	**0**	**2,503**	**13,577,148**	**0**	**13,577,148**
Additional paid-in capital: issue premium	2,642,364		2,503	2,644,867		2,644,867
Additional paid-in capital: contribution premium	10,835,822			10,835,822		10,835,822
Legal reserve	69,145			69,145		69,145
Other reserves	23,509			23,509		23,509
Reserve for euro translation	3,805			3,805		3,805
Retained earnings	**963,143**	**(793,782)**	**(124)**	**169,237**	**(2,691,033)**	**(2,521,796)**
Net result	**(46,426)**	**46,426**	**(2,691,033)**	**(2,691,033)**	**2,691,033**	**0**
Regulated provisions	**9,116**		**5,823**	**14,939**		**14,939**
TOTAL SHAREHOLDERS' EQUITY	**15,192,371**	**(747,356)**	**(2,682,362)**	**11,762,653**	**0**	**11,762,653**
Dividend		**747,356**				

(1) Changes in share capital and reserves relate mainly to the capital increase reserved for employees carried out under the Company Savings Plan and the issue of Performance Shares.
(2) Proposal for the allocation of the result to be submitted to the next Annual General Meeting (AGM) on May 12, 2021, based on 138,472,385 shares as at December 31, 2020 (€ thousands):

- net result for the period	(2,691,033)
- previous retained earnings balance	169,237
- **net result available for distribution**	**0**
- **new retained earnings balance**	**(2,521,796)**

Due to the lack of net result available for distribution, the SIIC obligation created in 2020, i.e. €101 Mn, and the residual SIIC obligation created in 2019 from the recognition of capital gains (which can be distributed within 2 years after the year the disposals were implemented), i.e. €111 Mn, will be carried forward until Unibail-Rodamco-Westfield SE reports positive results available for distribution. The total amount of the SIIC obligations carried forward is €212 Mn.

CHANGE IN THE NUMBER OF SHARES COMPRISING THE SHARE CAPITAL

	Number of shares
As at 01/01/2019	**138,288,601**
Capital increase reserved for employees under the Company Savings Plan	47,337
Exercise of stock options	8,713
Bonds redeemable in shares	7,182
Performance shares grants	26,772
As at 12/31/2019	**138,378,605**
Capital increase reserved for employees under the Company Savings Plan	69,150
Exercise of stock options	0
Performance shares grants	24,630
AS AT 12/31/2020	**138,472,385**

NOTE 13. OTHER EQUITY

(€ thousands)	12/31/2020	12/31/2019
Hybrid securities	2,000,000	2,000,000
TOTAL	**2,000,000**	**2,000,000**

To finance the cash component of the acquisition of the Westfield Corporation Group on June 7, 2018, in April 2018, Unibail-Rodamco-Westfield SE issued €2,000 Mn of hybrid securities classed as "Other equity" in accordance with the OEC opinion 28 (July 1994).

This issuance was made in two tranches:

- €1,250 Mn with a 2.125% coupon and callable after 5.5 years;
- €750 Mn with a 2.875% coupon and callable after 8 years.

NOTE 14. PROVISIONS FOR CONTINGENCIES AND EXPENSES

(€ thousands)	Opening balance	Expense in the period	Reversals in the period		Closing balance
			Non-used	Used	
Provisions for operating contingencies	1,574	3,408		(1,000)	3,982
Provisions for foreign exchange losses	154,458	206,741	(40,501)	(7,417)	313,281
Other operating provisions	10,222	6,754	(8,027)		8,949
TOTAL	**166,254**	**216,903**	**(48,528)**	**(8,417)**	**326,212**

Changes in "Provisions for operating contingencies" result mainly from a provision reversal for €1.0 Mn related to a building sold in 2002 and provisions related to the receivables linked to the transaction closed on May 29, 2020, (see note 2.1) for €3.2 Mn.

Changes in "Provisions for foreign exchange losses" reflect provisions for unrealised foreign exchange losses following the decrease in value of the US dollar and Polish zloty and the reversal of provision regarding unrealised foreign exchange losses following the increase in the Swedish krona, in the pound sterling and in the Australian dollar.

Changes in "Other operating provisions" mainly relate to the risk provision on the subsidiary Unibail-Rodamco SIF France for €6.7 Mn, due to the negative shareholder's equity linked to the decrease of the fair value of its assets it holds and the reversal of the risk provisions on the subsidiaries Unibail-Rodamco Participations, UR-Phobos and Société Foncière Immobilière for a total amount of €8.0 Mn.

NOTE 15. BORROWINGS AND FINANCIAL LIABILITIES

(thousands of currency units)	Currency	12/31/2019	Increases	Decreases	Impact of exchange rate fluctuations	12/31/2020
Convertible bonds (ORNANE)	**EUR**	**602,911**	**0**	**0**		**602,911**
Principal outstanding	EUR	602,911	0	0		602,911
Accrued interest	EUR	0	0	0		0
Other bonds	**EUR**	**16,265,675**	**4,337,850**	**(2,422,132)**		**18,181,393**
Principal outstanding	EUR	16,105,124	4,150,000	(2,261,581)		17,993,543
Accrued interest	EUR	160,551	187,850	(160,551)		187,850
Bank loans and borrowings	**EUR**	**58,995**	**3,314,527**	**(3,219,271)**		**154,251**
Principal outstanding	EUR	50,000	3,310,800	(3,210,800)		150,000
Accrued interest	EUR	1,662	2,145	(1,662)		2,145
Bank accounts with a credit balance	EUR	7,333	1,582	(6,809)		2,106
Accrued interest	EUR	0	0			0
Miscellaneous borrowings and financial liabilities	**EUR**	**4,144,686**	**4,491,318**	**(4,506,173)**	**(17,095)**	**4,112,736**
Deposits and guarantees	EUR	4,786	5,319	(5,854)		4,251
Other borrowings						0
Other borrowings in EUR	EUR	556,196	0	(12,989)		543,207
Other borrowings in GBP	GBP	819,844	0	(597,644)		222,200
Other borrowings in USD	USD	41,003	0			41,003
TOTAL EURO EQUIVALENT VALUE OF OTHER BORROWINGS	**EUR**	**1,556,311**		**(715,439)**	**(17,095)**	**823,777**
Payables on other borrowings	EUR	7,159	4,677	(7,159)		4,677
Medium-term notes	EUR	222,000	0	(222,000)		0
Payables on medium-term notes	EUR	(394)	0	394		0
Commercial paper	EUR	130,000	3,765,000	(2,855,000)		1,040,000
Payables on commercial paper	EUR	0	0	0		0
Payables on hybrid securities	EUR	19,723	19,777	(19,723)		19,777
Subsidiary current accounts	EUR	2,203,563	685,735	(681,062)		2,208,236
Transfer of subsidiaries' earnings	EUR	1,538	10,810	(330)		12,018
TOTAL		**21,072,267**	**12,143,695**	**(10,147,576)**	**(17,095)**	**23,051,291**

Changes in the "Other bonds" item result from the final maturity of four bond tranches for a total amount of €1,217 Mn, bond issues under the Euro Medium Term Notes (EMTN) programme for an overall amount of €4,150 Mn in 2020 and the partial or total redemption of six bond tranches for a total amount of €1,045 Mn.

Changes in the "Other borrowings" item mainly relate to the total or partial repayment of loans with the Group companies Westfield UK & Europe Finance Plc for £597.6 Mn (or €716.5 Mn) and Unibail-Rodamco Nederland Winkels BV for €13 Mn.

As at December 31, 2020, the "Subsidiary current accounts" item comprises financing granted mainly by the following subsidiaries:

- Rodamco Europe Properties BV: €526 Mn;
- La Toison d'Or: €326 Mn;
- Unibail-Rodamco Polska Sp zoo: €191 Mn;
- Rodamco Sverige AB: €166 Mn;
- SCS Liegenschaftverwertung: €144 Mn;
- SCI Propexpo: €120 Mn;
- Uni-Expos: €91 Mn;
- Société du Centre Commercial de la Défense: €68 Mn.

It also includes €7 Mn in VAT credits relating to companies within the VAT consolidation scope. This amount was repaid to these companies in January 2021.

Financial statements as at December 31, 2020

Notes to the statutory financial statements

CHARACTERISTICS OF BONDS AND EMTNS

Issue date (based on value date)	Interest rate	Amount outstanding as at 12/31/2020 (€ Mn)	Maturity
November 2010	Fixed rate 4.17%	41	November 2030
October 2011	Fixed rate 4.10%	27	October 2031
November 2011	Fixed rate 4.05%	20	November 2031
May-September 2012	Fixed rate 3.196%	425	May 2022
February 2013	Fixed rate 2.375%	387	February 2021
February 2013	Fixed rate 3.10% for a par value of HKD 700 million	69	February 2025
March 2013	Fixed rate 3.28% for a par value of HKD 585 million	58	March 2025
June 2013	Fixed rate 2.5%	467	June 2023
October 2013	Fixed rate 3.9% for a par value of HKD 400 million	38	October 2025
November 2013	Fixed rate 2.00% for a par value of CHF 135 million	109	November 2023
February 2014	Green Bond fixed rate 2.5%	644	February 2024
March 2014	Fixed rate 3.08%	20	March 2034
April 2014	Fixed rate 3.08%	30	April 2034
June 2014	Fixed rate 2.5%	600	June 2026
October 2014	Fixed rate 1.375%	258	October 2022
April 2015	Green Bond fixed rate 1.00%	500	March 2025
April 2015	Fixed rate 1.375%	500	April 2030
September 2015	Floating rate (Euribor 3M + 0.81%)	50	October 2024
November 2015	Fixed rate 2.066%	30	November 2030
November 2015	Fixed rate 3.095% for a par value of HKD 750 million	90	November 2025
December 2015	Structured coupon linked to CMS 10 years	70	December 2030
March 2016	Fixed rate 1.375%	500	March 2026
March 2016	Floating rate (Euribor 6M floored at 0.95%, capped at 3.00%)	20	March 2027
April 2016	Fixed rate 1.125%	500	April 2027
April 2016	Fixed rate 2.00%	500	April 2036
November 2016	Fixed rate 0.875%	500	February 2025
November 2016	Fixed rate 2.74% for a par value of HKD 500 million	61	November 2026
February 2017	Fixed rate 1.5%	600	February 2028
March 2017	Fixed rate 1.375%	155	April 2030
May 2017	Fixed rate 1.5%	500	May 2029
May 2017	Fixed rate 2.0%	500	May 2037
May 2018	Fixed rate 0.125%	485	May 2021
May 2018	Fixed rate 2.25%	500	May 2038
May 2018	Fixed rate 1.875%	900	January 2031
May 2018	Structured coupons linked to CMS 10 years	40	June 2033
May 2018	Fixed rate 1.125%	800	September 2025
November 2018	Fixed rate 2.00%	100	December 2033
February 2019	Fixed rate 1.75%	750	February 2034
February 2019	Fixed rate 1.00%	750	February 2027
June 2019	Fixed rate 1.75%	500	June 2049
October 2019	Fixed rate 0.875%	750	March 2032
April 2020	Fixed rate 2.625%	800	April 2030
April 2020	Fixed rate 2.125%	600	April 2025
June 2020	Fixed rate 2.0%	750	April 2025
November 2020	Fixed rate 0.625%	1,000	May 2027
November 2020	Fixed rate 1.375%	1,000	December 2031
TOTAL		**17,994**	

ORNANE 2015 ISSUE

In 2015, Unibail-Rodamco-Westfield SE issued 1,441,462 bonds redeemable in cash and/or new and/or existing shares (ORNANEs) at a par value of €346.87 per bond, corresponding to an issue premium of 37% over the benchmark Unibail-Rodamco-Westfield SE share price on Euronext, for a total amount of €500 Mn.

These ORNANE bonds are admitted to trading on the Euronext Paris market and were described in the prospectus approved by the French financial markets authority (*Autorité des Marchés Financiers* – AMF) under no. 15-144.

MAIN CHARACTERISTICS OF THE ORNANE 2015 ISSUE

The bonds do not bear any interest and will be redeemed at par on January 1, 2022. They may be redeemed early as from January 1, 2018 at Unibail-Rodamco-Westfield SE's discretion, and may also be redeemed early at the bondholders' discretion, in accordance with the provisions of the issue note (*note d'opération*) submitted to the AMF for approval. In the event their share rights are exercised, bondholders will receive an amount in cash and, where applicable, new and/or existing Unibail-Rodamco-Westfield SE shares. The Company will also have the option to deliver new and/or existing shares only.

As at December 31, 2020, 1,441,462 ORNANE 2015 are outstanding.

ORNANE 2014 ISSUE

In 2014, Unibail-Rodamco-Westfield SE issued 1,735,749 bonds redeemable in cash and in new and/or existing shares (ORNANEs) at a par value of €288.06 per bond (corresponding to an issue premium of 37.5% over the benchmark Unibail-Rodamco-Westfield SE share price on Euronext), for a total amount of €500 Mn.

These ORNANE bonds are admitted for trading on the Euronext Paris market and were described in the prospectus approved by the French financial market authority (AMF) under no. 14-296.

MAIN CHARACTERISTICS OF THE ORNANE 2014 ISSUE

The bonds do not bear any interest and will be redeemed at par on July 1, 2021. They may be redeemed early at Unibail-Rodamco-Westfield SE's discretion and may also be redeemed early at the bondholders' discretion, with investors able to exercise an early redemption right from July 1, 2019, pursuant to the provisions of the issue note submitted to the AMF for approval. In the event their share rights are exercised, bondholders will receive an amount in cash and, where applicable, new and/or existing Unibail-Rodamco-Westfield SE shares. The Company will also have the option to deliver new and/or existing shares only.

During 2019, 1,378,495 ORNANEs were redeemed for an amount of €397 Mn. As at December 31, 2020, 357,254 ORNANE 2014 are outstanding.

MATURITY OF BORROWINGS AND FINANCIAL LIABILITIES

(€ thousands)	1 year or less	Between 1 and 5 years	More than 5 years	Total
Other bonds	**1,163,491**	**5,107,015**	**12,513,798**	**18,784,304**
Convertible bonds (ORNANE)	102,911	500,000	0	602,911
Accrued interest	0	0	0	0
Bonds	872,730	4,607,015	12,513,798	17,993,543
Accrued interest	187,850	0	0	187,850
Bank loans and borrowings	**104,251**	**50,000**	**0**	**154,251**
Bank loans	100,000	50,000	0	150,000
Accrued interest on bank loans	2,145	0	0	2,145
Bank accounts with a credit balance	2,106	0	0	2,106
Miscellaneous borrowings and financial liabilities	**3,832,166**	**280,570**	**0**	**4,112,736**
Deposits and guarantees	4,251	0	0	4,251
Other borrowings	543,207	280,570	0	823,777
Payables on other borrowings	4,677	0	0	4,677
Medium-term notes	0	0	0	0
Payables on medium-term notes	0	0	0	0
Commercial paper	1,040,000	0	0	1,040,000
Payables on commercial paper	0	0	0	0
Payables on hybrid securities	19,777	0	0	19,777
Subsidiary current accounts	2,208,236	0	0	2,208,236
Transfer of subsidiaries' earnings	12,018	0	0	12,018
TOTAL	**5,099,908**	**5,437,585**	**12,513,798**	**23,051,291**

CONTRACTUAL OBLIGATIONS RELATING TO BORROWINGS AND EMTNS

No borrowings are subject to early repayment clauses linked to the Company's debt ratings, barring exceptional circumstances such as a change of control.

The bonds are not subject to any contractual covenants based on financial ratios that could trigger early redemption.

The funds raised with the Green Bond issue must be used to fund projects or assets meeting certain criteria such as for obtaining BREEAM certification.

A significant share of bank loans and credit facilities contains financial covenants such as LTV, ICR and FFO/NFD ratios, as well as a prepayment clause in the event of a material adverse change.

As at December 31, 2020, the LTV ratio for the Unibail-Rodamco-Westfield Group amounted to 44.7%, (versus 38.6% as at December 31, 2019).

The ICR ratio[1] for the Unibail-Rodamco-Westfield Group stood at 3.5x for 2020 (versus 5.7x in 2019).

As at December 31, 2020, the FFO[2]/NFD ratio for the Unibail-Rodamco-Westfield Group amounted to 4.8%.

The Unibail-Rodamco-Westfield Group's banking covenants levels in Europe are usually set at a maximum LTV of 60%, a minimum ICR of 2x, a minimum FFO/NFD of 4%. These covenants are tested twice a year based on the Group's IFRS financial statements.

As at December 31, 2020, 96% of the Group's credit facilities and bank loans allowed a loan-to-value ratio of up to 60% of total assets or the value of the borrowing entity's assets.

As at December 31, 2020, 70% of the Group's credit facilities and bank loans include a FFO/NFD covenant. These require an FFO/NFD above 4% for the Group.

INTEREST RATE RISK

Unibail-Rodamco-Westfield SE is exposed to interest rate fluctuations on its floating-rate borrowings which finance its investment policy and maintain sufficient financial liquidity. The Company's management policy regarding interest rate risk is to minimise the impact that changes in interest rates could have on earnings and cash flow and optimise the overall cost of debt. In order to implement this strategy, Unibail-Rodamco-Westfield SE uses derivative instruments (mainly caps and swaps) to hedge its interest rate exposure. All transactions are managed centrally and independently.

As at December 31, 2020, net financial liabilities amounted to €21,019 Mn (excluding current accounts and hybrid securities). The nominal amount of net financial liabilities (excluding current accounts) was €20,824 Mn. In all, 45% of net financial debt liabilities relates to debt issued at floating rates or fixed-rate debt immediately swapped for floating-rate debt. The amount outstanding is partially hedged by caps and interest rate swaps.

COUNTERPARTY RISK

The derivative instruments put in place to limit interest rate risks expose the Company to the risk that its counterparties may default on their obligations. To limit counterparty risk, Unibail-Rodamco-Westfield SE only contracts hedges with leading international financial institutions.

NOTE 16. OTHER LIABILITIES

(€ thousands)	12/31/2020	12/31/2019
Amounts due to suppliers	72,657	47,954
Employee payables	2,224	1,701
Social security and similar payables	1,209	1,514
Income tax payables	0	0
VAT payables	3,820	10,892
Other tax payables	216	175
Amounts due on investments	47,238	49,813
Other liabilities	**279,127**	**289,920**
On property activities	81,623	68,935
On derivatives	195,903	220,372
Other sundry liabilities	1,601	613
TOTAL	**406,491**	**401,969**

As at December 31, 2020, the "Amounts due to suppliers" item includes accrued invoices related to the proposed capital increase not approved by the General Meeting on November 10, 2020 (see note 25).

The "Amounts due on investments" item mainly consists of accrued payables relating to works on the "Boccador" project for €40 Mn.

Changes in the "Other liabilities on derivatives" item result mainly from the amortisation of the premiums received for an amount of €24.5 Mn following the set-up of interest swaps or the sale of swaptions during the prior exercises.

(1) Interest Coverage Ratio = Recurring EBITDA/Recurring net financial expenses (including capitalised interest). Recurring EBITDA is calculated as total recurring operating income and other income, less general expenses and excluding depreciation, amortisation and impairment.
(2) Funds From Operations: on an annualised basis, the recurring EBITDA minus (i) net recurring financial expenses and (ii) tax on recurring operating result.

NOTE 17. DEFERRED INCOME

(€ thousands)	12/31/2020	12/31/2019
Property business	1,364	1,630
Interest on discounted commercial papers	1,549	60
Deferred recognition of issue premium on EMTN	1,625	3,218
Deferred recognition of issue premium on ORNANE bonds	372	742
Balancing cash adjustment on Group debt	85	106
Arrangement fee on subsidiary loans	11,770	16,372
TOTAL	**16,765**	**22,128**

NOTE 18. UNREALISED FOREIGN EXCHANGE GAINS

(€ thousands)	12/31/2020	12/31/2019
Subsidiary loans in CZK	6,893	17,494
Subsidiary loans in DKK	166	1
Subsidiary loans in GBP	0	1,230
Subsidiary loans in PLN	0	2,387
Subsidiary loans in SEK	8,218	2,315
Subsidiary loans in USD	0	12,356
Group debt in DKK	9	0
Group debt in GBP	12,555	0
Group debt in PLN	134	0
Group debt in USD	2,829	0
TOTAL	**30,804**	**35,783**

NOTE 19. ACCRUED CHARGES

ACCRUED CHARGES INCLUDED IN THE BALANCE SHEET

(€ thousands)	12/31/2020	12/31/2019
Miscellaneous borrowings and financial liabilities	214,449	189,095
Trade receivables	8,335	407
Trade payables	89,880	70,190
Employee payables	1,927	1,405
Social security and similar payables	860	1,482
Tax payables	1,694	1,808
Subsidiary current accounts	56	45
Other liabilities	12,932	13,723
TOTAL	**330,133**	**278,155**

The increase in the “Miscellaneous borrowings and financial liabilities” item mainly results from the increase in the accrued interest on the bonds (+€27.3 Mn) and the decrease in the accrued interest on the intercompany loans (-€2.4 Mn).

The “Trade payables” item includes in 2020 accrued invoices relating to the proposed capital increase not approved by the General Meeting on November 10, 2020, included in the non-recurring items (see note 25).

NOTE 20. MATURITY OF RECEIVABLES AND PAYABLES AT THE END OF THE REPORTING PERIOD

MATURITY OF RECEIVABLES

(€ thousands)	Gross	Maturity 1 year or less	Maturity More than 1 year
Receivable on non-current assets			
Other long-term investments	14,918	14,918	0
Loans[(1)]	13,549,106	3,134,312	10,414,794
Other	139	0	139
Current asset receivables			
Trade receivables from activity			
Doubtful or disputed receivables	15,000	15,000	0
Other trade receivables from activity	46,120	29,841	16,279
Other receivables			
Employee receivables	11,148	11,148	0
State and public entities	38,595	38,595	0
Receivables from group and associated companies	5,170,857	5,170,857	0
Accrued income on derivatives	119,717	119,717	0
Sundry debtors	71,441	71,441	0
Difference on assessment of derivatives	348,384	135,087	213,297
Prepaid expenses			
Overheads	167	167	0
TOTAL	**19,385,592**	**8,741,083**	**10,644,509**

(1) Loans granted during the financial year (€ thousands): 4,239,058
Loans repaid during the financial year (€ thousands): 3,755,067

MATURITY OF LIABILITIES

(€ thousands)	Gross	Maturity 1 year or less	Maturity Between 1 and 5 years	Maturity More than 5 years
Convertible bonds[(2)]	602,911	102,911	500,000	0
Other bonds[(2)]	18,181,393	1,060,580	4,607,015	12,513,798
Bank loans and borrowings[(2)]	154,251	104,251	50,000	0
Miscellaneous borrowings and financial liabilities[(2)]	4,112,736	3,832,166	280,570	0
Advances and downpayments received	1,439	1,439	0	0
Amounts due to suppliers	72,657	72,657	0	0
Tax and social security liabilities				
Employee payables	2,224	2,224	0	0
Social security and similar payables	1,209	1,209	0	0
State and public entities	4,036	4,036	0	0
Amounts due on investments	47,238	47,238	0	0
Other liabilities	279,127	120,998	56,394	101,735
Deferred income				
Property business	1,364	1,364	0	0
Interest on discounted commercial papers	1,549	1,549	0	0
Deferred recognition of issue premium on EMTN	1,625	1,148	477	0
Deferred recognition of issue premium on ORNANEs	372	371	1	0
Balancing cash adjustment on Group debt	85	18	67	0
Arrangement fee on subsidiary loans	11,770	3,687	7,874	209
TOTAL	**23,475,986**	**5,357,846**	**5,502,398**	**12,615,742**

(2) Liabilities contracted during the financial year (€ thousands): 11,225,800
Liabilities repaid during the financial year (€ thousands): 9,281,915

NOTE 21. OPERATING INCOME

21.1 REVENUE

(€ thousands)	2020	2019
Property business	66,273	80,930
Offices & Others segment	14,258	13,824
Shopping Centres segment	36,559	57,813
Convention & Exhibition segment	15,456	9,293
Other rebilled items	**98,651**	**104,594**
TOTAL	**164,924**	**185,524**

In 2019, "Shopping Centres segment" included an amount of €17.2 Mn relating to Zoetermeer property complex sold in 2019 to a company of the Group.

"Other rebilled items" consist of rebilled items relating to the Group Service Charges agreement.

21.2 REVERSALS OF DEPRECIATION, AMORTISATION, IMPAIRMENT AND EXPENSE TRANSFERS

(€ thousands)	2020	2019
Reversals of impairment	**1,079**	**7,192**
Reversals of provisions for disputes	1,000	36
Reversals of impairment of doubtful receivables	79	582
Reversals of impairment of buildings	0	6,574
Rebilled expenses and expense transfers	**17,231**	**20,558**
TOTAL	**18,310**	**27,750**

Reversals for provisions for disputes relate to a building sold in 2002.

Rebilled expenses and expense transfers in 2020 relate to:
- Rebilled rental expenses for €11.6 Mn;
- Rebilled taxes for €2.3 Mn;
- Rebilled construction work for €2.2 Mn;
- Rebilled marketing fees for €1.0 Mn;
- Rebilled management fees for €0.1 Mn.

21.3 OTHER INCOME

(€ thousands)	2020	2019
Key money	253	347
Specialty leasing fee	676	903
Other	64	758
TOTAL	**993**	**2,008**

NOTE 22. OPERATING EXPENSES

22.1 OTHER PURCHASES AND EXTERNAL CHARGES

(€ thousands)	2020	2019
1 - EQUIPMENT, MATERIALS AND WORKS	**10,342**	**0**
2 - PURCHASES OF CONSUMABLES	**303**	**654**
3 - EXTERNAL SERVICES	**11,916**	**15,666**
Property business	**10,591**	**13,868**
Leases and rental expenses	8,491	10,990
Maintenance and repair	1,940	2,700
Insurance	160	178
General expenses	**1,325**	**1,798**
Leases and rental expenses	136	237
Maintenance and repair	23	39
Insurance	865	837
Miscellaneous	301	685
4 - OTHER EXTERNAL SERVICES	**122,030**	**129,614**
Property business	2,493	3,169
General expenses	119,537	126,445
TOTAL	**144,591**	**145,934**

"Equipment, materials and works" concern the construction costs linked to the sale in the future state of completion relating to the residential building (project "Boccador") partially delivered to the City of Paris at the end of December 2020.

"Other external services - General expenses" mainly consists of rebilled items relating to the Group Service Charges agreement.

22.2 TAXES AND RELATED

(€ thousands)	2020	2019
Taxes on remuneration	278	236
Property taxes	3,457	3,461
Other taxes	849	525
TOTAL	**4,584**	**4,222**

22.3 PERSONNEL EXPENSES

(€ thousands)	2020	2019
Wages and salaries	1,204	2,061
Payroll taxes	1,493	2,584
TOTAL	**2,697**	**4,645**

Members of the Unibail-Rodamco-Westfield Management Board are remunerated partly by Unibail-Rodamco-Westfield SE.

Under the Group Service Charges agreement, Management Board charges are partly rebilled to the Group's various entities.

22.4 DEPRECIATION AND AMORTISATION OF NON-CURRENT ASSETS

(€ thousands)	2020	2019
Tangible assets	37,342	42,618
TOTAL	**37,342**	**42,618**

This item included in 2019 an amount of €5.8 Mn relating to Zoetermeer property complex sold in 2019.

22.5 IMPAIRMENT AND PROVISION EXPENSES

(€ thousands)	2020	2019
Non-current assets	50,406	5,094
Current assets	1,777	570
Contingencies and expenses	6,754	2,443
TOTAL	**58,937**	**8,107**

22.6 OTHER OPERATING EXPENSES

(€ thousands)	2020	2019
Attendance fees	1,185	1,321
Eviction and termination indemnities paid	646	650
Irrevocable receivables and miscellaneous operating lease expenses	2,818	2,888
TOTAL	**4,649**	**4,859**

NOTE 23. FINANCIAL INCOME

23.1 INVESTMENT INCOME

(€ thousands)	2020	2019
Subsidiary income transferred	28,447	514,401
Dividends	143,554	776,340
Other	2,768	2,264
TOTAL	**174,769**	**1,293,005**

Income transfers from tax-transparent companies relate mainly to Financière 5 Malesherbes, SCI Sept Adenauer and SCI Le Sextant.

Only the profits of tax-transparent subsidiaries with a clause in their articles of association providing for the automatic transfer of result are booked at year-end. If a subsidiary makes a loss, this loss is recognised at year-end as a financial expense under "Interest expenses" (see note 24.2), irrespective of the nature of any clause in their articles of association regarding providing for the transfer of result.

The main dividends collected in 2020 in respect of 2019 earnings were:

- Uni-Commerces: €96 Mn (€204 Mn in 2019);
- Rodamco France: €12 Mn (€166 Mn in 2019);
- Unibail-Rodamco Retail Spain SL: €11 Mn (€80 Mn in 2019);
- Unibail-Rodamco Steam SL: €8 Mn (€3 Mn in 2019);
- Rodamco Europe Properties BV: €0 Mn (€300 Mn in 2019).

23.2 INCOME FROM OTHER MARKETABLE SECURITIES AND RECEIVABLE ON NON-CURRENT ASSETS

(€ thousands)	2020	2019
Income from loans to subsidiaries	299,115	349,698
TOTAL	**299,115**	**349,698**

In 2020, contributing subsidiaries were primarily, Unibail-Rodamco-Westfield NV (€51 Mn), URW America Inc. (€29 Mn), Unibail-Rodamco Polska Sp zoo (€22 Mn), R.E. France Financing (€22 Mn), Wood Sp zoo (€21 Mn), Westfield America LP (€19 Mn), Rodamco Retail Deutschland BV (€15 Mn), Unibail-Rodamco Spain SL (€12 Mn) and Unibail-Rodamco Spain SLU (€9 Mn).

23.3 OTHER INTEREST INCOME

(€ thousands)	2020	2019
Bank fees	105	254
Interest on subsidiary current accounts	32,158	29,271
Income on caps, floors and swaps	324,632	253,095
Deferred recognition of fees on subsidiary loans	4,890	4,962
Deferred recognition of premium on convertible bonds	371	371
Interest on marketable securities	191	0
Other financial income	49	39
TOTAL	**362,396**	**287,992**

The increase in the item “Income on caps, floors and swaps” is explained by the interest on interest rate swaps set up with the company Unibail-Rodamco-Westfield NV and starting in 2020 for an amount of €45 Mn and by the balancing payment received of €27.2 Mn following the cancellation of £500 Mn of swaps.

23.4 REVERSALS OF IMPAIRMENT AND EXPENSE TRANSFERS

(€ thousands)	2020	2019
Reversals of provisions for foreign exchange gains and losses	47,917	35,776
Reversal of provisions for subsidiaries	24,541	281,356
Reversal of provision for risk on subsidiary	8,027	0
TOTAL	**80,485**	**317,132**

In 2020, reversals of the provision for unrealised foreign exchange losses were recorded following the final or early maturity of loans denominated in Australian dollars and intercompany loans in pounds sterling.

As at December 31, 2020, the Company booked a reversal of provision of €19.6 Mn on the shares in Gaîté Bureaux and €4.9 Mn on the shares in Gaîté Parkings.

As at December 31, 2020, the Company also booked reversal of provision for risk on the subsidiaries Unibail-Rodamco Participation (€4.5 Mn), U-R Phobos (€2.7 Mn) and Société Foncière Immobilière (€0.8 Mn).

23.5 FOREIGN EXCHANGE GAINS

(€ thousands)	2020	2019
GBP foreign exchange gains	47,885	3,491
USD foreign exchange gains	13,402	14,474
PLN foreign exchange gains	2,564	113
SEK foreign exchange gains	1,279	2,001
CZK foreign exchange gains	129	742
DKK foreign exchange gains	29	0
AUD foreign exchange gains	0	7,739
TOTAL	**65,288**	**28,560**

NOTE 24. FINANCIAL EXPENSES

24.1 DEPRECIATION, AMORTISATION AND IMPAIRMENT – FINANCIAL ITEMS

(€ thousands)	2020	2019
Depreciation and amortisation		
Bond issue premium	12,777	10,049
Provisions for contingencies		
Currency risk on loans	206,741	34,103
Impairment and provisions		
On shares (including merger losses)	3,034,443	1,627,342
On current account	1,896	0
On treasury shares	228	0
Deferred charges		
Charges on borrowings	11,823	8,743
Charges on convertible bonds (ORNANE)	926	2,139
Charges on hybrid securities	1,999	1,916
TOTAL	**3,270,833**	**1,684,292**

As at December 31, 2020, provisions were booked for shares held in subsidiaries (see note 4).

24.2 INTEREST EXPENSES

(€ thousands)	2020	2019
Bank fees	7	6
Fees on deposits and confirmed credit facilities	9,579	8,223
Interest on borrowings	22,307	26,536
Interest on negotiable debt securities	(1,993)	(3,591)
Interest on bonds	290,850	261,265
Interest on current accounts	256	205
Interest on bonds redeemable in shares	0	77
Interest on hybrid securities	48,179	48,071
Charges on caps, floors and swaps	296,772	304,467
Redemption premium on bond repurchases	14,385	0
Other financial charges	0	0
Transfer of subsidiary income	11,976	1,540
TOTAL	**692,318**	**646,799**

As at December 31, 2020, the “Charges on caps, floors and swaps” item includes the 2020 amortisation of the balancing cash adjustment relating to hedging swaps arranged in previous years. This amortisation amounts to €139 Mn for 2020.

24.3 FOREIGN EXCHANGE LOSSES

(€ thousands)	2020	2019
AUD foreign exchange losses	23,262	156
GBP foreign exchange losses	14,101	7,359
USD foreign exchange losses	6,006	18,496
SEK foreign exchange losses	1,969	926
PLN foreign exchange losses	103	117
CZK foreign exchange losses	96	20
DKK foreign exchange losses	11	54
TOTAL	**45,548**	**27,128**

NOTE 25. NON-RECURRING ITEMS

(€ thousands)	2020	2019
Capital gains and losses on sales of tangible assets	37,602	58,070
Capital gains and losses on sales of financial assets	418,143	2,285
Capital gains and losses on dissolution of subsidiaries without liquidation in a merger transaction (TUP)	(585)	(25,369)
Regulated provisions	(5,823)	(2,980)
Other non-recurring income and expenses	(51,283)	(1,577)
TOTAL	**398,054**	**30,429**

As at December 31, 2020, "Capital gains and losses on sales of tangible assets" includes mainly the net proceeds on the disposal of the units owned in the shopping centre La Toison d'Or for a total amount of €34.8 Mn and the net proceeds on the disposal of the unit owned in "So Ouest Plaza" property complex for a total amount of €3.4 Mn.

As at December 31, 2020, "Capital gains and losses on sales of financial assets" includes the net proceeds of the contribution of the shares of the companies Aéroville, Eiffel Levallois Commerces and Randoli to Uni-Commerces for a total amount of €418.1 Mn (of which €435,3 Mn relating to the capital gain realised on contributing shares – note 4 and of which €12.5 Mn relating to the losses on receivables – note 6).

As a reminder, as at December 31, 2019, "Capital gains and losses on dissolution of subsidiaries without liquidation in a merger transaction ("TUP") related to:

- the net loss from the total transfer of assets ("TUP") from Société de Lancement de Magasins d'Usines à l'Usine for an amount of €26.2 Mn;
- the net profit from the total transfer of assets ("TUP") from SCI Ariane-Défense for an amount of €0.8 Mn.

"Regulated provisions" includes the amortisation of the acquisition costs of Unibail-Rodamco-Westfield NV and Westfield Corporation Limited shares.

As at December 31, 2020, "Other non-recurring income and expenses" contains primarily an amount of €44.6 Mn regarding the fees related to the proposed capital increase not approved by the General Meeting on November 10, 2020 (see note 19).

NOTE 26. INCOME TAX

(€ thousands)	2020	2019
Income tax	(382)	(115)
TOTAL	**(382)**	**(115)**

In 2020, the negative amount of income tax corresponds to an expected refund from French Tax Administration related to the COVID-19 rental discounts granted to tenants.

NOTE 27. RELATED PARTY INFORMATION

All agreements between Unibail-Rodamco-Westfield SE and Group companies were entered into at arm's length conditions, with the exception of those detailed below.

Balance sheet line concerned	Related party	Type of relationship	Balance sheet amount with the related party (€ thousands)	Type of transaction
ASSETS				
Other receivables				
	3BORDERS	Ultimate parent company	5,801	Non-interest-bearing current account
	BURES-PALAISEAU	Ultimate parent company	2,019	Non-interest-bearing current account
	CENTRE COMMERCIAL FRANCILIA	Ultimate parent company	140,332	Non-interest-bearing current account
	CNIT DEVELOPPEMENT	Ultimate parent company	88,006	Non-interest-bearing current account
	FINANCIÈRE 5 MALESHERBES	Ultimate parent company	66,203	Non-interest-bearing current account
	GAÎTÉ PARKINGS	Ultimate parent company	10,041	Non-interest-bearing current account
	GALILÉE-DÉFENSE	Ultimate parent company	76,552	Non-interest-bearing current account
	MALTESE	Ultimate parent company	43,505	Non-interest-bearing current account
	MARCEAU BUSSY SUD	Ultimate parent company	4,483	Non-interest-bearing current account
	MONTHÉRON	Ultimate parent company	1,312	Non-interest-bearing current account
	NOTILIUS	Ultimate parent company	481	Non-interest-bearing current account
	SCI BUREAUX DE LA TOUR CRÉDIT LYONNAIS	Ultimate parent company	13,496	Non-interest-bearing current account
	SCI LE SEXTANT	Ultimate parent company	12,139	Non-interest-bearing current account
	SCI SEPT ADENAUER	Ultimate parent company	29,277	Non-interest-bearing current account
	TRINITY DÉFENSE	Ultimate parent company	6,124	Non-interest-bearing current account
	TOUR TRIANGLE	Ultimate parent company	19,926	Non-interest-bearing current account
	UR VERSAILLES CHANTIERS	Ultimate parent company	47,963	Non-interest-bearing current account
	VILLAGE 8 DÉFENSE	Ultimate parent company	2,678	Non-interest-bearing current account
	YETA	Ultimate parent company	11,805	Non-interest-bearing current account
LIABILITIES				
Miscellaneous borrowings and financial liabilities				
	ACARMINA	Ultimate parent company	1	Non-interest-bearing current account
	AMSOMBRA	Ultimate parent company	19	Non-interest-bearing current account
	COBRAQ	Ultimate parent company	18	Non-interest-bearing current account
	FÉTUNO	Ultimate parent company	19	Non-interest-bearing current account
	FLOCOGNE	Ultimate parent company	19	Non-interest-bearing current account
	GAÎTÉ BUREAUX	Ultimate parent company	20	Non-interest-bearing current account
	HIPOKAMP	Ultimate parent company	0	Non-interest-bearing current account
	MAVILLEROY	Ultimate parent company	18	Non-interest-bearing current account
	MIBROKY	Ultimate parent company	18	Non-interest-bearing current account

NOTE 28. OFF-BALANCE SHEET COMMITMENTS

28.1 FINANCIAL INSTRUMENTS

	2020		2019	
(€ thousands)	Currency	EUR	Currency	EUR
Financial instruments				
Interest rate EUR		16,815,000		17,115,000
Interest rate GBP	0	0	500,000	587,682
Interest rate USD	6,000,000	4,889,577	6,200,000	5,518,960
Currency swaps				
CHF	135,000	109,276	135,000	109,276
CZK	3,564,683	140,000	3,564,683	140,000
HKD	2,935,000	315,437	2,935,000	315,437
PLN	852,000	200,000	852,000	200,000
SEK	0	0	800,000	77,482
Caps and floors				
• purchases EUR		23,550,000		23,800,000
• sales EUR		8,750,000		8,750,000
• purchases GBP	1,860,000	2,068,896	3,090,000	3,631,876
• sales GBP	560,000	622,894	560,000	658,204
• purchases USD	1,250,000	1,018,662	3,250,000	2,893,003
• sales USD	1,250,000	1,018,662	2,000,000	1,780,310
Swaption calls				
• sales		12,500,000		12,750,000
Foreign exchange forward				
• purchases CZK	1,125,255	42,883	0	0
• purchases DKK	317,307	42,660	0	0
• purchases GBP	82,161	90,480	0	0
• purchases PLN	868,759	193,092	0	0
• purchases SEK	668,765	66,372	0	0

Commitments relating to forward interest rate financial instruments are presented as follows:

- Commitments relating to firm transactions are shown at the face value of the contracts;
- Commitments relating to conditional transactions are shown at the face value of the underlying instrument.

(€ thousands)		Currency		Notional ≤ 1 year EUR	Notional > 1 year EUR
FIRM TRANSACTIONS					
Interest rate swaps				**800,000**	**20,904,578**
Microhedges	Fixed-rate lender/Floating-rate borrower			800,000	7,885,000
Microhedges	Fixed-rate lender/Floating-rate borrower	USD	1,000,000	0	814,930
Microhedges	Floating-rate lender/Floating-rate borrower			0	130,000
Microhedges	Floating-rate lender/Floating-rate borrower	USD	1,000,000	0	814,930
Macrohedges	Fixed-rate lender/Floating-rate borrower	USD	2,000,000	0	1,629,859
Macrohedges	Floating-rate lender/Fixed-rate borrower			0	8,000,000
Macrohedges	Floating-rate lender/Fixed-rate borrower	USD	2,000,000	0	1,629,859
Isolated positions	Fixed-rate lender/Floating-rate borrower			0	0
Currency and interest rate swaps				**0**	**764,713**
Microhedges	Fixed-rate lender/Floating-rate borrower	CHF	135,000	0	109,276
Microhedges	Fixed-rate lender/Fixed-rate borrower	CZK	3,564,683	0	140,000
Microhedges	Fixed-rate lender/Floating-rate borrower	HKD	2,935,000	0	315,437
Microhedges	Fixed-rate lender/Fixed-rate borrower	PLN	852,000	0	200,000
CONDITIONAL TRANSACTIONS					
Caps and floors					
	purchases			**9,191,556**	**17,446,002**
Macrohedges					
		EUR	23,550,000	7,550,000	16,000,000
		GBP	1,860,000	622,894	1,446,002
		USD	1,250,000	1,018,662	0
Isolated positions					0
	sales			**10,391,556**	**0**
Macrohedges					
		EUR	8,750,000	8,750,000	0
		GBP	560,000	622,894	0
		USD	1,250,000	1,018,662	0
Isolated positions					
OPTIONS					
Swaption calls	**sales**			**0**	**12,500,000**
FX FORWARD TRANSACTIONS				**435,487**	**0**
Purchases		CZK	1,125,255	42,883	0
Purchases		DKK	317,307	42,660	0
Purchases		GBP	82,161	90,480	0
Purchases		PLN	868,759	193,092	0
Purchases		SEK	668,765	66,372	0

Borrowings with floating rate or swapped fixed-rate contracted by Unibail-Rodamco-Westfield SE are hedged by interest rate swaps and caps. Income and expenses arising on these transactions are recognised on an accrual basis in the income statement.

The net fair value of these hedges amounts to -€228 Mn.

No provision is booked for this fair value since it concerns hedging instruments.

28.2 OTHER COMMITMENTS GIVEN AND RECEIVED

All material commitments are disclosed below.

	2020		2019	
(€ thousands)	Currency	EUR	Currency	EUR
Other commitments received				
EUR refinancing agreements obtained and not used		6,257,500		6,157,500
Guarantees received in EUR		26,505,184		24,519,671
Guarantees received in CHF	135,000	124,977	135,000	124,378
Guarantees received in HKD	2,935,000	308,486	2,935,000	335,532
Guarantees received in USD	0	0	0	0
TOTAL		**33,196,147**		**31,137,081**
Other commitments given				
EUR refinancing agreements given and not used		530,175		676,723
GBP refinancing agreements given and not used	120,000	133,477	98,464	115,731
PLN refinancing agreements given and not used	339	74	0	0
USD refinancing agreements given and not used	505,200	411,702	910,346	810,349
Committed works without added tax not realised		132,508		124,330
Guarantees given in EUR		1,526,481		1,568,629
Guarantees given in GBP	1,550,000	1,724,080	800,000	940,291
Guarantees given in SEK	4,250,000	423,547	4,250,000	406,823
Guarantees given in USD	4,500,000	3,667,183	8,500,000	7,566,317
TOTAL		**8,549,227**		**12,209,193**

Guarantees given relate to deposits and first demand commitments, including as part of the financing granted by banks to subsidiaries.

Since 2018, further to the acquisition of the Westfield Corporation, cross-guarantees have been set up between the companies of the Westfield Group and Unibail-Rodamco-Westfield SE.

NOTE 29. OPTIONS GRANTING ACCESS TO THE SHARE CAPITAL AND PERFORMANCE SHARES

The table below shows allocated stock options not exercised at the period-end.

Plan		Exercise period [1]	Adjusted subscription price (€)[2]	Number of options granted	Adjustments in number of options[2]	Number of options cancelled	Number of options exercised	Potential additional number of shares[3]
2011 plan (n° 7)	2013	from 03/05/2021 to 03/04/2020	173.16	617,066	-	261,729	355,337	-
	2014	from 03/04/2018 to 03/03/2021	186.10	606,087	-	217,621	23,466	365,000
2015 plan (n°8)	2015	from 03/04/2019 to 03/03/2022	256.81	615,860	-	205,928	-	409,932
	2015	from 09/05/2019 to 09/04/2022	238.33	7,225	-	7,225	-	-
	2016	from 03/09/2020 to 03/08/2023	227.24	611,608	-	159,595	1,913	450,100
	2017	from 03/08/2021 to 03/07/2024	218.47	611,611	-	115,608	-	496,003
2018 plan (n°9)	2018	from 03/06/2022 to 03/05/2025	190.09	630,135	-	82,880	-	547,255
2019 plan (n°10)	2019	from 03/20/2022 to 03/19/2027	144.55	748,372	-	87,813	-	660,559
2020 plan (n°11)	2020	from 03/22/2023 to 03/21/2028	92.03	885,291	-	34,236	-	851,055
Total				**5,333,255**	**-**	**1,172,635**	**380,716**	**3,779,904**

(1) Assuming that the performance and presence conditions are satisfied. If the first date of the exercise period is not a business day, the exercise period will begin on the next business day. If the end of the exercise period is not a business day, the exercise period will end on the next business day.
(2) Adjustments reflect dividends paid out of reserves and retained earnings.
(3) All options are subject to performance conditions.

The table below details the Performance Shares granted and not exercised at the period-end:

Starting date of the vesting period[1]	Number of Performance Shares allocated	Number of Performance Shares cancelled	Number of Performance Shares acquired	Potential additional number of shares[2]
2016	36,745	7,918	28,827	-
2017	39,770	12,517	14,235	13,018
March 2018	82,539	10,842	-	71,697
May 2018	38,130	1,252	-	36,878
March 2019	172,174	20,174	-	152,000
March 2020	489,440	18,930	-	470,510
Total	**858,798**	**71,633**	**43,062**	**744,103**

(1) For French tax residents:
- a minimum vesting period of three years, and a minimum holding period of two years once vested;
- for non-French tax residents: a minimum vesting period of four years without any requirement to hold the shares.

(2) The acquisition of the shares is subject to performance condition.

5.

NOTE 30. OTHER INFORMATION

30.1 SUBSEQUENT EVENTS

Due to the measures taken by the French government to cope with the COVID-19 pandemic in the context of health emergency, the Company and its French subsidiaries have been forced to close all or part of their assets to the public as of January 31, 2021. This closure does not concern food shops or pharmacies.

In this context, it is too early, at this stage, to determine the duration and the impact of this crisis on the Company and to assess the financial consequences it could have on the accounts of the year ended December 31, 2021.

On January 21, 2021, further to an agreement entered into on October 12, 2020, URW completed the disposal of the SHiFT office building, located in Issy-les-Moulineaux (Paris region), to a consortium of French institutional buyers (Primonial REIM, La Française and EDF Invest) for a Disposal Price of €620 Mn.

Further to the agreements signed with several French institutional investors for the sale of the Village 3 office building on December 9, and the Village 4 and Village 6 office buildings on December 18, URW expects to close these disposals in Q1-2021 for a total Net Disposal Price of €213 Mn.

30.2 PLEDGED SHARES OF UNIBAIL-RODAMCO-WESTFIELD SE HELD BY THIRD PARTIES

As at December 31, 2020, 379,237 administered registered shares are pledged. There are no fully registered shares.

30.3 REMUNERATION OF MANAGEMENT BOARD MEMBERS

(€ thousands)	2020	2019
Fixed income(1)	1,967	2,050
Short-term incentive	2,881	2,881
Other benefits(2)	715	703
TOTAL	**5,563**	**5,634**

(1) Including the reduction in remuneration linked to the health context in 2020.
(2) Supplementary Contribution Scheme, company car and other additional benefits when applicable.

In 2020, Management Board members were awarded a total of 98,400 stock options, all of which were subject to performance condition, along with 54,389 Performance Shares.

The Management Board consists of two members since June 7, 2018, until December 31, 2020. Starting 2021, a new organisation has been adopted by URW. An extended Management Board has been set up.

Regarding the 2020 performance achievements, the Management Board Member and its Permanent Guest will receive in 2021 a total Short-Term Incentive ("STI") amounting to €1,880 K. The payment for those who were Management Board Members in 2020 will be made after the approval of the annual General Meeting ("GM").

30.4 REMUNERATION OF SUPERVISORY BOARD MEMBERS

Remuneration accruing to Supervisory Board members represented €1,185,205 for 2020.

30.5 HEADCOUNT

The average headcount during 2020 was one person. As at December 31, 2020, the Company had one employee.

30.6 TRANSACTIONS INVOLVING SUPERVISORY BOARD MEMBERS OR MANAGEMENT BOARD MEMBERS

In 2020, upon the recommendation of the Remuneration Committee, the Supervisory Board agreed the terms and conditions of a settlement agreement to be entered between the Company and Mr Cuvillier to settle the conditions and consequences of the termination of his mandate. This settlement agreement is conditioned upon an irrevocable and mutual waiver and general release of claims and includes, subject to a binding approval by the 2021 annual General Meeting, the payment of a termination indemnity of €936.5 K and the maintenance *prorata temporis* of the existing LTI grants subject to performance conditions. It also includes usual provisions related to confidentiality, cooperation, non-disparagement, tax preparation assistance and the temporary benefit of a company car.

5.5 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

UNIBAIL-RODAMCO-WESTFIELD SE

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2020

To the Annual General Meeting of Unibail-Rodamco-Westfield SE

OPINION

In compliance with the engagement entrusted to us by the annual general meeting, we have audited the accompanying consolidated financial statements of Unibail-Rodamco-Westfield SE for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020, and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from January 1, 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the COVID-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

VALUATION OF THE INVESTMENT PROPERTY PORTFOLIO, INCLUDING INVESTMENT PROPERTIES UNDER CONSTRUCTION, EITHER HELD DIRECTLY OR WITHIN JOINT VENTURES

Risk identified	Our response
The Group directly owns or owns via joint ventures a portfolio of properties, which includes shopping centres, offices and convention & exhibition sites. The fair value of this portfolio as at 31 December 2020 is €49,618 Mn in the segment reporting information on a proportionate basis of which €40,662 Mn is directly held by consolidated companies and indirectly €8,956 Mn for the Group share by joint ventures. This Group also holds a portfolio of Investment Properties Under Construction (IPUC) held at cost amounting to €1,382 Mn. The total value of investment properties represents 73% of the Group's consolidated assets. In accordance with the notes 1.1, 4.5 and 5.5 of the consolidated financial statements, the net balance of the valuation movement amounts to -€4,837 Mn in IFRS net income for the 2020 financial year (including -€4,722 Mn relating to investment properties) and to -€6,552 Mn in the consolidated result on a proportionate basis presented in the segment reporting (including -€6,438 Mn relating to investment properties held by consolidated companies and indirectly by joint ventures). In accordance with note 5.1 of the consolidated financial statements, the investment property portfolio is valued by qualified independent appraisers as at June 30 and December 31. The valuation of investment properties involves the use of different valuation methods using unobservable parameters in accordance with the requirements of IFRS 13 and IAS 40. Consequently, the valuation is highly dependent on estimates and assumptions and requires significant judgment from the management and external appraisers mandated by the group. The valuations take into account the property-specific information including current tenancy agreements and rental income, condition and location of the property, vacancy, future income prospects and rent relief in the current context of the COVID-19 pandemic. They also require judgmental assumptions such as yield and estimated rental value, which are influenced by prevailing market yields and comparable market transactions. For IPUC, other factors such as projected costs to complete for developments, ability to let and the expected delivery date are also considered for the calculation of the recoverable value of IPUC valued at cost. The valuation of the investment property portfolio, including investment properties under construction, either held directly or within joint ventures is thus considered as a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the level of judgment associated while determining the fair value.	• We obtained an understanding of management's controls over the process implemented to determine the valuation of investment properties. • We assessed the competence and independence of the external appraisers mandated by the group. • We also evaluated the suitability of their valuation scope and methodology for the financial report. • The audit team, including our real estate valuation specialists, attended meetings with each of the appraisers at which the valuations and the key assumptions therein were discussed and challenged; • We assessed how the appraisers have reflected the impact of COVID-19 in the valuations notably local restrictions by governments, rent relief, vacancies, trading restrictions and risk of tenant failure. • We analysed, involving our valuation specialists, assumptions such as yield and estimated rental value and valuation movement of properties across the portfolio on a year-on-year basis, by reference to our understanding of their local market, external market data, published benchmarks and asset specific considerations, used in our audit approach; • We checked with lease agreements and asset budgets, established by the management, the consistency of the underlying lease data and capital expenditure used by the external appraisers in their valuation of the investment properties on a sample basis; • For the most significant IPUC, we obtained external valuations prepared by qualified independent appraisers. We conducted meetings with development directors and project managers and perform procedures described above on Investment Properties at fair value with a focus on forecast cost to complete. We analysed the risks and reviewed the impairment recorded, if any; • Additionally, we considered the appropriateness of the disclosures in the consolidated financial statements in respect of investment properties.

RECOVERABLE AMOUNT OF INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE AND GOODWILL RELATED TO THE WESTFIELD ACQUISITION

Risk identified	Our response
As at December 31, 2020, intangible assets and goodwill in relation to the June 2018 acquisition of Westfield amount, respectively, to €715 Mn and €874 Mn equivalent to 2.8% of group consolidated assets. Intangible assets with an indefinite useful life relate to the property business of flagship centres in the United States and the Westfield trademark. Intangible assets with an indefinite useful life and goodwill are subject to either annual impairment tests or when an impairment indicator is identified. As mentioned in note 5.4 of the notes to the consolidated financial statements, goodwill has been allocated to geographical segments, which qualify as a Group of Cash Generating Units ("CGUs"). Each group of CGUs is the lowest level at which goodwill is monitored for internal management purposes. An impairment loss is recognized whenever the recoverable value of the group of CGUs is less than its carrying amount. During 2020, the intangible asset and goodwill have been impaired by €32 Mn and €1,596 Mn, respectively. The recoverable value is the maximum of fair value less disposal costs and its value in use. Value in use is based on the Discounted Cash Flow derived from the Business Plan approved by the Management Board and the Supervisory Board. The main assumptions related to the value in use of each group of Cash Generating Units are cash flow projections, Compound Annual Growth Rate ("CAGR") of Net Rental Income, discount rates based on the weighted average cost of capital and long term growth rates. Intangible assets with an indefinite useful life are evaluated by independent appraisers using the discounted cash flow ("DCF") methodology. An impairment is booked when the appraisal value is lower than the net book value. The recoverable amount of intangible assets with an indefinite useful life and goodwill related to the Westfield acquisition is therefore a key audit matter due to the level of judgment required by the management, combined with the significance of the balance to the financial statements.	The audit team, including our valuation specialists, analysed the methodology used for the impairment tests of the intangible assets with an indefinite useful life and the goodwill, and management's key assumptions. Our audit procedures led us in particular to: • Analyse the procedures implemented by management to determine the recoverable amount for group of CGUs and intangible assets with an indefinite useful life; • Obtain an understanding of the methodology applied by the management to perform the impairment tests. • Appreciate the identification of the Group of CGUs by management as regard to accounting standards; • Attend meetings with our valuation specialists and management's external appraisers and challenge the key parameters used to assess the valuation of intangible assets with an indefinite useful life and to perform the impairment test of goodwill. • Corroborate the underlying figures used in the Business Plan approved by the Management Board and the Supervisory Board, which are used as a basis for the cash-flow projections including assumptions related to the COVID-19 pandemic. • Assess the consistency of key assumptions used for the determination of recoverable values, and especially the discount rates, CAGR of Net Rental Income and Long-Term Growth Rate ("LTGR"), by comparing them to market information. • Examine the mathematical accuracy of the templates used for the calculation of the recoverable amounts; • Consider the appropriateness of the disclosures in the consolidated financial statements.

EVALUATION AND ACCOUNTING FOR RENT RELIEF AND PROVISION FOR EXPECTED CREDIT-LOSSES ON RECEIVABLES IN THE CONTEXT OF THE COVID-19 PANDEMIC

Risk identified	Our response
As a result of the COVID-19 pandemic, URW operations are impacted by lockdown and local restrictions increasing tenant default risk. Consequently, the group adopted a global policy to support tenants such as deferral of rents or rent reliefs with or without counterparts (e.g. extension of a lease term or higher sales-based rent). As at December 31, 2020, the expense in the statement of comprehensive income related to rent reliefs amounted €246 Mn and a provision for expected credit losses on receivables have been charged for an amount of €203 Mn (on a proportionate basis). The notes 1.1.1. "COVID-19 pandemic" and 4.4.1 "Gross Rental Income" to the consolidated financial statements describe the choice in accounting policies applied by the group to account for rent relief. The note 7.6.3 "Credit risk" to the consolidated Financial Statements describes how credit risk was considered by the management to determine the provision for expected credit losses on rent receivables. Accruals for rent reliefs to be signed require estimates from the management notably to estimate whether a counterpart will be received or not and the amount of the rent relief. Provision for expected credit losses on rent receivables requires estimation using historical and forecast information available at the balance sheet date. Due to the evolving context of the COVID-19 crisis and of government's action restricting the trading of the Group's tenants, this estimation is more complex. As a result, there is a higher than usual uncertainty around forecast information related to footfall, tenant's ability to pay rents and expected rent relief. As the evaluation and accounting treatment of rent reliefs and the calculation of expected credit losses on receivables involve the adoption of accounting policies and estimates from the management with significant uncertainty due to the COVID-19 pandemic, it is considered as a key audit matter.	• We obtained an understanding of the Group's process and controls in place to identify and record rent reliefs and provision for doubtful debtors. • We analysed the accounting policies implemented by the Group to account for rent reliefs and the consistency of the policies across different geographical segments. • We assessed the assumptions adopted by the management for estimating expected credit losses and rent reliefs to be signed. • On a sample basis, we tested rent reliefs and counterparts received from tenants to supporting evidence such as credit notes or amendments to lease contracts to verify the accuracy of the amount recorded in the accounts and the appropriateness of the accounting treatment. • We assessed the appropriateness and the compliance with IFRS 9 of the methodology implemented by the management to determine the probability of default based on information available for each shopping centre and where applicable by tenant. • We assessed the adequacy of the disclosures in the financial statements with respect to the estimation of the rent reliefs at year-end and the provision for expected credit losses on rent receivables.

ACCOUNTING FOR FINANCIAL DEBT AND RELATED DERIVATIVE FINANCIAL INSTRUMENTS

Risk identified	Our response
As at December 31, 2020, the financial debt of Unibail-Rodamco-Westfield stood at €28,527 Mn. The debt mainly includes bond issues and EMTN (Euro Medium Term Notes) for a principal amount of €22,809 Mn. In addition, financial debt held by the joint ventures amounted to €1,939 Mn. The financial debt represents 50% of the Group's consolidated assets. As mentioned in notes 7.4 and 7.5 to the consolidated financial statements, the Group uses derivatives financial instruments, mainly interest rate swaps and caps and cross-currency swaps, to hedge its exposure to movements in interest and currency exchange rates related to its financial indebtedness. These derivatives for which no hedge accounting has been applied are carried at fair value through profit and loss, for amounts on the balance sheet of €827 Mn (asset) and €1,502 Mn (liability). During the year, the Group incurred €432 Mn in net financial costs and the mark-to-market adjustments on derivatives amounted to -€438 Mn. The Group's gearing, liquidity needs, financial covenants (please refer to note 7.3.6 to the consolidated financial statements) are calculated on the basis of this portfolio of financial debt. The accounting for financial debt and related derivatives financial instruments is considered as a key audit matter due to the significance of the balance to the financial statements as a whole and their impact on the calculation of financial covenants.	• We assessed the procedures for the valuation and the accounting of the financial debt and related derivatives. • We obtained and analysed loan contracts on a sample basis to understand the terms and conditions and considered that those characteristics were correctly reflected in the consolidated financial statements. We also performed analytical procedures on the related financial expenses. • On a sample basis, we obtained the confirmation with third parties of the nominal amount of debts. • We analysed the calculation of the financial ratios and the related disclosures (note 7.3.6 to the consolidated financial statements) and the appropriateness of the presentation of the financial debt in the statement of the financial position. • On a sample basis, we obtained the confirmation from the counterparties of the occurrence and terms of the derivatives. For a sample of financial instruments, we analysed their valuations and we involved our internal valuation specialists to independently calculate the fair value of the financial instruments and compare the outcome to the values prepared by the management. • Additionally, we considered the appropriateness of the information disclosed in the consolidated financial statements in respect of IFRS 7 "Financial Instruments: Disclosures" requirements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the management report of the management board.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the Group given in the management report, it being specified that, in accordance with Article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

OTHER LEGAL AND REGULATORY VERIFICATIONS OR INFORMATION

FORMAT OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the chairman of the management board, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Unibail-Rodamco-Westfield SE by the Annual General meeting held on April 27, 2011, for Deloitte & Associés and on May 13, 1975, for Ernst & Young Audit.

As at December 31, 2020, Deloitte & Associés was in 16th consecutive year of mandate given the acquisitions or mergers with firms that have previously taken place, and Ernst & Young Audit in its 46th consecutive year of mandate.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were prepared by the management board.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.
- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT COMMITTEE

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, March 24, 2021
The Statutory Auditors *French original signed by*

Deloitte & Associés
Emmanuel Gadret Emmanuel Proudhon

Ernst & Young Audit
Jean-Yves Jégourel Antoine Flora

5.6 STATUTORY AUDITORS' REPORT ON THE STATUTORY FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the financial statements of the company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

UNIBAIL-RODAMCO-WESTFIELD SE

Statutory auditors' report on the statutory financial statements

For the year ended December 31, 2020

To the Annual General Meeting of Unibail-Rodamco-Westfield SE

OPINION

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Unibail-Rodamco-Westfield SE for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the audit committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "*Statutory Auditors' Responsibilities for the Audit of the Financial Statements*" section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from January 1, 2020, to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the COVID-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements, as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

EVALUATION OF INVESTMENTS IN SUBSIDIARIES AND RELATED RECEIVABLES

KEY AUDIT MATTER

As at December 31, 2020, Unibail-Rodamco-Westfield SE held investments in subsidiaries and related receivables, which have a gross value of €20,288 Mn and €13,564 Mn respectively, impaired for an amount of €5,525 Mn, including an expense of €3,034 Mn in the income statement of the period. The net book value of the investments in subsidiaries and related receivables represents 75% of the total assets of the company.

Investments in subsidiaries are generally companies, which own one or several investment properties or holding companies, which indirectly own such companies.

As described in note 1.2.3. to the financial statements, an impairment is booked when the value in use of an investment in a subsidiary is lower than its acquisition cost plus any technical loss related to investment in this subsidiary.

The value in use of investments in subsidiaries includes the unrealised capital gain on properties or assets held by the subsidiaries, such properties being valued at year-end by independent appraisers. These valuations take into account rentals, the latest real estate transactions and their net initial yield. The value in use also includes the valuation of the intangible assets owned by the subsidiaries, made by independent appraisers based on the Discounted Cash Flows.

Consequently, the evaluation the investments in subsidiaries and related receivables is considered to be a key audit matter due to the judgment required by management to evaluate the assets held by the subsidiaries and the importance of these balances to the financial statements.

OUR RESPONSE

We analysed the company's internal controls over the process implemented to calculate the value in use of investments in subsidiaries and related receivables.

Concerning the unrealised gains on assets owned by these subsidiaries, we examined the consistency of the value of the assets held with those calculated by the appraisers. Our audit procedures on the value of the underlying assets included:

- Examining the valuation process of investment property and intangible assets applied by management;
- Evaluating the competence of the external valuers including their qualifications and expertise, as well as their independence,
- Attending meetings with the external experts in the presence of our valuation specialists, during which the appraisals of the assets and the key assumptions retained were challenged;
- Assessing assumptions such as yield and estimated rental value, by reference to our understanding of their local market, external market data, published benchmarks and asset specific considerations, used in our audit approach, to evaluate the appropriateness of the valuations adopted by the Group; analysed the key assumptions used to determine the recoverable value of the goodwill and the intangible assets, notably the discount rates, the compound annual growth rate of Net Rental Income and long-term growth rates challenging their coherence with available market information.

We also verified the mathematical accuracy of the calculations of the value in use of the investments in subsidiaries and related receivables and the correct application of percentages of ownership of the net equity values of the subsidiaries. We also analysed the appropriate calculation of the impairment on the investments in subsidiaries and related receivables accounted for on this basis.

Additionally, we assessed the appropriateness of the disclosures made in the notes to the financial statements regarding investments in subsidiaries and related receivables.

ACCOUNTING FOR FINANCIAL DEBT AND DERIVATIVE FINANCIAL INSTRUMENTS

KEY AUDIT MATTER

As at December 31, 2020, Unibail-Rodamco-Westfield SE had financial liabilities of €23,051 Mn as described in note 15 "Borrowings and financial liabilities" to the financial statements.

Unibail-Rodamco-Westfield SE uses derivative financial instruments, mainly interest rate swaps, caps and cross-currency swaps, to hedge its exposure to fluctuations in interest and currency exchange rates. This portfolio of derivatives is described in note 28.1 "Financial instruments" to the financial statements.

Note 1.3.2 to the financial statements describes the main accounting policies applied by the company to account for the derivative financial instruments and specifically details that they are accounted for according to the intention with which the corresponding transactions were carried out.

During the year, Unibail-Rodamco-Westfield SE restructured part of its derivative financial instrument portfolio as described in note 2.1 "Significant events of the year". Notes 6 and 24 describe the impact on the accounts of this restructuring.

The Group's gearing, liquidity needs, financial covenants (please refer to note 15 to the financial statements) are calculated on the basis of this portfolio of financial debt.

Accounting for financial debt and derivative financial instruments is considered as a key audit matter due to the significance of the balances to the financial statements as a whole and their impact in the calculation of financial covenants.

OUR RESPONSE

We analysed Company's internal controls over the accounting for financial debt and derivative financial instruments.

We analysed a representative sample of contracts in order to understand their terms and conditions. We also analysed the characteristics of these loans in the financial statements and performed analytical procedures on the financial expenses.

On a sample basis, we obtained the confirmation with third parties of the nominal amount of debts. We performed confirmation procedures directly with third parties of the derivative financial instruments and examined the position of the derivatives presented in the off-balance sheet disclosure. We also performed analytical procedures on the expenses and revenues related to the derivative financial instruments.

We analysed the portfolio of derivative financial instruments of the company to verify that they had been correctly presented (hedging or isolated open position) and we analysed the accounting treatment applied to the restructuring conducted during the year.

Additionally, we assessed the appropriateness of the disclosures made in the notes to the financial statements regarding the financial debt and derivative financial instruments.

SPECIFIC VERIFICATIONS

We also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS PROVIDED TO THE SHAREHOLDERS WITH RESPECT TO THE FINANCIAL POSITION AND THE FINANCIAL STATEMENTS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the management board, and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code.

REPORT ON CORPORATE GOVERNANCE

We attest that the Supervisory Board's report on corporate governance sets out the information required by articles L.225-37-4, L.22-10-9 and L.22-10-10 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remunerations and benefits allocated or received by the members of the management board and of the supervisory board and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope on consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public purchase or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code, we have verified their compliance with the source documents communicated to us. Based on our work, we have no observations to make on this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information relating to the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

OTHER LEGAL AND REGULATORY VERIFICATION OR INFORMATION

FORMAT OF PRESENTATION OF THE FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Chairman of the management board, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Unibail-Rodamco-Westfield SE by the Annual General Meeting held on April 27, 2011 for Deloitte & Associés and on May 13, 1975 for ERNST & YOUNG Audit.

As at December 31, 2020, Deloitte & Associés was in its 16th consecutive year of mandate given the acquisitions or mergers with firms that have previously taken place, and ERNST & YOUNG Audit in its 46th consecutive year of mandate.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The audit committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were prepared by the management board.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation

REPORT TO THE AUDIT COMMITTEE

We submit a report to the audit committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the audit committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the audit committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics (*code de déontologie*) for statutory auditors. Where appropriate, we discuss with the audit committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, March 24, 2021
The Statutory Auditors *French original signed by*

Deloitte & Associés
Emmanuel Gadret Emmanuel Proudhon

Ernst & Young Audit
Jean-Yves Jégourel Antoine Flora

5.7 STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

UNIBAIL-RODAMCO-WESTFIELD SE

This is a free translation into English of the Statutory Auditors' special report on regulated agreements with third parties that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

Shareholders' Meeting to be held to approve the financial statements for the year ended 31 December 2020

To the Shareholders' meeting of Unibail-Rodamco-Westfield SE

In our capacity as Statutory Auditors of your company, we hereby present to you our report on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to article R.225-58 of the French Commercial Code (*Code de Commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in article R.225-58 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We performed the procedures that we considered necessary with regard to the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING

Pursuant to Article R.225.88 of the French Commercial Code, we have been informed that the following agreement was previously authorised by the Supervisory Board.

Settlement agreement entered into between your Company and Mr Christophe Cuvillier

Executive involved:
Mr Christophe Cuvillier, Group Chief Executive Officer and Management Board member until December 31, 2020

Purposes:
On November 18, 2020, upon the recommendation of the Remuneration Committee, the Supervisory Board authorised a settlement agreement between your Company and Mr Christophe Cuvillier, Group Chief Executive Officer, to settle amicably and finally the terms and consequences of terminating his term of office. This settlement agreement was signed on December 15, 2020.

This settlement agreement includes an irrevocable and mutual waiver of any proceeding or legal action in connection with the fulfilment and/or early termination of the mandate of Mr Christophe Cuvillier.

This agreement also incorporates the usual stipulations relating to confidentiality, cooperation, non-denigration as well as limited and temporary tax aid up to 15,000 euros.

Terms and conditions:
The settlement agreement includes:
- Paying settlement compensation of €936,500, and
- The pro rata reduction of previous awards made as long-term incentives. This reduction has resulted in the immediate cancellation of 46% of performance shares in the process of being awarded and 35% of performance stock options. These awards remain fully and compulsorily subject to actually achieving the performance results specified in the relevant plans.

These terms and conditions will be submitted to the shareholders for approval (resolution n°4) in a binding vote at the forthcoming May 12, 2021, General Meeting.

Reasons justifying the Company's interest:
As part of its decision, the Supervisory Board analysed and considered the specific conditions, the form and the timeframe within which the mandate of Mr Christophe Cuvillier as Chairman and member of the Management Board of Unibail-Rodamco-Westfield was early terminated early.

The Supervisory Board considered that this settlement agreement is in line with URW SE's corporate interests by protecting it against any legal action and by ensuring a smooth transition and the start of a new chapter for the Group, considering:
- The economic situation generated by the COVID-19 crisis and the difficulties currently facing the Group,
- The need to establish new senior management to engage the Group's new strategy immediately and fully,
- The clause by the parties to waive any action based on the fulfilment and/or termination of Mr Cuvillier's roles within the Group, and
- The fact that this proposal follows the principles and spirit of the Group's benchmark corporate governance code.

AGREEMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been advised of any agreement previously approved by the Shareholders' Meeting which remained in force during the year.

Paris-La Défense, March 24, 2021
The Statutory Auditors *French original signed by*

Deloitte & Associés
Emmanuel Gadret Emmanuel Proudhon

Ernst & Young Audit
Jean-Yves Jégourel Antoine Flora

5.8 OTHER INFORMATION

5.8.1 SUPPLIER AND CUSTOMER PAYMENT DATES

5.8.1.1 SUPPLIER PAYMENT TERMS FOR UNIBAIL-RODAMCO-WESTFIELD SE

	Article D. 441 I.-1°: Supplier invoices due and not paid as at 12/31/2020					
	0 day	Between 1 day and 30 days	Between 31 days and 60 days	Between 61 days and 90 days	More than 91 days	Total (1 day and more)
(A) Period of late payment						
Number of invoices concerned	220	17	15	10	150	192
Total of all invoices concerned including VAT in € thousands	2,889,732	375,689	81,219	-132,142	548,590	873,357
Percentage of the total amount of purchases including VAT in the year	1.03%	0.13%	0.03%	-0.05%	0.20%	0.31%
(B) Invoices excluded from (A) and related to litigious and unrecognised debts						
Number of invoices excluded	0					
Total amount of all invoices excluded in € thousands	0					
(C) Payment periods used (contractual or legal payment period - article L. 441-6 or article L. 443-1 of the French Commercial Code)						
Payment terms used for the calculation of the late payment						- Contractual payment periods x - Legal payment periods

5.8.1.2 CUSTOMER PAYMENT TERMS FOR UNIBAIL-RODAMCO-WESTFIELD SE

	Article D. 441 I.-1°: Customer invoices due and not paid as at 12/31/2020					
	0 day	Between 1 day and 30 days	Between 31 days and 60 days	Between 61 days and 90 days	More than 91 days	Total (1 day and more)
(A) Period of late payment						
Number of invoices concerned	5	87	75	45	1,054	1,261
Total of all invoices concerned including VAT in € thousands	164	5,224	-491	69	15,244	13,906
Percentage of the revenue including VAT of the year	0.09%	2.95%	-0.28%	0.04%	8.60%	11.31%
(B) Invoices excluded from (A) and related to disputed and unrecognised receivables						
Number of invoices excluded	0					
Total amount of all invoices excluded in € thousands	0					
(C) Payment periods used (contractual or legal payment period - article L. 441-6 or article L. 443-1 of the French Commercial Code)						
Payment terms used for the calculation of the late payment						- Contractual payment periods x - Legal payment periods

5.8.2 RESULTS FOR UNIBAIL-RODAMCO-WESTFIELD SE OVER THE PAST FIVE FINANCIAL YEARS

	2020	2019	2018	2017	2016
Capital at year-end					
Share capital (in € thousands)	692,362	691,893	691,443	499,283	496,969
Number of shares outstanding	138,472,385	138,378,605	138,288,601	99,856,676	99,393,785
Number of convertible bonds outstanding	1,798,716	1,798,716	3,182,968	3,184,318	3,218,937
Results of operations (in € thousands)					
Net sales	164,924	185,524	164,797	52,684	97,723
Income before tax, depreciation, amortisation and provisions	603,363	1,364,662	2,741,600	1,220,448	657,816
Corporate income tax	(382)	(115)	0	(30,593)	2,951
Net income	(2,691,033)	(46,426)	1,457,493	1,191,830	543,367
Distributed profit	0[(1)]	747,356	1,493,901	1,079,164	1,018,336
Per share data (€)					
Income after tax, before depreciation, amortisation and provisions	4.36	9.86	19.83	12.53	6.59
Income after tax, depreciation, amortisation and provisions	(19.43)	(0.34)	10.54	11.94	5.47
Per share dividend	0.00[(1)]	5.40	10.80	10.80	10.20
Employee data					
Number of employees	1	1	1	1	1
Total payroll (in € thousands)	1,204	2,061	(2,834)	11,930	5,661
Total benefits (in € thousands)	1,493	2,584	478	5,676	2,884

(1) To be submitted to the next Annual General Meeting to be held in on May 12, 2021, on the basis of 138,472,385 shares as at December 31, 2020.

CHAPTER 6

Risk factors and internal control

6.1 RISK MANAGEMENT FRAMEWORK

6.1.1 RISK MANAGEMENT POLICY AND ORGANISATION

The Risk Management Policy at Unibail-Rodamco-Westfield ("URW" or "the Group") is designed to:

- Identify and analyse the main potential threats in order to anticipate risks proactively;
- Secure decision-making and Group processes to achieve business objectives;
- Create and preserve the Group's value, assets, brand and reputation;
- Ensure consistency of decisions with the Group's values and strategy;
- Bring the Group's staff together behind a shared vision of risk management.

URW is based on a matrix organisation within five regions: Central Europe, Southern Europe, the UK, Northern Europe and the US, composed of 12 countries (Austria, Czech Republic, Denmark, France, Germany, The Netherlands, Poland, Sweden, Slovakia, Spain, the UK and the US) under the stewardship of five regional Chief Operating Officers, and a Corporate Centre organised around five main functions, i.e. Developer, Owner, Operator, Resourcer and Financer. The decision-making process is accomplished through committees and collegial decision-making. The segregation of duties within URW is based on the separation between execution and control. URW does not outsource core activities, except for some parts of its IT system. In five regions, the Group's main activities are investment and divestment, asset management, operating management (including leasing and property management), construction, refurbishment and exhibition management, which are briefly described below. The organisational structure is also based on a set of delegations that define the roles and responsibilities of managers. Moreover, URW utilises internal committees where decisions are based on a risk analysis approach.

MAIN ACTIVITIES OF THE GROUP INCLUDING CORE PROCESSES AND SUPPORTING FUNCTIONS

INVESTMENT/DIVESTMENT AND DEVELOPMENT

Investment is one of the major processes at URW as it is one of the first steps in the value creation process. It starts with deal sourcing (the search for market opportunities), which is based on brokers, off-market relationships, and connections with local communities. Once an investment opportunity is identified it undergoes a strict review and approval procedure with multiple steps through compliance and demanding internal decision-making processes, in alignment with URW's investment strategy.

Under the supervision of the Chief Investment Officer (CIO), the Investment Department is responsible for the value creation process and is in charge of evaluating and advising periodically on the basis of the aforementioned information whether the property needs to be disposed of or not.

For divestments, a highly structured process is in place to provide the most complete and accurate information (data room) to maximise the selling price and minimise the guarantees and representations.

For the development of new property, each region has its own Development Department, which manages development projects in relation with the Corporate Centre. The decision-making process is applicable as mentioned above. Construction is ordered and executed (preparation of bid tender, call for offer, selection of building contractors, etc.) under the responsibility of the CIO, the Managing Director of Development and the regional Chief Operating Officers. Construction is undertaken by experienced construction companies, which are managed and controlled by a professional third-party design and project management team.

ASSET MANAGEMENT

Under the responsibility of the five Chief Operating Officers reporting to the CEO, this activity focuses on value creation in URW's asset portfolio and consists of defining the strategy for each asset (5-year business plan). In line with the contract terms and conditions, the Accounting Department invoices and collects the rents and pays expenses related to the management of the building.

OPERATING MANAGEMENT

Operating Management is organised and managed at the regional level by their respective Chief Operating Officer. It mainly focuses on property leasing, implementation/monitoring of the 5-year business plan and property management including security and technical maintenance (facility management).

CONVENTION & EXHIBITION MANAGEMENT (C&E)

C&E management includes activities such as letting areas in URW's exhibition site portfolio to exhibition organisers as well as mandatory services (technical installations, electricity) and ancillary services (parking facilities, WIFI connection).

CONSTRUCTION AND REFURBISHMENT

Construction and refurbishment consist of the following activities:

- Control of construction costs and management of construction contracts;
- Definition of the Group CSR development policy;
- Selection and monitoring construction and refurbishment companies;
- Supervision of construction until grand opening.

6.1.2 GROUP ENTERPRISE RISK MANAGEMENT (ERM) FRAMEWORK

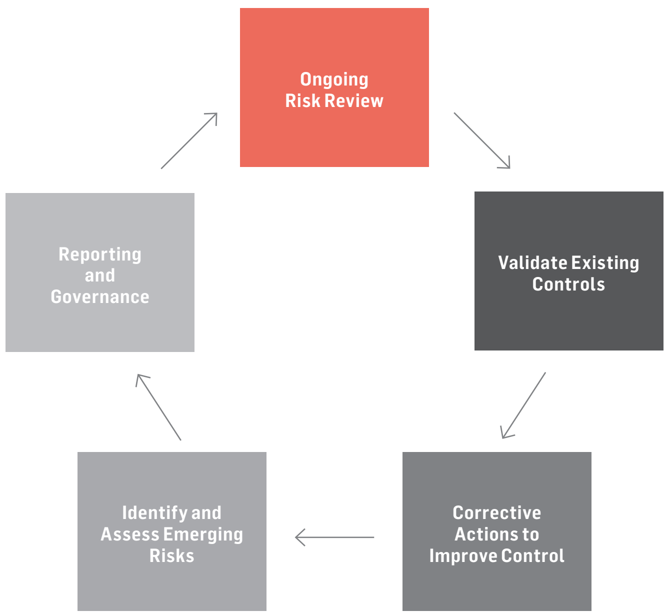
Since the completion of the Westfield transaction in June 2018, the Enterprise Risk Management ("ERM") framework has continued to evolve. All key risks have been reviewed and assessed internally, and action plans for improvement have been established. Ten identified key risks were presented to and reviewed by the Audit Committee and Supervisory Board in 2020. In addition, a dedicated review detailing the impacts of the first wave of the COVID-19 outbreak was presented to the Audit Committee Chairman.

Our ERM framework focuses on:

- Risks inventory;
- Risk control methodology;
- Risk mapping;
- Governance;
- Functional organisation.

URW has a Group-wide robust Risk Management programme providing reasonable assurance on levels of control. It remains oriented towards ongoing and continuous risk assessment and improvement in controls.

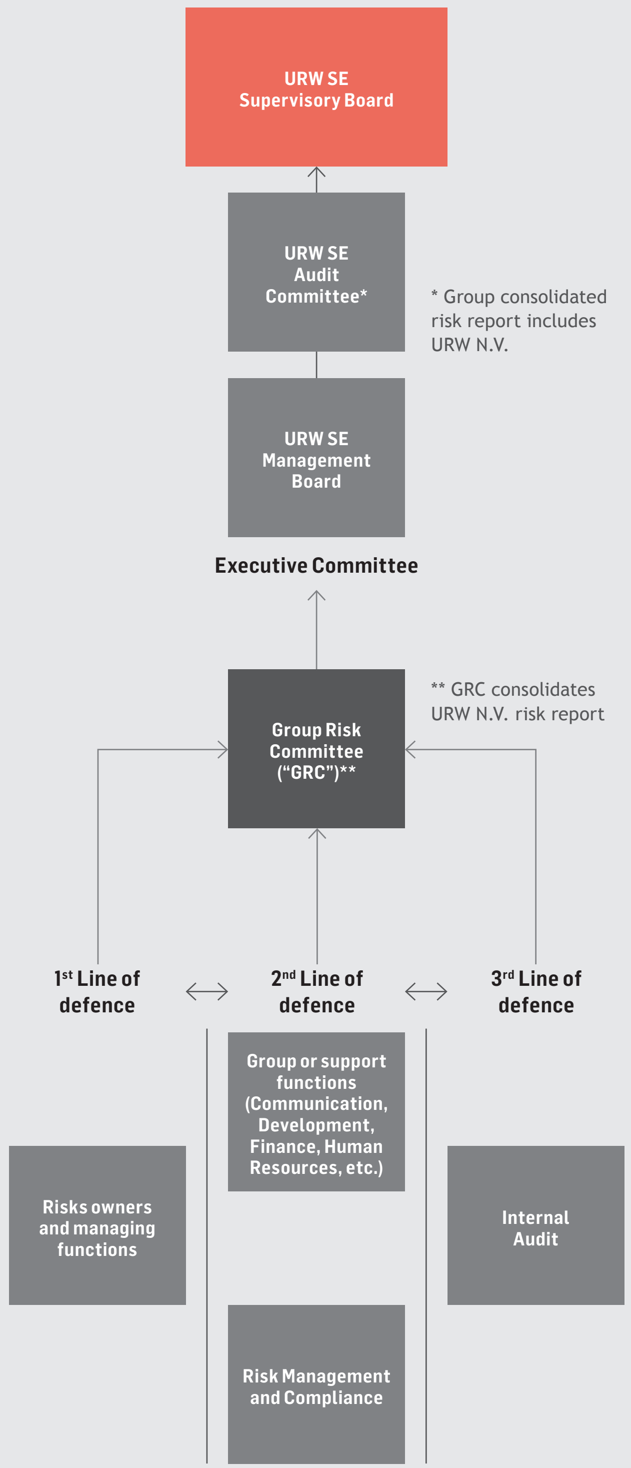
OVERVIEW OF GROUP ERM KEY RESPONSIBILITIES



Governance continues to enhance and support the importance of ERM by establishing oversight responsibilities. URW has worked on the alignment and coherence of the Risk Management governance bodies, considering market best practices, regional and sector benchmarks and market investors' expectations.

On December 6, 2018, upon the recommendation of the Audit Committee ("AC"), the Supervisory Board ("SB") approved the Risk Management framework. In 2020, three AC and SB meetings related to risk management took place. To prepare for these meetings, four preparatory calls were organised with the AC Chairman and risk owners.

The URW ERM framework and three lines of defence are organised as follows:



Overview of the three lines of defence in line with COSO ERM standards.

To detect main specific Group risks and design appropriate risk management measures in relation with any unique local consideration, the Group's ERM framework includes a local US Risk Management Committee.

The responsibilities of this local committee include:

- Support the development of a risk culture within the regions, promoting open discussion regarding risk and integrating Risk Management into the organisation and among employees;
- Providing input to management regarding the URW platforms' risk appetite and tolerance;
- Embedding ERM in all activities within the business;
- Discussing the identification and evaluation of risks with local risk owners;
- Supporting improvement in risk control, management measures and monitor action plans;
- Reviewing risk initiatives against the Compliance Book to align assessment and establish training priorities;
- Remaining aware of any material evolution of an existing risk or any new or emerging risk;
- Providing validation in preparation for review by the Group Risk Committee.

The Group Risk Committee ("GRC") handles risk monitoring at Group level. It is composed of the following senior executives:

Chief Resources Officer (Chairperson)

- Chief Financial Officer
- Group General Counsel
- Group Director of Security, Risk and Crisis Management
- Group Director of Internal Audit and Group Compliance Officer
- Head of Risk Management Europe
- Director Business Resilience & Risk Management US
- Risk Owners as required

The primary responsibility of the GRC is to oversee and approve the Group-wide risk mapping and key management measures and to assist the Management Board ("MB") in:

- Establishing that all executive teams have identified and assessed the risks that the Group faces in all regions where it operates and established a risk management system to address those risks;
- Validating the level of control over a given risk and, in conjunction with the MB and/or other internal committees, validating that such risks are in line with the Group's Risk strategy;
- Ensuring that the division of risk-related responsibilities for each risk owner is clearly defined, and that risk owners are routinely performing risk assessments and gap analysis to maintain awareness of all risks;
- Elevating to the MB and SB any emerging and developing risks.

To fulfil its responsibilities and duties, the GRC:

- Supports the development of a risk culture within the Group, promotes open discussion regarding key risks, integrates Risk Management into the organisation's objectives and compensation structure, and creates a corporate culture such that people at all levels manage risks rather than ignoring them or accepting them without proper risk analysis;
- Provides input to management and the Executive Committee regarding the Group risk appetite and tolerance;
- Monitors the organisation's risk profile (risk mapping);
- Approves the Risk Management policy and plan, which includes:
  - the Company's Risk Management structure;
  - standards and methodology applied to assess risks;
  - risk management measures (Risk Management guidelines);
  - training and awareness programmer or information.

The GRC duties and action plan are presented at least on a yearly basis to the MB, AC and SB.

The Risk Management Organisation reviewed the Group's key risks and associated action plans in collaboration with risk owners. Review and challenge of key risks by the AC and SB continues into 2021.

A description of the key risks monitored by this internal control system is outlined below. The GRC met four times in 2020. Its main achievements are:

- The review of the Group's risk mapping;
- The review of the first wave of COVID-19 impacts on the Group's 15 risks;
- The review and follow-up of action plans;
- The approval of a Group approach in terms of business continuity plans;
- The review and feedback of the first wave of COVID-19 Group crisis management response.

6.1.3 INTERNAL CONTROL SYSTEM

The Group's internal control system covers all of the Group's activities and geographies. It is based on a set of principles that aim to provide reasonable assurance that the following internal control objectives are met:

- Transactions are executed effectively and optimised;
- Property assets are protected;
- Financial information is reliable; and
- All operations comply with prevailing legislation, external regulations and URW's internal rules.

The Group's internal control system is in line with the general principles of the Internal Control System reference framework by the AMF (Autorité des Marchés Financiers: the French financial market authority) working group and is based on:

- Standardised procedures;
- Accountability of managers in charge of the business, finance and control;
- A committee-based decision-making process for acquisitions, disposals and refurbishment/construction projects; and
- Segregation of duties between the execution and control.

The Group's control environment detailed in the Compliance Book for Governance, Organisation & Corporate Rules describes:

- The Group organisation structure: a matrix organisation with a double reporting line at corporate and regional levels, including the US platform;
- Governance for Unibail-Rodamco-Westfield SE and its subsidiaries as well as for Unibail-Rodamco-Westfield N.V. ("URW N.V.") and its subsidiaries;
- A framework of core processes and internal rules covering investment and divestment, development, leasing activities and support functions, notably Treasury and Human Resources;
- A Code of Ethics, reshaped in 2020, covering the Group's core values and rules of conduct, with particular emphasis on ethical behaviour, prohibition of corruption, conflicts of interests, confidentiality and transactions involving the Stapled Shares; and
- An Anti-corruption programme which includes among other things, a due diligence process before entering into business relationships with third parties.

In addition to the Compliance Book, the Group's control environment comprises:

- Job descriptions and an appraisal system based on performance targets;
- A set delegation of authority and responsibility rules and limits that span all the Group's activities and which should be finalised in the US;
- Specific procedures applicable at the corporate level and in the different regions where the Group is present; and
- Fewer formal instructions and recommendations that nevertheless form an integral part of the internal control system.

The internal control system assessment is carried out by the Group Internal Audit Department (composed of eight FTE located in France and in the US), which conducts regular assignments looking at all of the Group's business units in line with the annual audit plan approved by the MB and the SB.

The Group CEO or (the Chairperson of) the AC can also ask the Group Internal Audit Department to carry out 'flash' assignments in order to provide a rapid response to urgent issues and/or the treatment of new risks or problems. Final audit reports are addressed to the MB and to each department involved in the audit. A summary of audit findings is provided to the AC on a quarterly basis.

URW's Internal Audit Charter sets out the different missions of the audit function. To ensure its independence, the Internal Audit Department reports to the Group CEO and to the Chairman of the AC.

A description of the main risks monitored by this internal control system are set out hereafter.

6.2 MAIN RISK FACTORS

In accordance with European Regulation No. 2017/1129 of June 14, 2017 on the prospectus to be published in the event of a public offering of securities or with a view to the admission of securities to trading on a regulated market, risk factors presented, hereafter, are limited to specific risks of the Group and remain significant after application of the risk management measures.

Nevertheless, the risk factors discussed in this section are not exhaustive and there may be other risks, either potential unidentified or emerging/developing identified risks, or risks not specific enough to the Group and/or of which the occurrence is not considered likely to have a material adverse effect on URW, its operations, financial position and/or results, share price or guidance/outlook as at the date of filing of the Universal Registration Document. In addition, given the geographical scope of URW activities, the potential impact of a same type of risk may differ from one country to another.

The Group risk mapping is reviewed and updated, if necessary, on a recurring basis under the supervision of the Group Risk Committee. The Group risk mapping is discussed by the Audit Committee and the Supervisory Board.

6.2.1 RANKING OF THE MAIN SPECIFIC RISK FACTORS

The Group risk inventory, used for Group risk mapping, is composed of 15 Group-specific risks organised into five categories. The risks presented below are ranked within each category in descending order of impact to the Group (first ones being the most impactful) and probability.

This ranking is based on:

(i) the potential net impact corresponding to the potential (financial/legal/reputational) impact after risk management measures have been put in place (net impact), and

(ii) the potential net likelihood of the risk event, after risk management measures have been put in place (net likelihood).

This ranking, and specifically the likelihood, is the result of the Group management assessment performed through the ERM Framework described in Section 6.1.2 Group Enterprise Risk Management ("ERM") framework of the 2020 Universal Registration Document ("URD") and depends on the subjective assessments of management.

Legend used below:

Rating			
Net impact	●●● High net impact	●●○ Medium net impact	●○○ Low net impact
Net likelihood	■■■ Likely	■■□ Possible	■□□ Unlikely

Risk Factors categories	Risk Factors	Rating after risk management measures: Net impact	Net likelihood	Section
Category #1: Business sector and operational risks	Retail market evolution/disruption	●●●	■■■	6.2.2.1.A
	M&A, investment and divestment	●●●	■■■	6.2.2.1.B
	Leasing and commercial partnerships	●●●	■■■	6.2.2.1.C
	Development, design and construction management	●●●	■■□	6.2.2.1.D
	IT System and data: continuity and integrity	●●○	■■□	6.2.2.1.E
	Brand and reputation	●●○	■□□	6.2.2.1.F
Category #2: Financial and tax risks	Access to capital and financial market disruption	●●●	■■■	6.2.2.2.A
	Risk related to financial forecast and guidance	●●●	■■□	6.2.2.2.B
	REIT status and tax compliance	●●○	■□□	6.2.2.2.C
Category #3: Environmental and social responsibility risks	Recruitment, retention and succession plan	●●●	■■■	6.2.2.3.A
	Climate change and societal risks	●●○	■□□	6.2.2.3.B
Category #4: Security, health and safety risks	Terrorism and major security	●●●	■■□	6.2.2.4.A
	Health and safety	●●●	■■□	6.2.2.4.B
	Pandemic only	●●●	■■■	
	Natural disasters only	●●●	■■□	
Category #5: Legal and regulatory risks	Legal and regulatory	●●○	■■□	6.2.2.5.A
	Corruption, money laundering and fraud	●●○	■□□	6.2.2.5.B

6.2.2 DETAILED MAIN RISK FACTORS

6.2.2.1 CATEGORY #1: BUSINESS SECTOR AND OPERATIONAL RISKS

A. RETAIL MARKET EVOLUTION/DISRUPTION

As global developer and operator of commercial assets, any mid- to long-term deterioration in economic conditions with implications for the leasing market and/or investments may have a significant impact on the level of the Group's activities, the value of its assets, its results and its investment and development strategy.

As at December 31, 2020, the Group had a portfolio valued at €56,314 Mn of which 85% are in retail (87 Shopping Centres including 53 flagships in the most dynamic cities in Europe and in the US) presented in two continents and in 12 countries, welcoming 1.2 Bn visitors in 2019. Considering its real estate profile and exposure, the Group's results of operations and/or its core business strategy could be adversely affected by its inability to continue to lease space in its assets on economically favourable terms, to adapt its offer and customer experience to new trends and expectations, or to develop and implement new business models, or by tenant default. At a macro-economic level while "recent vaccine approvals have raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook[(1)]". The International Monetary Fund ("IMF") has estimated a global growth contraction for 2020 at -3.5%[(1)]. Economists predict the global economy will grow 5.5% in 2021 and 4.2% in 2022[(1)]. The recovery is projected to vary significantly across countries, depending on access to vaccines, effectiveness of policy support, exposure to cross-country spillovers and structural characteristics entering the crisis. Analysts anticipated -6.5% in Continental Europe, -10% in the UK and -4.3% in the US of GDP (Gross Domestic Product[(2)]) decreases for 2020 and respectively predicts +3.9%, +3.3% and +3.7% in 2021. Society and consumption are also evolving very significantly (people will live, work and buy differently post-lockdown, and be more mindful of their choices, etc.). Analysts anticipate a 1.3% inflation rate in Continental Europe, 2.3% in the UK and 1.6% in the US of the CPI (Consumer Price Index[(2)]) for 2021. In addition, unemployment rates could significantly impact the Retail Market business, and analysts anticipate higher unemployment rates[(2)] for 2021 in Continental Europe (7.6%), in the UK (7.3%) and in the US (6.2%).

World-wide, the e-commerce business increased by 17% in 2019 and analysts predict an increase of 22% in 2020 compared to 2019 (respectively in Continental Europe by 17%, in the UK by 21% and in the US by 18%[(3)]).

It is difficult to predict the extent to which these trends will continue, even after the COVID-19 pandemic is neutralised, however analysts predict a slowing increase of e-commerce sales at world level in 2021 to 8%, in Continental Europe to 7%, in the UK to -2% and in the US to 9%[(1)].

Recovery paths vary within regions: the US is projected to regain 2019 activity levels in the second half of 2021, while Continental Europe and the United Kingdom activity is expected to remain below 2019 levels into 2022.[(1)]

However, the resurgence of infections at the end of 2020, in particular due to new variants of the virus emerging, the measures of lockdowns and curfews, the logistic difficulties of the vaccines distribution and the uncertain effects of its acceptance may modify these forecasts.

The value of the Group's real estate assets (calculated using the fair value method) is sensitive to variations in the appraisers' principal assumptions (yield, rental value, occupancy rates) and is, therefore, subject to material variations that may impact the Group. The rental income of some Group assets may depend on flagship stores/department stores and could suffer a material adverse impact if one or more of these tenants were to terminate their leases, fall into bankruptcy or equivalent scheme triggering financial impacts or fail to renew their leases, and/or their location were considered to lack attractiveness, and/or in the event of consolidation between these retail sector companies.

Overall, FY-2020 footfall figures were heavily impacted by the lockdowns and the restrictions imposed by governments. In all countries and because of 'work from home' recommendations, footfall was more heavily impacted in shopping centres situated in or close to business districts and/or connected to public transport hubs.

In Europe, FY-2020 footfall decreased by -37%. The UK was the most impacted country with -52% because of the centre locations, relatively strict restrictions and strong emphasis on working from home. In the US, due to data limitations, footfall is not available for all centres[(4)]. For those assets for which reliable data is available, weekly footfall in the fourth quarter when all centres had reopened, varied between c.52% and 62% of the previous year. The Californian centres in particular have been impacted by the "Regional Stay at Home Order".

As at December 31, 2020, 44% of the Group's European centres by value were closed, except for 'essential' stores, while all US centres were open.

As at February 10, 2021, 69% of the Group's European centres by value were closed, except for 'essential' stores and 52%[(5)] at Group level.

(1) Source: IMF, World Economic Outlook Update, January 2021.
(2) Source: European Commission, Bloomberg as at January 18, 2021.
(3) Source: Euromonitor E-Commerce Data.
(4) Only includes centres (20) for which at least one year of comparable Springboard of ShopperTrak data is available.
(5) By Gross Market Value ("GMV").

Main Risk factors	Main Risk management measures
• Continued changes in the retail sector due to competition from online retail as well as demographic and cultural changes. Anchor department stores and many fashion retailers may change their brick and mortar strategies including store closures; • Inability to adapt to quickly changing shopper and retailer preferences, office and convention exhibition patterns and preferences, could negatively impact achieving leasing and revenue targets which could have an adverse impact on overall Group financial results; • URW's current strategy may fail to meet changing retail and real estate market conditions; • Competition with other participants in the real estate industry could have an adverse impact on Group income and its ability to acquire properties, develop land and secure tenants effectively.	The Group has put in place numerous measures to adapt to new consumer trends and attract them: • Annual research performed in each geography (Europe and the US) to understand and anticipate shifts in retail, demographic and cultural changes; • Merchandising and positioning assessments for each flagship asset to future proof the strategy of the asset and adapt the retail mix to new needs; • Close collaboration with retailers to understand their strategy; • Expansion of leasing into new types of tenants, including more Food & Beverage, Entertainment, Health & Wellness, Luxury as well as Digital native vertical brands DNVBs; • Dedicated redevelopment plan including development of event spaces, digital infrastructure and modular tenant spaces (white boxes for pop-ups); • Development of new delivery channels in response to sanitary restrictions/closing (click and collect area, "Drive@Westfield"); and "The Pass@Westfield" in all French Westfield shopping centres to help visitors plan their shopping by booking a slot at their favourite retailers (200+ participating tenants); • Continued development of shopper services to adapt to new customer expectations and shopper preferences; • Loyalty programmes and events in malls to enhance the customer shopping experience, secure URW's share of wallet and improve customer profiles and journey in the mall; • Disposal of non-core or non-competitive assets according to the divestment programme[1].

B. MERGERS & ACQUISITIONS, INVESTMENT AND DIVESTMENT

Part of URW's core business model is value creation through investment and divestment of assets. The profitability of these transactions depends on the accuracy of initial financial assumptions, market conditions (including available financing and investors' appetite), tax environment, quality and attractiveness of assets, and legal and regulatory considerations.

The Group may face a risk of illiquidity of the market which may imply inability to achieve the targeted timing for disposal and/or to obtain satisfactory pricing terms and/or not achieve the full execution of its disposal programme. The execution of the disposal programme may be subject to the satisfaction or waiver of JV partners approval and obtention of merger control approval. There is no certainty that these conditions will be satisfied or waived in the necessary timeframe and therefore disposal may be delayed or not complete.

In addition, a slowdown of the investment market or degraded market conditions as well as the potential for a prolonged global recession could negatively impact the availability of capital and may further challenge URW's ability to implement its disposal programme and/or to develop JV partnerships.

As at December 31, 2020, the evolution of the Group asset portfolio valuation reflects the impact of COVID-19: €65,341 Mn as at December 31, 2019, €60,350 Mn as at June 30, 2020, €58,334 Mn as at September 30, 2020, and €56,314 Mn as at December 31, 2020.

The COVID-19 pandemic may affect the attractiveness of URW assets that have been identified for divestment and have suffered a negative impact as investors may reassess their overall strategy and risk appetite. As the retail market remains under adverse pressure due to uncertainty related to COVID-19, appraisal values of Shopping Centres could be lowered.

If the asset disposal plan is not completed in due time or for the announced amount of proceeds, there may be an adverse impact on the reputation of the Group and/or the market price of the Stapled Shares due to amplified media scrutiny in connection with public announcement of the disposal plan.

Main Risk factors	Main Risk management measures
• Misalignment with Group strategy and incorrect underwriting (asset valuation and forecast); • Information leakage and market rumours; • Failure to execute the announced €4 Bn disposal plan.	• Group decision-making process closely involves the Management Board and Supervisory Board for major projects based on internal rules and corporate charters; • Project teams closely involved in the transactions in order to determine whether the transaction is worth investigating and pursuing. Legal, financial, technical and commercial reviews of these transactions are always presented to an Investment Committee for approval before any binding commitment; • Due diligence carried out with the assistance of external advisors; • Recurring strategic review between MB and SB to ensure full alignment on Group strategy.

For further information related to investments/divestments, please refer to Section 4.1.2 Investments/Divestments of the 2020 URD.

(1) Refer to 6.2.2.1.B – M&A investment/divestment risks.

C. LEASING AND COMMERCIAL PARTNERSHIPS

As a real estate company holding with one of the largest asset portfolios in the world, letting and rent collection is the core business of the Group. In an ever more complex economic environment the Group's ability to achieve leasing targets at the expected level of rent, and then collect rents depends on the solvency of its tenants (retailers).

The COVID-19 outbreak (designated as a pandemic by the World Health Organization on March 11, 2020) had varying levels of consequence on the Group's financial results depending on the number and size of the assets concerned and the scope and duration of the measures taken directly impacting the Group's assets segment (such as opening restrictions, total temporary closure of Shopping Centres and rental and costs postponement, as is the case in some countries where the Group operates). As at the date of filing of this Universal Reference Document the situation was still changing significantly. Please refer to Section 6.2.2.4.B.

The opening restrictions, temporary closure of Shopping Centres and venues, in addition to health and safety measures imposed in the countries where the Group operates have negatively impacted the retailers' sales and created a risk of a potential increase in retailer insolvencies and bankruptcies. The outbreak-related health and safety measures implemented are likely to have direct consequences on letting and rent and/or service charges collection by the Group, or standing leases renegotiations at the tenant initiative, which may have a significant adverse effect on its financial results depending on the number and size of the assets concerned, the scope and the evolution of the situation. As at January 31, 2021, 84% of invoiced FY-2020 rents and service charges had been collected in Europe and 70% in the US, representing 80% overall the Group[(1)]. The remaining 20% corresponding to 10% of rent relief granted to tenants and 10% of overdues or deferrals, out of which 7% are covered by provisions for doubtful debtors.

The resurgence of infections at the end of 2020, in particular due to new variants of the virus emerging, the measures of lockdowns and curfews, the logistics difficulties of the vaccines distribution and the uncertain effects of its acceptance may accentuate these trends. As at January 31, 2021, 56% of the January 2021 rents have been collected, impacted by lock-downs in a number of regions since the beginning of the year.

Main Risk factors	Main Risk management measures
• Improper management of rent relief, store closings, and tenant allowances (as at December 31, 2020, the Group estimates it is close to 90%[(2)] through the rent relief negotiation process in Europe, 87%[(3)] in the US. In total in Europe, the cash impact of rent relief for 2020 corresponds to 1.6 months, 2.1 months in the US. The Group granted a total of €313 Mn[(4)] of COVID-19 related rent relief); • Tenant financial insolvency/default and store closings (for the Group, as at December 31, 2020, tenant bankruptcies affected 652 stores representing 422,000 sqm of retail and 5.2% of the stores in the total URW's portfolio. In Continental Europe 322 out of 7,592 stores; in the UK 62 out 785 stores and in the US 268 out of 4,137 stores). The total accounts receivable[(5)] from the Group's tenants increased by +€92.2 Mn vs. December 2019; • Failure to achieve Group synergies in terms of leasing and commercial partnerships targets.	• Leasing targets (e.g. prices, deadlines and prospective tenants) are defined within each region of the URW Group in collaboration with a Group level team and approved by the Executive Committee. Major leases in terms of value and/or special terms and conditions must be internally approved in advance by Leasing Directors and Regional Managing Directors; • Regular meeting with leasing team and finance team members to review deals to ensure adequacy with Group strategy and strong internal control processes to approve allowances for tenants as well as levels of rent; • Group provided tenants flexibility on opening hours without applying contractual penalties; • Marketing campaigns around health and safety compliance; • Local frameworks to monitor solvency of new tenants and regular checks of existing tenant solvency; • Most tenants provide financial guarantees (deposit, first-demand guarantee or surety bond equal to a multiple of the monthly rent); • Robust debt collection process; • Constant review of the tenancy report (vacancies, tenants in distress, new deals, and lease expiration schedule over next three years). Development, Construction, Leasing, and Tenant Coordination; • Monthly meetings with Directors of Development, Construction, Leasing and Operating Management to monitor the progress of project completion and to adjust tenant space delivery schedules accordingly; • Implementation of a global International Leasing platform to develop the transcontinental sourcing/roadmap between Europe and US platforms.

For further information related to leasing and commercial partnerships, please refer to Sections 4.1.1 Business review of the 2020 URD.

(1) Based on cash collection as at January 31, 2021, and assets at 100%.
(2) As a percentage of MGR and includes tenants with financial terms agreed.
(3) Includes tenants with financial terms agreed.
(4) On a proportionate basis. €401 Mn at 100%.
(5) On a proportionate basis, including Shopping Centres, Offices & Others and C&E.

D. DEVELOPMENT, DESIGN AND CONSTRUCTION MANAGEMENT

As a developer, with a focus on continued differentiation and innovation strategy, URW has implemented a selective development policy focused on key iconic projects as a refurbishment pipeline in the office, shopping centre, hotel, residential, and Convention & Exhibition property segments. Moreover, the Group develops a mix-use development and densification of standing assets strategy. This development/extension/renovation pipeline involves significant investment of financial capital, human resources and senior leadership time and attention. It represents a huge opportunity in terms of capturing or protecting market share in the relevant competitive markets and of creating a flagship model to distinguish URW from the competition. Such a pipeline may, however, imply significant cost and potential inability to design appropriate assets and/or deliver in due time in compliance with the project business plan which would negatively impact the Group.

As at December 31, 2020, the development project pipeline amounted to €4.4 Bn with a total 0.7 million sqm of Gross Lettable Area ("GLA") to be re-developed or added to the Group's standing assets. 65% of the development project pipeline (€2,870 Mn) are committed (9+) projects for which URW owns the land or building rights, has obtained all approvals and based on which, such works have started. 35% of the development project pipeline (€1,520 Mn) are controlled (3+) projects in advanced stage of studies for which URW controls the land or building rights, and all required administrative authorisations have been filed or are expected to be filed shortly. There can be no assurance these will become 'committed' projects, as this will be subject to having obtained all required administrative approvals, as well as those of joint venture partners (if applicable) and of URW's internal governing bodies to start superstructure works. Besides these approvals, the Group retains the flexibility to decide to launch them, if and when appropriate. URW could, in particular, consider launching these projects with joint venture partners. €1.7 Bn has already been spent on committed projects and €0.1 Bn on controlled projects. For committed projects, €1.2 Bn is still to be invested, of which €0.4 Bn has been contracted.

Three projects representing a Total Investment Cost (TIC) of ca. €1.1 Bn (of which €0.9 Bn has been spent already) are scheduled to be delivered in 2021. The average pre-letting[(1)] stands at 87% for the retail deliveries and at 100% for the offices and others.

Main Risk factors	Main Risk management measures
• Ineffective development strategy, investment decision and approval process; • Failure to obtain required external authorisations; • Not reaching post-development leasing and revenue targets; • Failure to comply with the construction quality, costs and delivery date; • Inability to secure adequate funding for a project (through JV partner or other).	• Group's decision-making process for any investment decision for a development project; • The status of the project, its budget and returns are reviewed on a regular basis (quarterly by the Controlling Department/pipeline reviews and annual 5-year business plans by the Senior Management Team); • Process of restructuring of the US DD&C team to align with Europe model accelerated to be more agile and focused on disciplined processes and cost containment. On-going transition of business models for the US and the UK to come closer to Europe business models; • Accelerating plans to move towards more mixed-use projects; • Third-party specialist advisors and consultants are employed throughout the pre-development phase to assist in identifying potential hurdles with external stakeholders and developing action plans to successfully navigate the issue; • Employment of construction experts within its own organisation who ensure design specifications, control of construction and renovation costs comply with the Group's Environmental Quality Charter and any regulations applicable to owners; • Pre-orders of materials in anticipation of reopening and recommencement of construction activities in all locations after COVID-19 first wave; • Strong third parties claim management process. In addition, insurance policies cover Group responsibilities; • For projects developed with a JV partner, pre-development design and construction plans, pro-forma leasing estimates and returns, and construction time schedules are developed and shared with JV partners to increase the quality of the relationships, mitigate misalignment with JV partners and ensure successful funding of the project; • Clear communication to JV partners/stakeholders regarding any project delays during COVID-19 first wave to ensure a good relationship.

For further information related to the Development Pipeline, please refer to Section 4.1.3 Development Projects as at December 31, 2020, of the 2020 URD.

(1) GLA signed, all agreed to be signed and financials agreed.

E. INFORMATION TECHNOLOGY SYSTEM AND DATA: CONTINUITY AND INTEGRITY

To support URW Business & Digital objectives, the Group IT Department strongly partners with all business units to provide and maintain the technology to suit business needs. Overall, the Group IT Department provides more than 100 applications and supports more than 4,000 users throughout the Group.

As all business units strongly rely on IT, the latter is required to be continuously available and data must be protected at all times, from internal and external threats as well as accidental events.

In the event of such risk occurring within URW, these would lead to a partial or complete unavailability leading to process and activities disorganisation, and/or regulatory impacts (market regulation, personal data protection).

Main Risk factors	Main Risk management measures
• Cyber-risk and Inadequacy between IT and cyberthreats; • Unavailability of critical IT systems; • Incapacity to guarantee the integrity of data and reports generated by IT systems; • Inadequacy between IT and business needs/operations.	URW's IT risk management approach is largely based on: • Strong governance involving IT, Risk Management, Legal, Internal Audit, Business stakeholders and Management to review IT activities and investment, including a dedicated committee to also monitor cyber-risks on daily operations; • Information Systems Security strategy and technology designed and rolled out to prevent cyber-risks, detect security incidents, and respond quickly to remediate cybersecurity incidents; • Integration of cybersecurity aspects in all IT projects and contractual commitments with IT vendors; • A Group Cyber Crisis framework is in place, with specific response procedures in case of a major IT security event/crisis, and are linked to the GDPR/CCPA Data Breach notification process; • Regular IT audits are carried out to test our protective and detective measures; • IT Disaster Recovery Plan implemented, and tested, on a yearly basis.

F. BRAND AND REPUTATION

The Westfield brand and URW's reputation are valuable assets which provide competitive advantages with respect to consumers, retailers, investors, and prospective employees among others. Due to the new Group marketing strategy which included the implementation of a global "Westfield" brand for the Group's Flagship and other eligible assets, the Group has heightened awareness that any risk that potentially creates negativity or damages its reputation could negate these competitive advantages. Incidents such as terrorism and major security incidents, corrupt or illegal behaviour, breaches of trust or integrity, involvement in a controversial project, or a social media crisis (as at December 31, 2020 the Group's apps have been downloaded 2.8 million times and URW has 7.6 million followers on social media) are examples.

As at December 31, 2020, the Group operates 87 Shopping Centres including 53 Flagships and 39 Westfield branded assets. Consumer loyalty (representing more than 12+ Mn customers world-wide) could be impacted if, despite the health and safety measures in place, there are perceptions that URW Shopping Centres are not safe and clean or not in compliance with health and safety mandates. The brand could be further impacted negatively if large retailers with multiple staff were to face an outbreak within the Group's centres, as the public may perceive URW as being responsible. Retailer/client relations may impact the Group's reputation should it be inconsistent in dealing with requests for lease negotiations.

Main Risk factors	Main Risk management measures
• Inability to develop and maintain the Westfield brand success story in support of the global flagship strategy; • Failure to implement a clear, legal and responsible consumer data policy; • Failure to properly respond and manage crisis event on media, social network, etc.	• Globalisation of the marketing strategy with the Westfield brand leverage and marketing management at Shopping Centre level to facilitate the adaptation; • Focused and measured approach in place for the rebranding in Europe, definition of "50 attributes" to comply with the Westfield brand standard; • External agency for new creative development in Europe to develop a new creative campaign to establish the Westfield brand; • Data privacy GDPR and CCPA regulation or anti-corruption regulations covered by specific frameworks in place (see Section 6.2.2.5.A Legal and Regulatory risks); • Social media monitoring; • Communications campaigns during COVID-19 outbreak with "Kindness Together" in Europe and "Westfield Cares" in the US to support dozens of COVID-19 response initiatives; • Successful reopening marketing campaigns in two phases (#WorkingTogether and #BackTogether); • Corporate Communications team to manage communications with media and/or social media and support the Crisis Management team via a formal framework, policies and procedures; • Incident response plans, coupled with ongoing crisis management training exercises.

(1) Refer to Section 6.2.2.5.A Legal and regulatory risks of the 2020 URD.

6.2.2.2 CATEGORY # 2: FINANCIAL AND TAX RISKS

A. ACCESS TO CAPITAL AND FINANCIAL MARKET DISRUPTION (EN ATTENTE VERSION TRÉSORERIE)

Given URW's business model as a REIT and its current level of financial indebtedness following the 2018 Westfield Transaction (as at December 31 2020, €26,385 Mn)(1), URW faces recurring needs for (re)financing for its corporate purpose including funding for the development pipeline and construction activities, large-scale capital improvement and maintenance projects for standing assets, and other potential operational financing needs. As such, URW is exposed to risks related to the availability of funds due to volatility in credit markets, exposure to fluctuations in interest rates and foreign exchange (FX), and exposure to counterparty risk that could limit access to necessary funding, and which could negatively impact operations and financial results of the Group.

Restrictions imposed to prevent the spread of the COVID-19 virus (designated as a pandemic by the World Health Organization on March 11, 2020) has limited the operations of URW in several of its markets and impacted its cash flows. It also impacted the potential interest of investors for retail asset class.

In light of the evolving situation, URW had taken precautionary measures needed to ensure its access to liquidity. As at December 31, 2020, the Group had €2,138 Mn(2) in cash on hand and €9,240 Mn undrawn credit lines, which will be used to repay debt maturities coming due in the next 12-months.

Main Risk factors	Main Risk management measures
• **Rising cost of access to funds due to increase in spreads, change of rating, appeal of the company/its sector for investors (debt and equity) or banks, dramatic increase in interest rates, adverse currency exchange rate movements, or disruption and volatility of capital markets.** Notably, the Group is exposed to: • Interest-rate risks: - May have a significant impact on financial expenses; - Although the Group's exposure to variable rates is hedged through derivatives, these hedges could be insufficient or affect the valuation of derivative instruments. • The foreign exchange rate between the Euro and other currencies impact: - the value of operational and financial expenses, and thus overall asset value, when translated into euros; - the results and/or the statement of financial position of Group. As at December 31, 2020, the non-recurring financial result was impacted by -€574.3 Mn mainly due to the mark-to-market of derivatives and exchange rate losses resulting from the revaluation of bank accounts and revaluation of debt issued in foreign currencies, partially offset by revaluation of preference shares. URW recognizes the change in value of its derivatives directly in the income statement; - the Group's ability to meet its commitments in respect of those securities and, more generally, its commitments with respect to debt.	• The Group Asset & Liability Management Committee (ALM Committee) meets on a quarterly and ad hoc basis. It receives regular information on significant changes in the financial environment; • The ALM Committee defined the Group Treasury Policy implemented by the Group Treasury Department, which manages and monitors interest rate risk and foreign exchange risk; • The Group Treasury Department regularly provides a comprehensive report on the Group's interest rates, position, exposure to foreign currency, liquidity projections, compliance with bank loans and facilities covenants, availability under the Group's committed credit lines. It also proposes (re)financing or hedging operations (if applicable), and details of any (re)financing operations or transactions (hedging operations, share buy-backs, etc.); • Internal policies and procedures maintain a conservative approach to investments and risk mitigation is not allowing for speculative positions to be put in place; • The Group exposure to FX rates fluctuation is partly hedged by either matching investments in a specific currency with debt in the same currency or using derivatives to achieve the same risk management goal; • Robust internal procedure ensuring the segregation of duties between execution of market trading and control functions of such transactions.
To hedge part of this risk, the Group uses derivatives and debt in foreign currency. Such instruments may not hedge the underlying assets or activities perfectly, and as a result changes in the currency exchange and/or interest rates may have an impact on the cash flows, the results and/or the financial position. • **Market risks**, which can generate losses as a result of fluctuations in stock markets. The Group is either: - directly exposed to fluctuations in stock prices due to the ownership of shares or financial instruments, or - indirectly exposed to fluctuations in stock prices, due to the ownership of funds, investment instruments or share-based derivatives that are directly correlated with the price of the asset underlying such derivatives • The use of financing instruments on international markets exposes the Group to extraterritorial regulations may have a significant adverse effect on the Group's overall financial results.	

(1) On an IFRS basis. €28,324 Mn on a proportionate basis.
(2) On an IFRS basis. €2,270 Mn on a proportionate basis.

Main Risk factors	Main Risk management measures
• **Limited access to funds, in case of unfavourable capital market or URW credit deterioration** The Group's strategy depends on its ability to raise financial resources, either in the form of debt (mainly bank loans, bonds, credit lines and commercial paper) or equity capital, so that it can finance its general operating requirements and its investments. Certain events such as disruption in the debt or equity capital markets; a reduction in the lending capacities of banks; changes affecting the real estate property market or investor appetite for property companies; a downgrade in URW's credit rating; deterioration of URW's financial result; a decrease in EBITDA and operating cash flows; a decline of URW's assets valuation or a change in URW's ownership structure could affect/limit the ability of the Group to raise required funding, or could increase the cost of such funding and lead to an increase in the Group's financial expenses. In addition, some financing contracts are subject to financial covenants that require the Group to respect certain financial ratios levels (including Loan to Value (LTV), Interest Coverage Ratio (ICR), FFO/Net Debt and/or debt yield ratios among others) which may be affected by the occurrence of the Group's performance deterioration, adverse market movements, or other material adverse changes. Failure to comply with any of Group' financial covenants could result in an event of default, which, if not cured or waived, could accelerate the related debt and in some cases trigger a cross default, which could have a material adverse effect on the Group's debt, including potential default on URW's debt. With regards to the Group's ratings, on November 12, 2020, following the results of the Combined General Meeting (CGM) held on November 10, 2020, rejecting the "capital increase" component of the RESET plan: • S&P downgraded URW's long-term rating from "A-" to "BBB+" with a negative outlook while maintaining the Group's short term rating unchanged at A-2; • Moody's maintained the Group's rating at "Baa1" with the outlook being changed from "stable" to rating "under review for downgrade". On March 4, 2021, Moody's downgraded URW's long-term rating from "Baa1" to "Baa2" and changed the outlook from "rating under review for downgrade" to "stable". This rating action concluded the review process that was initiated on November 12, 2020.	• Sensitivity to liquidity risk is monitored in line with the Group Treasury policy defined by the ALM Committee; • The Group Treasury Department regularly provides a comprehensive report on the Group's liquidity projections, key financial indicators and availability under the Group's committed credit lines; • Regular monitoring of convenants; • Undrawn back-up facilities €9,240 Mn[1] as at December 31, 2020; • Regular dialogue with rating agencies with a proactive monitoring of credit metrics; • Active reduction of non-staff expense and defer non-essential capital expenditure; • Diversification of sources/counterparties.
• **Reliability of counterparties or failure to monitor and manage counterparty risk** Many major international financial institutions are counterparties to the interest rate and/or foreign exchange rate and deposits contracted by the Group. In case of the default by a counterparty, the Group could: • Lose all or part of its deposits; • Lose the benefit from hedges signed with such counterparties. This could then: • Result in an increase in interest rate and/or currency exposures; • Have a significant adverse effect on the Group, its results and its financial position.	• Credit monitoring of counterparty and minimum financial ratings thresholds as condition of continued transactions.
• **Risks related to liquidity crisis, Euro break-up, country default, or political instability** Considering its level of debt and of need for (re)financing, the following risks and their potential impacts could be detrimental to the Group and could negatively affect the markets and businesses in which the Group operates: • Credit liquidity crisis; • A sovereign debt crisis; • The exit of the Eurozone or the EU by a country where the Group operates (e.g. UK/Brexit). Those risks could also negatively affect: • The Group's operations and profitability; • The solvency of the Group and of its counterparties; • The value and liquidity of the securities issued by URW.	• Regular market monitoring and sensitivity analysis to assess liquidity, rates and FX risks; • Undrawn back-up facilities €9,240 Mn as at December 31, 2020; • Diversification of sources of funding/counterparties.

For further information related to financial markets please refer to Section 4.1.5 Financial Resources of the 2020 URD.

(1) Subject to covenants.

B. RISK RELATED TO FINANCIAL FORECASTS AND GUIDANCE

The unpredictable impact of the evolving COVID-19 situation and future health and safety measures adopted by governments or local authorities, as well as the extreme volatility of market conditions are likely to create or increase risks and uncertainties on the validity of the assumptions and estimates on which forecasts and guidance prepared by the Group are based and on the level of accuracy and precision of such forecasts and guidance. The COVID-19 pandemic has had a significant impact on economic and market conditions in 2020. While the on-going roll out of successful vaccines suggests that this crisis will pass, its impact is anticipated to continue at least throughout 2021.

As at February 10, 2021, approximately 52% of URW's shopping centres are restricted from trading except for 'essential' stores.

URW's operational results will thus clearly continue to be impacted by the pandemic in 2021. The impact is likely to include further rent relief to tenants, further disruption to variable revenue streams such as SBR (Sales Based Rent), Parking or Commercial Partnerships, a longer than usual time needed to re-lease vacant units (as at December 31, 2020, 5.6% in Europe, 13.1% in the US; 8.3% at Group level), and the prospect of further tenant bankruptcies. In addition, 2021 is a likely to remain a challenging year for the Group's Convention & Exhibition and airports businesses.

Given the uncertainty regarding the duration and the severity of restrictions decided by governments and their impact on the Group's operations, URW is not providing earnings guidance for 2021. Guidance will be provided when the Group has clearer visibility on lifting of restrictions and the subsequent economic recovery.

The resurgence of infections at the end of 2020, in particular due to new variants of the virus emerging, the measures of lockdowns and curfews, the logistic difficulties of the vaccines distribution and the uncertain effects of its acceptance may accentuate these trends.

Main Risk factors	Main Risk management measures
• Failure to release financial forecasts and predict accurate guidance.	• **Decision to not publish or withdraw a financial publication;** • Standardisation of KPI definitions for items such as net/gross rental income, net service charges, etc.; • Group Glossary developed to provide common definitions; • Quarterly Flash Report (QFR) and 5-Year Business Plans (5YBP) are reviewed by the Group Controlling Department; • Forecasts are systematically compared to the budget and reviewed with Operating • Managers and Shopping Centre Managers. Regular and harmonised reporting systems are documented to ensure the detection of deviations; • Dedicated Finance teams systematically review forecast vs. budget; • External third-party auditors review the financial results for compliance with IFRS and US GAAP accounting standards; • Analytical accounting reporting on each property, event and exhibition to monitor budget execution; • Multiple checks are carried out: verification of consolidation methods and resulting adjustments, reports of external auditors analysed and Group financial statements mare reviewed by the Statutory Auditors before being presented and explained to the Management Board, the Advisory Committee and ultimately to the Supervisory Board.

C. REIT STATUS AND TAX COMPLIANCE

As an international Group, URW is subject to various taxes in the countries in which it operates. URW's aim is to be in full compliance with all tax obligations worldwide in respect of all processes and transactions it undertakes. Considering its core business and activities, as a real estate company, URW benefits from a special status as "real estate investment trust" (REIT regime) for real estate investors in five countries in which it operates (France, The Netherlands, Spain, the UK and the US). While a REIT regime leads to a lower tax rate at the level of the REIT, as a result, a REIT is obliged to distribute most of its income, which is subsequently taxable for shareholders. To the extent that URW opts to make use of such regimes, it is obliged to meet local requirements, which differ per country. Moreover, further to the Westfield transaction, the expanded tax structuring complexity combined with the new stapling principle in place between URW SE and URW N.V. raise potential risks of failure to comply with tax requirements and/or to face challenge from/litigation with one or several local tax authorities.

Any failure to comply with the material tax requirements imposed by the local REIT regimes or any material change or loss of a local REIT regime could have a significant adverse effect on the Group, its results or financial position. Although REIT opponents are of the belief that shifting the tax obligation from shareholders (REIT) to the companies holding the real estate would increase tax revenues, URW's view is that it might well lead to lower tax revenues as it would shift a certain current tax on obligatory dividends to a less certain tax revenue at corporation level. The risk described is assessed as more prominent in some European countries, whereas REIT structures are viewed more favourably in the US where the focus is on proper income classification.

More generally, the high levels of debt that governments have incurred as a result of various public subsidy programmes in dealing with the COVID-19 crisis has resulted in significant budgetary deficits. As governments look to recover from these fiscal challenges, there is a risk of an increase in taxes generally.

Given the impact of the COVID-19 pandemic on the Group's 2020 results, the ongoing uncertainty of the 2021 operating environment and its impact on URW's results, as well as the Group's commitment to deleverage, the Group has announced on February 10, 2021, to suspend the payment of a dividend for its fiscal years 2020, 2021 and 2022. Based on the anticipated statutory numbers for URW SE for those years, the absence of a dividend would be compatible with the SIIC regime.

Main Risk factors	Main Risk management measures
• Loss of REIT status or other tax benefits due to external factors; • Improper interpretation and/or application of tax law and REIT requirements; breakdown of URW processes to follow tax law and REIT requirements; • Failure on tax determination, reporting, tax remittance (other than theoretical disagreement).	• Tax employees are experienced and in a process of continuous training in order to increase awareness of potential errors; • Risk assessment of the potential loss caused by changes in tax regulation; • The Group is member of EPRA (in the EU) and NAREIT (in the US) industry groups, which promote modern and predicable REIT regimes; • Active legal teams (both internally and through external counsel review) to monitor and anticipate potential changes in REIT regimes and/or regulations as well as any changes to tax laws generally; • Review of tax calculation accuracy through consistency tests and checks reviewed internally at the Group level and through external advisory firms; • Review tax prerequisites for deals to go to the Investment Committee and explore potential to add formal sign-off processes (potentially including the Investment process) to the Compliance Book; • Tax employees are in continuous dialogue with and provide training to local colleagues to monitor and review the characteristics of ongoing operations and transactions to ensure that the REIT income thresholds are adhered to.

For further information related to tax status, please refer to Section 5.2 Note 8 "Taxes" of the 2020 URD.

6.2.2.3 CATEGORY #3: ENVIRONMENTAL AND SOCIAL RESPONSIBILITY RISKS

A. RECRUITMENT, RETENTION AND SUCCESSION PLAN

Considering the very competitive talent market (including the very low unemployment rates in some local markets) as well as the need to retain talent and knowledge required for a successful integration, URW may face important risks related to recruitment, retention and succession of talents. In addition, to successfully implement its challenging strategy and achieve its announced targets in line with the Westfield transaction, the Group relies on its people. Insufficient and inadequate human resources or inability to attract or retain talented people could prevent the Group from reaching its objectives.

As at December 31, 2020, the overall recruitment rate was 10.3%, and the total number of departures was 981 people for a global turnover rate of 22.9%.

The Group is adapting the level of resources to the reprioritisation of projects and processes simplification the Group is making, leveraging as much as possible the natural turnover and recruitment freezes. The total amount of expected savings is c. €60 Mn.

The Governance changes in 2020 showed also that the Group relies on a solid internal succession plan, at the most senior level and throughout the Group.

Main Risk factors	Main Risk management measures
• Failure to recruit appropriate talent to maintain strategic capabilities; • Failure to retain key employees; • Failure to set up and update a formal succession plan.	The Group Human Resources Department maintains its strategy to focus recruitment efforts on highly talented people with: • Developing and supporting URW's 'employer brand' in particular with an increased presence on social media; • Developing new way of working with adaptation to home office habits; • Providing tips and regular communications to employees during lockdown periods; • Maintaining (and expanding to the US and the UK) its highly successful graduate programme; • Monitoring continued attractiveness of compensation and benefits packages; • Partnering with the best head-hunting firms to regularly map best external talent; • Developing a strong cooptation programme (Coopt@URW); • Rolling out regular engagement surveys to design and implement relevant action plans to make URW a great place to work; • Designing and implementing ambitious people oriented policies on work life balance, Wellbeing, Diversity & Inclusion and Sustainable work environment ("Work Greener!"); • Providing permanent learning and development opportunities (e.g. international mobility, cross-functional mobility, rolling out of the URW Academy in the UK and the US); • New global Talent Review in place, including systematic 360° feedback for all employees, using the same framework and same tools across the Group; • New extensive Global Succession Planning process rolled out, to identify potential successors for all positions reporting to a Senior Management Team member, all positions reporting to a Regional Managing Director, all heads of key functions, and other selected key positions.

For further information related to Human Resources, please refer to Section 2.4.1 Empowering our people of the 2020 URD.

B. CLIMATE CHANGE AND SOCIETAL RISKS

Considering the size of its tangible assets portfolio, URW places climate change and societal risks at the heart of its strategy with an integrated commitment to reduce its carbon footprint. The Group has developed a global Corporate Social Responsibility (CSR) strategy based on environmental best practices, social fairness and transparent governance. URW's programme "Better Places 2030" aims to address the main challenges faced by the Group with its operational activities in all geographies.

As developer and operator of retail assets, URW is potentially impacted by climate change and societal risks. Indeed, each of URW's real estate assets is potentially exposed to damages caused by any potential impact of climate change including natural disasters as well as by any global local acceptability-related concerns for standing assets or development projects. For more details on natural disasters, please refer to 6.2.2.4.B Health and safety risks and to 6.3 Transferring risk to Insurers.

Main Risk factors	Main Risk management measures
URW may face new risks related to climate change and its corporate social responsibility (CSR) in several areas: • Non-resilience of assets facing climate change; • Limited availability and increase in price of fossil fuels; • Increased coercive regulation on building energy efficiency; • Not identifying/controlling pollution/hazardous materials in development and construction project; • Loss of access to green financing instruments and low ESG rating; • Contracting with services providers, suppliers or subcontractors not complying with regulations and standards of their profession; • Link to controversial activities of one or several tenants negatively affecting URW's brand and reputation; • Slowing local economic development and destroying local jobs (local acceptability); • Lack of budget for managing CSR risks or lack of steering/poor organisation for managing CSR topics.	• In 2019, the Group performed a global assessment of the assets in the Group portfolio (standing assets and development projects) exposed to natural disasters. Action and crisis management plans are in place to enable rapid response in the event of an incident. Moreover, in Continental Europe, an annual review is done on Health & Safety risks and environmental issues (see Section 6.2.2.4-B H&S risks); • Extensive public consultations held for all development and extension projects; • Building long-term partnerships with the territory's stakeholders (local residents, public authorities, and associations), frequent measurement of the social-economic impact of the Group assets (direct and direct employment) and "URW involved" programme; • Part of that process involves an assessment of the economic impact of the project and then a local acceptability assessment; • Environmental management system in place to improve environmental performance of assets, invest in energy efficient equipment when replacing existing facilities. URW uses energy performance contracts with suppliers and ensures engagement of tenants in energy/carbon reduction actions; • Promotion of recycling and programmes aimed at reducing waste; • Compliance with local hazardous waste disposal regulations; • Very ambitious CSR Strategy recognised as 'best in class' by investors and industry groups and supported by CSR metrics and indices.

For further information on the Global Corporate Social Responsibility policy, please refer to Section 2.1.2.2 CSR risks and opportunities of the 2020 URD.

6.2.2.4 CATEGORY #4: SECURITY, HEALTH AND SAFETY RISKS

A. TERRORISM AND MAJOR SECURITY INCIDENT

The core business of URW is based on 87 Shopping Centres in 12 countries open to the public with a significant footfall (around 1.2 billion visitors in 2019). As such, it is important that the Group maintain an appropriate level of safety and security to welcome customers. Additionally, the "Westfield" brand has been rolled out in Europe, which heightens the awareness of remaining vigilant in monitoring and mitigating as best as possible security and safety concerns on a global basis. The global brand, the iconic status of some assets as well as the Group's footprint in more exposed countries increase the level of threats on the Group assets.

Should a serious security, safety or terrorism event occur resulting in casualties or property damage, URW could experience a negative impact on operations, financial results, and brand and reputation.

By their nature, and despite the measures put in place by the Group independently, and in close cooperation with law enforcement in all countries, the Group property assets are potentially exposed to acts of terrorism and potential active shooter situations, which may have serious consequences. In addition, URW assets could be impacted by local social protests with reduction of footfall and impacts on assets operations. The activity and the footfall to an asset subject of an act of terrorism or some assets located in the country concerned would suffer variable consequences depending on the gravity of the event and the period of time.

While the threats of a terrorist attack are highest in the UK and Continental Europe, the risk of an active shooter is most likely in the US.

Main Risk factors	Main Risk management measures
• Failure to develop and implement a security programme that: (i) remains aware of terrorist threats or other major security concerns – including active shooter; (ii) mitigates the impact of a major security incident including terrorist attack/active shooter event; • Failure to develop and implement an effective corporate crisis response programme.	• Dedicated Group organisation for security and crisis management (Group Security and Crisis Management Committee); • Global security governance and guidelines (including development projects), security policies and procedures implemented at all locations with appropriate physical security measures and access control; • Local security referents network to manage and standardise the Group's practices in line with local regulations; • Routine interaction with counter-terrorism, national intelligence services, and local law enforcement to remain aware of emerging terrorist threats or other security concerns; • Shopping Centres conduct terrorist attack/active shooter crisis response exercises in collaboration with law enforcement; • Incident notification/escalation process and global alignment of crisis response plans; • Crisis management handbook and emergency response plans in place and shopping centre management and security teams trained in crisis response; • Implementation of guidelines and security policies that allow URW to be as responsive as possible with knowledgeable professionals.

B. HEALTH AND SAFETY (H&S) (INCLUDING PANDEMIC AND NATURAL DISASTERS)

As real estate owner, URW has responsibility for ensuring the safety and wellbeing of shoppers, retailers vendors, and employees. URW has an important footfall per year (around 1.2 billion visitors in 2019). This means maintaining proper building and equipment maintenance protocols to minimise the risk of injury or illness, protect the environment and mitigate the impact of unexpected events on the building and on business continuity.

Each country where URW operates has a specific set of health and safety laws and regulations. Developing and implementing an effective compliance framework, monitoring and complying with new or evolving HSE laws and regulations, and ensuring compliance with Group HSE policies is of critical importance in managing this risk. In Europe we accomplish this primarily through a third-party audit with expertise in health and safety and with internal teams in the US.

In certain regions in which URW operates the Group has significant exposure to natural catastrophes – e.g. earthquakes in California, hurricanes in Florida and flooding in the Netherlands. For assets potentially exposed to natural disasters, emergency response plans are defined by the local management team with support by regional and corporate teams[1].

(1) Natural disasters are marked/ranked ●●● due to significant exposure to natural disasters in some geographies of operation combined with level of uninsured risks in those countries (impacts of local limitations/exclusions/caps in insurance coverage) refer to Section 6.3 Transferring risks to insurers.
(2) Weighted by shopping centres' NRI in 2019.
(3) Weighted by shopping centres' NRI in 2019, closing periods until December 31, 2020, only (not counting days in 2021).

COVID-19 related specific risk:

As the assets owned and managed by URW are places open to the public in significant numbers, in the event of a pandemic, they are significantly exposed to significant risks.

In the context of the COVID-19 pandemic (designated as a pandemic by the World Health Organization on March 11, 2020), the Group has business continuity plans managed by a dedicated team in order to anticipate, and if necessary, lead the Group's response in terms of human resources management, operational management, business continuity, compliance and communication. Precautionary measures are taken based on government recommendations, to which specific measures may be added, including prioritising the protection of customers, tenants, providers and employees of the Group. Communication on the measures adopted is provided to customers, tenants, service providers, Group employees and other relevant stakeholders, as necessary.

The Group's Convention & Exhibition division has been negatively impacted with lockdown measures imposed by the French government prohibiting gatherings, meetings or activity in places and lockdown measures in France. As at December 31, 2020, 383 events were cancelled (of which 151 exhibitions, 60 congresses, 153 corporate events and 19 live shows) and 26 events had been postponed to 2021 (of which 4 exhibitions, 10 congresses, 11 corporate events and 1 live show). Consequently, as at December 31, 2020, the value of the Convention & Exhibition division decreased by 9.6% on a like for like basis. The turnover decreased by -93.6%. The Group's Convention & Exhibition division's EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) amounted to €12.1 Mn compared to €156.9 Mn in 2019. The decrease is entirely attributable to the impact of COVID-19.

Q1-2021 is expected to be without activity given the curfew in France and restrictions for congress and exhibitions venues with only exams authorized. In H1-2021, uncertainties remain, including various show cancellations (e.g. the International Agriculture show, the January edition of Maison & Objet). Currently, the Group expects a restart of activity in Q4-2021/Q1-2022. The Group's offices division is not directly affected at this point, but the new home working trend and potential drop of economic activities may have negative impact on mid-term.

The consequences of the COVID-19 outbreak remain difficult to determine as to their magnitude, taking into account the different variables in each of the countries in which the Group operates. During the first half year 2020, on average, the Group's shopping centres were closed for 67 days[(2)]. In the US, over the first half, on average the Group's shopping centres were closed 85 days[(2)].

On average, the Group's shopping centres were closed for 26 days[(3)] in the second half. The resurgence of infections at the end of 2020, in particular due to new variants of the virus emerging, the measures of lockdowns and curfews, the logistics difficulties of the vaccines distribution and the uncertain effects of its acceptance may accentuate the impacts.

This pandemic has and will continue to have effects on the Group's financial results considering the number and size of the assets concerned, the scope of the measures taken directly impacting the Group's assets (such as opening restrictions, temporary total or substantial closure of Shopping Centres and postponements or cancellation of rents, the difficulties encountered in the collection of rents and charges and potential further measures), unilateral decisions by tenants to reduce or cease their operations, containments measures and duration of such measures and the cumulative effect of the impact of the business.

As at December 31, 2020, 44% of the Group's European centres by value were closed, except for 'essential' stores, while all US centres were open.

As at February 10, 2021, and following to the outbreak of the COVID-19 pandemic, the authorities in many countries where the Group operates imposed restrictions on the opening of its Shopping Centres. Except for select 'essential' retails, or those able to offer curb side pickup of fulfil delivery order from the store, the tenants in the Group's centres were unable to trade for the period in the table below. In addition, even in those regions in which there were no mandatory shutdowns, or when Shopping Centres were allowed to reopen, not all retailers continued or restarted operations.

As at February 10, 2021, approximately 52%[(1)] of URW's shopping centres (69% in Europe) are restricted from trading except for 'essential stores'.

Country	Restrictions lifted
Austria	**Specific restrictions by activity:** -> 02/05/2020 to 14/05/2020: F&B. (Entertainment and Hotels to 29/05/2020). -> 03/11/2020 to TBC: F&B, Entertainment, Fitness and Hotels closed.
	Other restrictions: -> 03/11/2020 to TBC: Curfew from 6 pm to 6 am.
Czech Republic	**Asset closure periods (except essential stores*):** -> 15/03/2020 to 11/05/2020 -> 22/10/2020 to 02/12/2020 -> 27/12/2020 to 14/02/2021**
	Specific restrictions by activity: -> 15/03/2020 to 25/05/2020: F&B and Entertainment closed. -> 09/10/2020 to 21/10/2020: F&B and Entertainment had to close at 8pm. -> 09/10/2020 to 28/02/2021: Cinemas closed. -> 18/12/2020 to 14/02/2021**: F&B and Entertainment closed.
	Other restrictions: -> 28/10/2020 to 31/12/2020**: F&B and Entertainment closed.
Denmark	**Asset closure periods (except essential stores*):** -> 18/03/2020 to 11/05/2020 -> 17/12/2020 to 28/02/2021**
	Specific restrictions by activity: -> 18/03/2020 to 11/05/2020: F&B closed, until 20/05/2020 for Cinemas. -> 09/12/2020 to 28/02/2021**: F&B, Entertainment and Fitness closed.
France	**Asset closure periods (except essential stores*):** -> 17/03/2020 to between 11/05/2020 and 30/05/2020 -> 30/10/2020 to 28/11/2020 -> 31/01/2021 to TBC
	Specific restrictions by activity: -> 17/03/2020 to 02/06/2020: F&B closed and to 22/06/2020 for Cinemas. -> 30/10/2020 to 28/02/2021**: F&B, Entertainment and Fitness closed.
	Other restrictions: -> 17/10/2020 to 29/10/2020: curfew from 9 pm to 6 am. -> 28/11/2020 to 16/01/2021: curfew from 8 pm to 6 am. -> 17/01/2021 to 21/02/2021**: curfew from 6 pm to 6 am.
Germany	**Asset closure periods (except essential stores*):** -> 16/03/2020 between 20/04/2020 and 04/05/2020. -> 16/12/2020 to 07/03/2021**
	Specific restrictions by activity: -> 16/03/2020 to 11/05/2020: F&B closed. -> 02/11/2020 to 07/03/2021**: F&B, Entertainment and Fitness closed.
	Other restrictions: -> 16/12/2020 to 07/03/2021**: Curfew from 8 pm to 5 am.
The Netherlands	**Asset closure periods (except essential stores*):** -> 15/12/2020 to 02/03/2021
	Specific restrictions by activity: -> 15/03/2020 to 01/06/2020: F&B closed. -> 14/10/2020 to 09/02/2021**: F&B closed.
Poland	**Asset closure periods (except essential stores*):** -> 14/03/2020 to 04/05/2020 -> 07/11/2020 to 27/11/2020 -> 28/12/2020 to 31/01/2021
	Specific restrictions by activity: -> 14/03/2020 to 18/05/2020: F&B closed. -> 15/10/2020 to TBC: Fitness closed. -> 07/11/2020 to TBC: F&B and culture closed.

(1) by GMV (Gross Market Value).

Sweden	**Other restrictions:** -> 29/10/2020 to TBC: Footfall limitation in F&B and Cinemas. -> 16/11/2020 onwards: "rule of 8", with flow on impact to some sectors (Cinemas for instance).
Slovakia	**Asset closure periods (except essential stores*):** -> 16/03/2020 to 20/05/2020 -> 24/10/2020 to 01/11/2020 -> 19/12/2020 to TBC
	Specific restrictions by activity: -> 15/10/2020 to TBC: F&B and Cinemas closed.
	Other restrictions: -> 02/11/2020 to TBC: day curfew from 5 am to 1 am for the ones without negative PCR.
Spain - Catalonia	**Asset closure periods (except essential stores*):** -> 15/03/2020 to 08/06/2020 -> 30/10/2020 to 14/12/2020 -> 07/01/2021 to 07/02/2021**
	Specific restrictions by activity: -> 15/03/2020 to 08/06/2020: F&B closed. -> 20/10/2020 to 01/12/2020: F&B closed. -> 30/10/2020 to 07/02/2021**: Cinemas in shopping centres closed. -> 21/12/2020 to 07/02/2021**: F&B in shopping centres closed.
	Other restrictions: -> 30/10/2020 to TBC: Curfew from 10 pm to 6 am.
Spain - Madrid	**Asset closure periods (except essential stores*):** -> 15/03/2020 to 08/06/2020
	Other restrictions: -> Selective closure of districts in November and December (only affected Equinoccio). -> 21/09/2020 to 08/02/2021**: Varying restrictions on F&B capacity and hours. -> 25/10/2020 to 08/02/2021**: curfew between 10-12 pm to 6 am.
Spain - Valencia	**Asset closure periods (except essential stores*):** -> 15/03/2020 to 01/06/2020
	Specific restrictions by activity: -> 28/01/2021 to 14/02/2021**: F&B closed.
	Other restrictions: -> 25/10/2020 to 14/02/2021**: Curfew between 10-12 pm to 6 am.
Spain - Basque Country	**Asset closure periods (except essential stores*):** -> 15/03/2020 to 25/05/2020.
	Specific restrictions by activity: -> 06/11/2020 to 12/12/2020: F&B closed.
	Other restrictions: -> 06/11/2020 to TBC: curfew for stores at 9 pm. -> 25/10/2020 to 28/02/2021**: Curfew between 10-11 pm to 6 am.
UK	**Asset closure periods (except essential stores*):** -> 26/03/2020 to 15/06/2020 -> 05/11/2020 to 02/12/2020 -> 20/12/2020 to 22/12/2021**
	Specific restrictions by activity: -> After the first lockdown ended on June 15, F&B and Cinemas opened on July 4, Fitness from July 25 and Bowling and Casinos from August 15.
	Other restrictions: -> During certain times (based on the Tier system operating outside of full lockdowns) capacity restrictions have applied to sectors such as F&B and/or limited the ability of people to meet those outside their household.

US	**Asset closure periods (except essential stores*):** **California** -> 19/03/2020 to (between 22/05/2020 and 15/06/2020) -> 13/07/2020 to (between (31/08/2020 and 07/10/2020) **New York** -> 19/03/2020 to between 15/07/2020 and 09/09/2020 (for Westfield World Trade Center) **New Jersey** -> 19/03/2020 to 29/06/2020 **Florida** -> 19/03/2020 to between 15/05/2020 and 29/05/2020 **Maryland** -> 19/03/2020 to 23/06/2020 **Washington State** -> 19/03/2020 to 15/06/2020 **Connecticut** -> 19/03/2020 to 20/05/2020 **Illinois** -> 19/03/2020 to 10/06/2020
	Specific restrictions by activity: -> Operations of F&B, Entertainment, Fitness and Salons have been restricted at various time dependant on both state and local county rules.
	Other restrictions: -> In most states (except Florida) capacity restrictions for indoor malls have been introduced during the second half, with a limit of between 25 and 50% of standard capacity.

* 'Essential stores' definition differs by country, but mainly comprises food, administrative services and pharmacies.
** Most recently announced date, subject to change or extension.
Note: 'TBC' indicates that no date has been communicated (as at February 10, 2021).

Main Risk factors	Main Risk management measures
• Failure to implement effective strategies that seek to minimise, prevent, and mitigate life safety incidents; • Failure to implement processes that may mitigate and manage the impact of any natural disaster (earthquake, flooding and uninsured risk); • Injury or loss of life due to failure to comply with sanitary, health and safety regulations.	**For Europe Portfolio** • Annual third-party audit conducted on assets to verify regulatory compliance with health and safety laws and regulations; • Qualified external advisors/contractors with up-to-date knowledge of the assets and of local regulation validate compliance with regulations; • External Audit by Bureau Veritas (third-party vendor) with the assistance of epidemiologists based on latest recommendations of health authorities; • Label "Safe and Healthy Places" for 50 assets of the European Portfolio; • Internal documentation processes to justify the compliance with sanitary protocols; • Regular (weekly or bi-monthly) external reviews of compliance with sanitary protocols by bailiffs or external legal counsels. **For US Portfolio** • Verification that contractors' health and safety procedures are appropriate and that their staff have the proper licenses, equipment and training; • External Audit by Bureau Veritas (third-party vendor) with the assistance of epidemiologists based on latest recommendations of health authorities; • Certification "SafeGuard" of 26 assets of the US Portfolio by Bureau Veritas on latest recommendations of health authorities; • Centre management conducts routine property tours and identifies hazardous conditions and implements corrective actions; • Maintenance and inspection conducted by third-party contractors of all relevant equipment subject to regulation; • Internal documentation processes to justify the compliance with sanitary protocols; • Fire safety systems are routinely inspected as required by local fire regulations; Corporate and Construction Health and Safety policies incorporate regulations and are based on industry-accepted best practices in the absence of a specific governing regulation.

Main Risk factors	Main Risk management measures
• Periodic review on prevention/protection plans and risk mitigations for the most exposed assets.	**Natural disaster[(1)]:** • Periodic assessment of European and US assets most exposed to natural disasters (flooding, storms and earthquakes) to validate response plans; • Insurance brokers routinely conduct a 'catastrophe loss expectancy analysis' for the catastrophic perils of flood, hurricane and earthquake that provides guidance as to the potential cost associated with damages from any one event, and which is used in the selection of limits of insurance purchased; • French and Spanish assets are covered for 100% of their insured values according to the local regulation; assets in other EU regions are covered with a limit of €200 Mn per country and in the aggregate annually for natural disasters; specific sub-limit of €25 Mn for flood damages in The Netherlands, due to insurance market limitation; US assets are covered against hurricane damage with a limit of $1.35 Bn in the annual aggregate, against flood with a limit of $500 Mn in the aggregate against earthquake with a limit of $500 Mn in the annual aggregate, sub-limited to $400 Mn for California and $250 Mn for Pacific Northwest, due to insurance market limitations; • Periodic review on prevention/protection plans and risk mitigations for the most exposed assets; • Each centre in a natural catastrophe zone conducts emergency preparedness drills each year.

(1) For further details please refer to Section 6.3 Transferring risk to the insurers.

6.2.2.5 CATEGORY #5: LEGAL AND REGULATORY RISKS

A. LEGAL AND REGULATORY

URW operates in highly regulated countries. Moreover, operations also require to comply with a myriad of laws and regulations related to the URW Group activities in areas such as leasing, asset and property management, various licensing and permits, construction and maintenance, health and safety, personal data privacy, financial and securities markets, and anti-trust regulations, as well as with some extraterritorial regulations. As such, the risk of failing to comply with applicable laws and regulation may result in regulatory investigation, negative reputational impact and/or could result in fines and penalties, damages, the loss of licenses, and/or any potential legal action. URW also operates in highly litigious countries, where the Group is potentially exposed to the risk of major litigations, including class actions. Finally, the Group may face regulatory investigations.

The countries where the Group operates have implemented a series of exceptional measures to deal with the COVID-19 pandemic in a wide variety of legal and regulatory areas affecting (among others) businesses' activities, employment, real estate, and health and safety matters. As such, the Group has to comply with a new and evolving set of laws and regulations increasing the risk of breach, which may result in regulatory investigation, negative reputational impact or could result in fines, penalties and/or any potential legal action. Moreover, tenants and providers may try to challenge existing contracts to exit or to reduce on limit contractual obligations including financial.

In the course of its activities, the Group collects and processes diverse personal data from customers, employees, business partners and service providers. The Group is subject to data protection laws such as the General Data Protection Regulation (GDPR in Europe) and the California Consumer Protection Act (CCPA in the US). Failure to protect this personal data could result in fines and penalties as well as negatively impacting the Group's reputation.

The COVID-19 crisis management and the measures implemented by the Group may be challenged by stakeholders, particularly in highly litigious countries where the Group is potentially exposed to the risk of major litigation, including class actions. At the date of this document, there are no notified class actions or significant complaints related to breaches in sanitary protocols and no action against the management of the crisis.

Main Risk factors	Main Risk management measures
• Non-compliance with laws and regulations at governmental, federal, state, province, local country or sector level.	• Deployment of the Group's legal policy, a set of internal procedures and standard forms to secure contractual frame, reduce litigation exposure to protect Group interests and ensure compliance with applicable regulations; • Legal Department organisation around (i) three geographical platforms (Continental Europe, UK, US), and (ii) a Group Legal Support (corporate and security law, data & brand protection); • Comprehensive legal training on complex or new regulations to raise awareness and develop learning curve from pending litigation; • External advisors and law firms provide constant updates on both emerging legislation and recent case law on specific matters; • Group in-house lawyers are specialists in jurisdictions in which the Group operates and set the network of external counsel and experts as required; • Through its action within the various national professional organisations, the Group endeavours to anticipate any legislative initiatives likely to have an impact on its business.
• As a publicly traded global company URW is required to comply with various stock market/exchange regulations and requirements with respect to full and proper disclosure and transparency to provide clear, real and objective information.	• The Market Abuse Regulation (MAR) related to insider trading is detailed in the URW Insider Trading Rules procedure, setting out common principles applying to the qualification of inside information, the disclosure of such information, trading bans during pre-defined periods of time and disclosure requirements for designated persons. • A Group Disclosure Committee (GDC) is responsible for qualifying inside information if any.
• In the course of its activities, URW collects and processes diverse personal data from customers, employees, business partners and service providers. Failure to protect this personal data could result in fines and penalties as well as negatively impacting URW's reputation.	• The Group has developed and updated a robust and effective Data Privacy Protection programme to comply with GDPR (EU) and the California Consumer Protection Act (CCPA) (US); • Appointment of one Head of Group Data & Brand Protection, Data Privacy Officers and Local Data Protection Correspondents network set up, as well as a Group Data Protection Committee; • Organisational and technical processes: retention period policy, data breach notification process, update of the employee privacy policy. IT Security Department included in the framework; • Group wide e-learning training on GDPR and CCPA for each employee and specific trainings for business population (marketing, IT, HR); • Signature of data processing agreement with major IT contracts service providers; • Processes and registers were implemented.
• Failure to prevent or mitigate material negative impact of any regulatory investigations and/or litigation: in the normal course of URW's business activities, the Group could be subject to legal, administrative, arbitral and/or regulatory proceedings.	• Set out an escalation process; • Internal alert process to inform the Group General Counsel, recurring reporting on (potential) material litigations and escalation process for litigation strategy; • Claim management process for development projects; • Set of preventive internal programmes to comply with the main applicable regulations and effectiveness review on a recurring basis; • "Dawn raid" policy for any unexpected on-site investigation.

B. CORRUPTION, MONEY LAUNDERING AND FRAUD RISKS

URW conducts its core business in 12 countries and drives its real estate activity with a wide variety of stakeholders, business partners, and other intermediaries and government authorities. Due to the nature of URW's business activities and relationship with business partners, as well as its wide geographical scope of operations, URW faces numerous stringent international and national anti-bribery, corruption, money laundering and fraud laws and regulations.

Main Risk factors	Main Risk management measures
Non-compliance with international/national anti corruption and influence peddling regulations: • As a global company, URW must comply with the highest standards in this particular field and also with anti-corruption regulations such as the French Sapin II law, the Foreign Corrupt Practices Act (FCPA) (US) or the UK Bribery Act (UKBA) (UK). Failure to comply with anti-corruption regulations and lack of transparency can lead to: material reputational damages; financial, administrative or disciplinary sanctions; and may have a negative impact on investors' trust; • Non-compliance with international/national anti-money laundering laws; Failure to prevent and detect fraud against URW: the Group could be exposed to attempted fraud (identity theft for example); or embezzlement in the course of its business.	• A rigorous 'zero tolerance' principle based on an effective Anti-Corruption Programme (ACP) applicable in all entities controlled by the Group based on the 8 pillars of the French Sapin II law. In addition, the ACP incorporates provisions of international conventions and national laws and regulations applicable to the Group's business activities; • An alert system (whistleblowing procedure) supported by an external hotline is in place within the Group; • Interactions with public officials and business partners are monitored by a "Know Your Partner" procedure to ensure compliance of third parties with the Group's ACP; • Local Compliance Correspondents support the coordination of the ACP and manage processes and procedures in each region; • Dedicated classroom training for most exposed departments and an e-learning module available to all URW staff describing the general principles related to the prevention of corruption, bribery and influence peddling; • The Group has implemented a secure payments procedure and has formalised the rules for opening, changing and closing bank accounts; • Awareness of fraud scenarios is raised in departments throughout the year and illustrated by real cases; • In the case of attempted fraud, the Group Compliance Officer systematically shares the information via email with all concerned employees, including a reminder of preventive procedures.

6.3 TRANSFERRING RISK TO INSURERS

The Group is covered by insurance programmes, which are underwritten by leading insurance companies located in various markets (Europe, the US and the UK).

These programmes are actively monitored by the Group Insurance Department in liaison with local teams and insurance brokers in each country.

Under the property damage and terrorism programmes, all the Group's property assets are insured, for their reconstruction value as well as for business interruptions and loss of rent subject to limitations of coverage with respect to natural catastrophe risks due to limited insurance market capacities (for more details, refer to the table below). All assets are regularly assessed by internal or external property insurance valuers.

In accordance with insurance market practices, property damage insurance program requires physical damages to trigger a coverage of financial loss or business interruption. For pandemic, in the current legal and contractual, such cover is not granted and not available on the insurance market.

Under the insurance programme, French and Spanish assets are insured against terrorism for their reconstruction cost, and for business interruptions and loss of rent according to compulsory national insurance mechanisms (Gareat in France and Consorcio de Compensación de Seguros in Spain). Assets located in other countries are insured against terrorism under a dedicated programme that includes a limit per claim based on the asset that has the highest insured value with respect to rebuilding cost and loss of rent.

The Group has also taken out general liability insurance policies that cover financial damages resulting from third-party claims.

Type of insurance	Coverage and main limits based on 2020 Group insurance programmes
Property damage and loss of rent/business interruption	Coverage: 'all risks' basis (subject to named exclusions) and terrorism. Basis of compensation: • Reconstruction costs for building, replacement cost for equipment; • Loss of rent or business interruption with a compensation period of between 12 and 60 months depending on the asset. Limits of compensation: • Continental Europe: – Earthquake: limit of €200 Mn per country in the annual aggregate, – Flood: limit of €200 Mn per country in the annual aggregate sub-limited to €25 Mn in the annual aggregate for The Netherlands (dike failure is excluded which is market practice), – These above sub-limits do not apply for assets located in countries where compulsory national insurance mechanisms exist: *Régime catastrophes naturelles* in France and *Consorcio de Compensación de Seguros*, in Spain, – Terrorism: limit of €900 Mn per occurrence covering damages and loss of rent/business interruption following a terrorist attack, except French and Spanish assets which are insured for their full values according to *Gareat* in France and *Consorcio de Compensación de Seguros* in Spain; • The UK: limits are based on the declared values per occurrence covering all damages and loss of rent/business interruption, including terrorism events. The programme includes sub-limits; • The US: limit of $1.35 Bn per occurrence covering all damages and loss of rent/business interruption including terrorism events. The programme includes sub-limits notably for natural catastrophe risks. The Group insurance brokers complete a detailed loss estimate analysis on natural catastrophe exposures. This information is used in determining the amount of insurance purchased for the perils of earthquake and windstorm/hurricane.
	– Earthquake: the overall programme sublimit for earthquakes is $500 Mn per occurrence and annual aggregate subject to additional inner sub-limits of: – Sub-limit of $400 Mn for California earthquakes: this limit applies to all locations in California. A retention per location of 5% of total insured values would be applicable; – Sub-limit of $250 Mn for Pacific Northwest earthquakes: this limit applies to SouthCenter in Tukwila, WA. A retention per location of 3% of total insured values would be applicable; – Windstorm/hurricane: limit of $1.35 Bn in the annual aggregate. A deductible of $50,000 per location would be applicable, except for assets located in Florida where a retention per location of 5% of the total insured values would be applicable; – Flood: sub-limit of $500 Mn in the aggregate with $500,000 deductible per location for properties in designated flood zones. In the US in particular, the combination of the concentration of a large number of assets in the same area with a high exposure to natural catastrophe risks and the limited capacity available from insurers to cover these risks exposes Unibail-Rodamco-Westfield SE and its controlled subsidiaries to retain a significant share of these risks as uninsured.
General civil liability	Coverage: 'all risks' basis (subject to named exclusions) for damage caused to third parties up to €500 Mn per claim. The programmes include sub-limits, for example to cover liability claims following a terrorist attack.
General environmental liability	Coverage for damage caused to third parties up to: • Continental Europe: – For accidental pollution: limit of €13 Mn per claim and annual aggregate, – For gradual pollution: limit of €3 Mn per claim within an annual aggregate; • US and UK: – Limit of $5 Mn per claim and in the annual aggregate limit.
Cyber risks	• Limit of €55 Mn per claim and in the annual aggregate limit.

Main construction projects and renovation works on properties are covered by contractors' All Risks policies for their total construction cost. Defects affecting the works are covered by decennial insurance in France, Inherent Defect Insurance for large construction or extension projects in Continental Europe or by contractors' warranties in the US and in the UK.

The 2020 premium amounted to €41 Mn[1], excluding construction insurance premiums for projects in Continental Europe and in the UK. Most of these premiums were invoiced to third parties (e.g. co-owners, tenants…).

Except for loss of income due to COVID-19, the Group did not incur any major uninsured losses in 2020.

At the end of 2020, in a hardening market context, the Group's insurance programme was successfully renegotiated covering the Group portfolio with placement both in the European and US insurance markets with effect from January 1, 2021.

(1) Only for Insurances directly managed by URW, excluding premiums reinvoiced from third parties.

CHAPTER 7

Information on the Company, shareholding and the share capital

7.1 INFORMATION ON THE COMPANY

7.1.1 GENERAL INFORMATION

The corporate name of the Company is "Unibail-Rodamco-Westfield SE" and its acronym is "URW SE". The Company was incorporated on July 23, 1968 for a period of 99 years, i.e. up to July 22, 2067.

Its registered office is at 7, place du Chancelier Adenauer, 75016 Paris (France) and it is registered in the Paris trade and companies register under number 682 024 096. Its LEI is 969500SHQITWXSIS7N89.

Its financial year runs from January 1 to December 31.

Information about the Company is available on its website: www.urw.com. The content of the website is not an integral part of this Universal Registration Document, any prospectuses or any documents which refer to it unless certain information has been expressly included for reference purposes.

7.1.2 LEGAL FORM AND APPLICABLE LAW

Originally constituted as a public limited company with a Board of Directors, the Company was converted on May 21, 2007 into a public limited company with a Management Board and Supervisory Board, then, on May 14, 2009, into a European company with a Management Board and Supervisory Board pursuant to the provisions of European Council Regulation no. 2157/2001/EC of October 8, 2001, applicable to European companies and by the laws and regulations in force in France.

7.2 SHARE CAPITAL AND OTHER SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

7.2.1 SHARE CAPITAL – FORM OF SHARES

As at December 31, 2020, the Company's share capital is €692,361,925 divided into 138,472,385 fully paid up ordinary shares on a par value of €5 each. Company shares may be registered or bearer shares at the shareholder's discretion subject to the requirements set out in Article 9 of the Articles of Association.

In June 2018, the shares of the Company were stapled with the class A shares of Unibail-Rodamco-Westfield N.V. (hereinafter together, the "Stapled Shares"), a public limited liability company ("naamloze vennootschap") incorporated under the laws of The Netherlands, with its registered office located in Amsterdam and registered with the Dutch Commercial Register under number 70898618.

For more information about the Stapled Shares, please refer to Article 6 of the Articles of Association of the Company or to Section 7.6.2.

7.2.2 SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

Securities granting access to the capital of the Company are described below.

7.2.2.1 CDI (CHESS DEPOSITARY INTERESTS)

The term "CDI" designates Australian CHESS (clearing house electronic subregister system) depositary interests that represent beneficial ownership in Stapled Shares registered in the name of or on behalf of CDN (CHESS Depositary Nominees Pty Limited, a subsidiary of the Australian Securities Exchange (ASX)). CDI are admitted for trading on the Australian regulated market (ASX).

Twenty CDI collectively represent a beneficial interest in 1 Stapled Share. CDN enables holders of CDI to exercise[1] the voting rights attached to the Stapled Shares. The CDI can be converted into Stapled Shares at any time, and inversely.

7.2.2.2 PERFORMANCE SHARES AND PERFORMANCE STOCK OPTIONS

The long-term remuneration plan of the Company combines two remuneration elements in Stapled Shares: the majority are granted as Performance Shares, while a small portion are Performance Stock Options. This is intended to strengthen the engagement of beneficiaries in their contribution to the Group's performance (see Section 3.3.4).

As at December 31, 2020, the number of potential Stapled Shares to be theoretically issued after taking into account cancellations (assuming the required performance and presence conditions are attained and excluding any cancellations that may occur during the course of the plan) represents 0.52% of the fully-diluted share capital with regard to the Performance Shares and 2.64% of the fully-diluted share capital with regard to the Performance Stock Options.

(1) Holders of CDI can either (i) ask CDN to vote in a given way, or (ii) request that CDN grant the holder with power to vote at the General Meeting.

7.2.2.3 ORNANE (BONDS REDEEMABLE IN CASH AND/OR IN NEW AND/OR EXISTING SHARES)

Since the General Meeting of ORNANE holders on April 20, 2018, the redemption of ORNANE is carried out in new and/or existing Stapled Shares.

– 2014 ORNANE ISSUANCE OF JUNE 25, 2014

On June 25, 2014, the Company issued 1,735,749 2014 ORNANE at a nominal value per unit of €288.06, representing a nominal amount of €500 Mn, maturing on July 1, 2021.

The 2014 ORNANE are convertible since January 1, 2018, but market conditions have not, to date, allowed the 2014 ORNANE holders to exercise their share rights. The conversion rate to Stapled Shares is 1.31 as at December 31, 2020.

The 2014 ORNANE holders, in accordance with Section 4, paragraph 4.9.5, *"Information sur les valeurs mobilières devant être offertes et admises aux négociations sur le marché réglementé d'Euronext à Paris"* of the *Note d'opération* relating to the 2014 ORNANE, were able to request, at their discretion, the early redemption in cash on July 1, 2019, of the 2014 ORNANE they held.

The number of outstanding 2014 ORNANE is 357,254, as at December 31, 2020.

For more details on the 2014 ORNANE, please refer to the *Note d'opération* approved by the French Financial Markets Authority under visa no. 14-296 dated June 17, 2014.

– 2015 ORNANE ISSUANCE OF APRIL 15, 2015

On April 15, 2015, the Company issued 1,441,462 2015 ORNANE at a nominal value per unit of €346.87, representing a nominal amount of €500 Mn, maturing on January 1, 2022.

The 2015 ORNANE are convertible since January 1, 2018, but market conditions have not, to date, allowed the 2015 ORNANE holders to exercise their share rights. The conversion rate to Stapled Shares is 0.96 as at December 31, 2020. As at December 31, 2020, no 2015 ORNANE have been converted.

For more details on the 2015 ORNANE, please refer to the *Note d'opération* approved by the French Financial Markets Authority under visa no. 15-144 dated April 8, 2015.

7.2.3 OTHER SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

None.

7.2.4 CHANGES IN UNIBAIL-RODAMCO-WESTFIELD SE SHARE CAPITAL DURING THE PAST FIVE YEARS

Since January 1, 2016, the Company's share capital has changed as follows:

	Date	Movements in the share capital	Number of shares issued	Number of shares	Total share capital	Premium resulting from transaction
2016	08/03/2016	Creation of PS (2013 tranche)	21,482	98,715,424	€493,577,120	€0.00
	08/03/2016	Exercise of SO (2009-2011 tranches)	45,222	98,760,646	€493,803,230	€4,677,562.44
	31/03/2016	Exercise of SO (2009-2012 tranches)	314,957	99,075,603	€495,378,015	€43,318,897.34
	30/06/2016	Exercise of SO (2010-2016 tranches)	202,193	99,277,796	€496,388,980	€27,904,687.09
	30/06/2016	Creation of PS (2012 tranche and 2013-2015 tranches)	7,941	99,285,737	€496,428,685	€0.00
	30/06/2016	Reimbursement of ORNANE	1,549	99,287,286	€496,436,430	n/a
	05/07/2016	Increase of share capital reserved for employees	29,783	99,317,069	€496,585,345	€5,525,871.66
	30/09/2016	Exercise of SO (2010-2012 tranches)	29,154	99,346,223	€496,731,115	€4,026,209.25
	31/12/2016	Reimbursement of ORA	353	99,346,576	€496,732,880	€58,787.80
	31/12/2016	Exercise of SO (2010-2012 tranches)	47,209	99,393,785	€496,968,925	€6,554,720.32
2017	31/03/2017	Reimbursement of ORA	74	99,393,859	€496,969,295	€14,178.40
	31/03/2017	Creation of PS (2013 tranche)	25,323	99,419,182	€497,095,910	€0.00
	31/03/2017	Exercise of SO (2010-2013 tranches)	292,980	99,712,162	€498,560,810	€47,288,266.00
	30/06/2017	Exercise of SO (2011-2013 tranches)	124,677	99,836,839	€499,184,195	€20,416,087.88
	05/07/2017	Increase of share capital reserved for employees	30,562	99,867,401	€499,337,005	€5,555,237.35
	30/09/2017	Exercise of SO (2011-2012 tranches)	10,556	99,877,957	€499,389,785	€1,463,841.77
	23/10/2017	Share cancellations	(34,870)	99,843,087	€499,215,435	(€7,088,135.08)
	31/12/2017	Exercise of SO (2011-2012 tranches)	5,778	99,848,865	€499,244,325	€807,583.00
	31/12/2017	Reimbursement of ORNANE	7,811	99,856,676	€499,283,380	n/a
2018	31/03/2018	Creation of PS (2014 tranche)	26,240	99,882,916	€499,414,580	€0.00
	31/03/2018	Exercise of SO (2011-2014 tranches)	22,416	99,905,332	€499,526,660	€3,116,778.25
	26/04/2018	Exercise of SO (2012 and 2014 tranches)	3,263	99,908,595	€499,542,975	€570,934.30
	26/04/2018	Increase of share capital reserved for employees	40,388	99,948,983	€499,744,915	€5,912,244.23
	22/05/2018	Exercise of SO (2013-2014 tranches)	14,010	99,962,993	€499,814,965	€2,529,576.40
	07/06/2018	Increase of share capital in remuneration for a non-cash contribution	38,319,974	138,282,967	€691,414,835	€8,005,573,107.00
	30/09/2018	Reimbursement of ORA	63	138,283,030	€691,415,150	€9,067.06
	30/09/2018	Exercise of SO (2012-2014 tranches)	3,596	138,286,626	€691,433,130	€565,538.12
	31/12/2018	Reimbursement of ORA	50	138,286,676	€691,433,380	€7,185.02
	31/12/2018	Exercise of SO (2012 tranche)	1,925	138,288,601	€691,443,005	€256,293.92
2019	31/03/2019	Creation of PS (2015 tranche)	8,340	138,296,941	€691,484,705	€0.00
	31/03/2019	Exercise of SO (2012 tranche)	8,713	138,305,654	€691,528,270	€1,152,586.09
	30/04/2019	Creation of PS (2016 tranche)	18,432	138,324,086	€691,620,430	€0.00
	30/04/2019	Increase of share capital reserved for employees	47,337	138,371,423	€691,857,115	€4,988,961.42
	08/07/2019	Reimbursement of ORA	131	138,371,554	€691,857,770	€0.00
	08/07/2019	Reimbursement of ORA	7,051	138,378,605	€691,893,025	€0.00
2020	31/03/2020	Creation of PS (2017 tranche)	14,235	138,392,840	€691,964,200	€0.00
	04/06/2020	Creation of PS (2016 tranche)	10,395	138,403,385	€692,016,175	€0.00
	04/06/2020	Increase of share capital reserved for employees	69,150	138,472,385	€692,361,925	€2,503,435.89

Note: increases in the share capital associated with the exercise of Performance Stock Options (SO) and creation of Performance Shares (PS), cancellation of shares and reimbursements of ORA and ORNANE, are stated by a statement of the Management Board.

7.3 SHARE BUY-BACK PROGRAMME

7.3.1 AUTHORISATION TO BUY BACK SHARES

The Combined General Meeting of May 15, 2020 (sixteenth resolution), pursuant to Articles L. 225-209 and *seq.* of the French Commercial Code and in compliance with Regulation no. 596/2014 of the European Parliament and of the European Council of April 16, 2014 on market abuse, authorised the Management Board, for a period of 18 months, to buy back Company shares up to the legal limit of 10% of the total number of outstanding shares adjusted for any change in the share capital during the authorisation period, with the aim of:

i. cancelling all or part of the Company shares thus purchased, under the conditions provided by Article L. 225-209 of the French Commercial Code and subject to the general meeting's authorisation to reduce the share capital;
ii. holding Company shares that can be allotted to its executive officers and employees and to its affiliated companies under the terms and conditions provided by law, in particular in the context of stock option plans, free allotments of existing shares, share ownership plans or Company or inter-company employee stock purchase plans;
iii. holding shares of the Company to allot them upon the exercise of rights attached to negotiable securities giving access to the share capital by way of redemption, conversion, exchange, presentation of a warrant, or in any other manner;
iv. stimulating the market or the liquidity of the shares of the Company through an investment intermediary in the context of a liquidity contract;
v. implementing any new market practice which might be approved by the French Financial Market Authority ("AMF") and, more generally, carrying out any transaction permitted under the regulations in force.

The maximum share buy-back purchase price is fixed at €200 per share of the Company, excluding costs, based on a par value of €5 per share. The total cost of the share buy-back programme cannot exceed €2.77 Bn.

This authorisation cannot be used by the Management Board during the period of a public offer.

General Meeting of May 12, 2021

At the General Meeting to be held on May 12, 2021, the Management Board will propose to shareholders that they renew this authorisation for a period of 18 months on the following terms and conditions, and in accordance with Article L. 22-10-62 and *seq.* of the French Commercial Code, i.e. a maximum share buy-back purchase price at €110 per share excluding costs, based on a par value of €5 per share. The total cost of the share buy-back programme must not exceed €1.5 Bn pursuant to the share capital as at December 31, 2020 (i.e. 138,472,385 shares).

This new authorisation, subject to approval at the General Meeting to be held on May 12, 2021, would replace the authorisation granted on May 15, 2020. This authorisation cannot be used by the Management Board during the period of a public offer.

7.3.2 REVIEW OF THE USE OF THE AUTHORISATION TO REDEEM SHARES AND INFORMATION ON THE TRANSACTIONS CARRIED OUT DURING THE FINANCIAL YEAR ENDING DECEMBER 31, 2020

Pursuant to the authorisation granted by the General Meeting of May 17, 2018, Unibail-Rodamco-Westfield SE has appointed, on May 7, 2019, Rothschild Martin Maurel Bank to implement a liquidity facility in accordance with the provisions of the legal framework in force.

The purpose of this facility, valid for a six-month period renewable automatically for six-month periods, is for Rothschild Martin Maurel Bank to optimise the liquidity of the Stapled Shares on Euronext Amsterdam and Euronext Paris. For the implementation of this facility, €15 Mn in cash was allocated to the liquidity account.

During the 2020 financial year, 90,950 Stapled Shares were purchased for a total price of €11,796,078.33 (or an average purchase price of €129.6985) and 86,950 Stapled Shares were sold for a total price of €11,326,589.88 (or an average purchase price of €130.2656). The lump sum amount for the management of the contract borne by Unibail-Rodamco-Westfield SE in 2020 amounted to €125,000.

The following resources were held on the liquidity account, on December 31, 2020:

- 4,000 Stapled Shares
- €14,499,207

During the 2020 financial year, the Company did not proceed with the acquisition of any other shares, other than those acquired under the liquidity facility, under the share buy-back programme. The Company has not used any derivative products as part of its share buy-back programme.

7.3.3 SITUATION AS AT DECEMBER 31, 2020

As at December 31, 2020, the share capital held by the Company is as follows:

% of the treasury shares held directly or indirectly as at 31/12/2020	0
Number of cancelled shares during the last 24 months	0
Number of shares held in the portfolio as at 31/12/2020	4,000
Accountant value of the portfolio	€0
Market value of the portfolio	€0

7.4 INFORMATION ON THE SHAREHOLDING

7.4.1 OWNERSHIP OF CAPITAL AND VOTING RIGHTS

As at December 31, 2020, the Company's share capital comprises 138,472,385 fully paid-up ordinary shares with a par value of €5 each. One single voting right is attached to each share in accordance with the "one share, one vote" principle.

99.63% of the share capital is free floating.

The Company's shareholding structure has changed as follows during the last three financial years:

	Year-end 2018			Year-end 2019			**Year-end 2020**		
Shareholder	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights	**Number of shares**	**% of share capital**	**% of voting rights**
Free float	137,894,274	99.71	99.71	137,946,394	99.69	99.69	137,966,859	99.63	99.63
Treasury shares(1)	0	0	0	0	0	0	4,000	0	0
Executive officers(2)	116,757	0.08	0.08	120,854	0.09	0.09	109,437	0.08	0.08
Company Savings Plan(3)	**275,275**	**0.20**	**0.20**	**311,357**	**0.23**	**0.23**	392,089	0.28	0.28
Total	**138,288,601**			**138,378,605**			**138,472,385**		

Figures may not add up due to rounding.
(1) Treasury shares held under share buy-back programmes and/or the liquidity contract. Shares held by Unibail-Rodamco-Westfield SE are stripped of voting rights.
(2) Executive officers endorse the two members of the Management Board as at December 31, 2020. The amount does not take into account the units in the Company Savings Plan held by executive officers.
(3) Including units in the Company Savings Plan held by the Management Board members.

There has not been any significant variation of the share capital since December 31, 2020.

On October 22, 2020, a consortium of shareholders consisting of Flagship Retail Investment S.à.r.l., Rock Investment and NJJ Market declared that on October 21, 2020, they had jointly crossed the threshold of 5% of the share capital and voting rights and jointly held 5.01% of the share capital and voting rights.

On December 23, 2020, the consortium of shareholders declared that on December 21, 2020, they had crossed, in concert, the threshold of 5% of the capital and voting rights. This declaration results from the end of the concert between the shareholders.

As of the date of filing of this Universal Registration Document, in accordance with the declarations of crossing of thresholds, the shareholders holding a number of shares or voting rights representing 5% or more of the total number of shares or voting rights of the Company are the following:

Shareholder	Number of shares	**% of share capital(1)**	Number of voting rights	**% of voting rights**
The Goldman Sachs Group Inc.	9,246,540	6.68	9,246,540	6.68
BlackRock Inc.	11,098,164	8.01	11,098,164	8.01
NJJ Holding	15,789,685	11.40	11,447,357	8.27
Société Générale	8,906,362	6.43	8,906,362	6.43

(1) Including economic exposure to URW share.

7.4.2 INFORMATION REGARDING OWNERSHIP THRESHOLD DISCLOSURES SINCE JANUARY 1, 2020

Legal threshold disclosures notified prior to January 1, 2020, can be viewed on the French Financial Markets Authority ("AMF") website and threshold disclosures notified to the Company are available at the registered office of the Company.

In addition to the thresholds provided by Article 9 bis of the Articles of Association of the Company, i.e. a number of shares or voting rights representing 2% or more (or any further multiple thereof) of the total number of shares or voting rights of the Company, respectively (see Section 7.6.8) and in accordance with Article L. 233-7 of the French Commercial Code, any individual or entity acting on his, or its, own or in concert who comes to acquire a percentage of the share capital or voting rights of the share capital of the Company which is equal to or greater than 5%, 10%, 15%, 20%, 25%, 30%, 33.3%, 50%, 66.6%, 90% or 95% is required to notify the Company and the AMF at the latest within four business days following the crossing of such threshold, the total number of shares or voting rights he, or it, holds. Notification must also be given when the number of shares or voting rights falls below one of these thresholds.

Failing this, the voting rights attached to all shares exceeding the threshold that have not been disclosed are suspended in the shareholders' meetings until such time as the situation has been regularised and for a period of two years after the date of due notification. Under the same conditions, the voting rights attached to such shares exceeding the threshold that ought to have been declared may not be exercised or transferred by the defaulting shareholder (Article L. 233-14 Paragraphs 1 & 2 of the French Commercial Code).

A standard notification form notifying the crossing of legal thresholds is available on the AMF website.

Based on the legal and statutory threshold crossings disclosed to the Company and/or the AMF by the shareholders, the latest positions notified are identified hereafter for the financial year ended December 31, 2020:

Shareholder	Number of shares	% of share capital[1]	Number of voting rights	% of voting rights
BlackRock Inc. (disclosed on 29/01/2020 - increase)	11,080,630	8.01	11,080,630	8.01
Caisse des dépôts et consignations (disclosed on 29/01/2020 - increase)	3,032,069	2.19	3,032,069	2.19
Crédit Agricole S.A. (disclosed on 06/03/2020 - increase)	4,238,987	3.06	4,238,987	3.06
CNP Assurances (disclosed on 04/03/2020 - increase)	3,747,862	2.70	3,747,862	2,70
Citigroup Inc. (disclosed on 11/03/2020 - increase)	7,355,429	5.32	7,355,429	5.32
BlackRock Inc. (disclosed on 27/03/2020 - decrease)	10,534,803	7.61	10,534,803	7.61
Citigroup Inc. (disclosed on 02/04/2020 - decrease)	6,683,043	4.8295	6,683,043	4.8295
CNP Assurances (disclosed on 16/04/2020 - decrease)	2,051,648	1.48	2,051,648	1.48
The Goldman Sachs Group Inc. (disclosed on 08/06/2020 - increase)	12,758,598	9.22	12,758,598	9.22
The Goldman Sachs Group Inc. (disclosed on 10/06/2020 - increase)	13,854,916	10.01	13,854,915	10.01
Morgan Stanley & Co. LLC (disclosed 15/06/2020 - increase)	2,784,341	2.012	2,784,341	2.012
Morgan Stanley Corp. (disclosed on 22/06/2020 - increase)	11,131,903	8.04	11,131,903	8.04
Morgan Stanley & Co. International plc (disclosed on 23/06/2020 - increase)	6,937,959	5.01	6,937,959	5.01
Morgan Stanley Corp. (disclosed on 23/06/2020 - decrease)	3,802,984	2.75	3,802,984	2.75
Morgan Stanley Corp. (disclosed on 24/06/2020 - increase)	10,846,623	7.84	10,846,623	7.84
Morgan Stanley Corp. (disclosed on 25/06/2020 - decrease)	4,227,470	3.05	4,227,470	3.05
Caisse des dépôts et consignations (disclosed on 25/06/2020 - decrease)	2,251,078	1.62	2,251,078	1.62
Morgan Stanley Corp. (disclosed on 29/06/2020 - increase)	11,166,581	8.07	11,166,581	8.07
Morgan Stanley Corp. (disclosed on 30/06/2020 - decrease)	4,707,998	3.40	4,707,998	3.40
Morgan Stanley Corp. (disclosed on 01/07/2020 - increase)	12,099,326	8.74	12,099,326	8.74
Morgan Stanley Corp. (disclosed on 07/07/2020 - decrease)	6,296,043	4.55	6,296,043	4.55
Morgan Stanley Corp. (disclosed on 08/07/2020 - increase)	12,295,792	8.88	12,295,792	8.88
Morgan Stanley & Co. International plc (disclosed on 17/07/2020 - decrease)	6,766,933	4.89	6,766,933	4.89
Morgan Stanley & Co. International plc (disclosed on 21/07/2020 - increase)	7,745,628	5.59	7,745,628	5.59
Morgan Stanley Corp. (disclosed on 24/07/2020 - decrease)	4,487,921	3.24	4,487,921	3.24
Morgan Stanley Corp. (disclosed on 31/07/2020 - increase)	12,193,831	8.81	12,193,831	8.81
Citigroup Inc. (disclosed on 04/08/2020 - increase)	7,169,819	5.18	7,169,819	5.18
Morgan Stanley Corp. (disclosed on 07/08/2020 - decrease)	4,401,142	3.18	4,401,142	3.18
Morgan Stanley Corp. (disclosed on 12/08/2020 - increase)	11,791,912	8.52	11,791,912	8.52
Morgan Stanley Corp. (disclosed on 12/08/2020 - decrease)	4,916,996	3.55	4,916,996	3.55
Morgan Stanley Corp. (disclosed on 14/08/2020 - increase)	12,254,294	8.85	12,254,294	8.85

APG Asset Management N.V. (disclosed on 19/08/2020 – decrease)	6,382,614	4.6093	6,382,614	4.6093
Morgan Stanley Corp. (disclosed on 17/09/2020 – increase)	13,916,647	10.05	13,916,647	10.05
Goldman Sachs & Co. LLC (disclosed on 23/09/2020 – increase)	6,931,905	5.01	6,931,905	5.01
Morgan Stanley Corp. (disclosed on 24/09/2020 – decrease)	13,154,240	9.50	13,154,240	9.50
Morgan Stanley Corp. (disclosed on 24/09/2020 – decrease)	5,577,482	4.03	5,577,482	4.03
Morgan Stanley Corp. (disclosed on 29/09/2020 – increase)	12,618,708	9.11	12,618,708	9.11
Goldman Sachs & Co. LLC (disclosed on 30/09/2020 – increase)	7,126,154	5.15	7,126,154	5.15
Caisse des dépôts et consignations (disclosed on 30/09/2020 – increase)	3,271,515	2.36	3,271,515	2.36
Crédit Agricole S.A. (disclosed on 14/10/2020 – increase)	2,923,991	2.11	2,923,991	2.11
Crédit Agricole S.A. (disclosed on 14/10/2020 – decrease)	2,593,700	1.87	2,593,700	1.87
Morgan Stanley Corp. (disclosed on 20/10/2020 – increase)	13,869,138	10.02	13,869,138	10.02
Morgan Stanley Corp. (disclosed on 22/10/2020 – decrease)	13,746,472	9.93	13,746,472	9.93
Consortium (Flagship Retail Investment S.à.r.l./Rock Investment/NJJ Market) (disclosed on 22/10/2020 – increase)	6,938,720	5.01	6,938,720	5.01
Morgan Stanley Corp. (disclosed on 29/10/2020 – decrease)	6,011,054	4.34	6,011,054	4.34
Citigroup Inc. (disclosed on 30/10/2020 – decrease)	6,094,655	4.40	6,094,655	4.40
Goldman Sachs International (disclosed on 02/11/2020 – decrease)	6,145,468	4.44	6,145,468	4.44
The Goldman Sachs Group Inc. (disclosed on 04/11/2020 – decrease)	13,656,598	9.86	13,656,598	9.86
Goldman Sachs & Co. LLC (disclosed on 09/11/2020 – decrease)	6,899,756	4.98	6,899,756	4.98
The Goldman Sachs Group, Inc. (disclosed on 13/11/2020 – increase)	16,489,527	11.91	16,489,527	11.91
Morgan Stanley Corp. (disclosed on 13/11/2020 – increase)	13,320,712	9.62	13,320,712	9.62
Goldman Sachs & Co. LLC (disclosed on 17/11/2020 – increase)	7,133,391	5.15	7,133,391	5.15
Morgan Stanley Corp. (disclosed on 17/11/2020 – increase)	14,375,551	10.38	14,375,551	10.38
Goldman Sachs & Co. LLC (disclosed on 18/11/2020 – decrease)	6,536,423	4.72	6,536,423	4.72
Morgan Stanley Corp. (disclosed on 24/11/2020 – decrease)	13,811,374	9.97	13,811,374	9.97
Morgan Stanley Corp. (disclosed on 30/11/2020 – decrease)	4,047,524	2.92	4,047,524	2.92
The Goldman Sachs Group, Inc. (disclosed on 03/12/2020 – decrease)	9,673,226	6.99	9,673,226	6.99
The Goldman Sachs Group, Inc. (disclosed on 08/12/2020 – decrease)	6,130,720	4.43	6,130,720	4.43
End of Consortium (Flagship Retail Investment S.à.r.l./Rock Investment/NJJ Market) (disclosed on 23/12/2020 – decrease)	n/a(2)	n/a(2)	n/a(2)	n/a(2)
NJJ Holding (disclosed on 24/12/2020 – increase)	7,512,813	5.43	7,512,813	5.43
Société Générale (disclosed on 31/12/2020 – increase)	7,186,343	5.19	7,186,343	5.19
The Goldman Sachs Group, Inc. (disclosed on 05/01/2021 – increase)	9,246,540	6.68	9,246,540	6.68
NJJ Holding (disclosed on 11/01/2021 – increase)	9,557,097	6.9018	9,557,097	6.9018
Société Générale (disclosed on 15/01/2021 – increase)	8,906,362	6.43	8,906,362	6.43
Blackrock inc (disclosed on 22/01/2021 – increase)	11,098,164	8.01	11,098,164	8.01
UBS Group AG (disclosed on 16/02/2021 – increase)	2,946,737	2.32	2,946,737	2.32
Caisse des Dépôts et consignations (disclosed on 18/02/2021 – increase)	2,792,239	2.01	2,792,239	2.01
UBS Group AG (disclosed on 24/02/2021 – decrease)	n/c(3)	n/c(3)	n/c(3)	n/c(3)
NJJ Holding (disclosed on 26/02/2021 – increase)	15,789,685	11.40	11,447,357	8.27
Caisse des Dépôts et consignations (disclosed on 02/03/2021 – decrease)	2,232,239	1.61	2,232,239	1.61

(1) Calculated on the date the threshold crossing was reported.
(2) This threshold crossing results from the end of the concerted action between Flagship Retail Investment S.à r.l., Rock Investment and NJJ Market.
(3) Not communicated.

7.4.3 SHAREHOLDERS' AGREEMENT

During the financial year ended December 31, 2020, the Company became aware of an agreement concluded on October 15, 2020, between a consortium of shareholders consisting of Flagship Investment S.à.r.l., Rock Investment and NJJ Market to oppose the adoption of resolutions no. 1 and no. 2 proposed to the General Meeting of November 10, 2020, and to vote in favour of other resolutions (appointment of new members to the Supervisory Board).

On December 21, 2020, the shareholders' consortium terminated its action in concert.

On December 23, 2020, the members of the consortium terminated this shareholders' agreement.

7.5 FINANCIAL AUTHORISATIONS

Pursuant to Article L. 225-37-4 of the French Commercial Code as referenced in Article L. 225-68, the following table summarises the use, between January 1, 2020 and December 31, 2020, of the authorisations currently in force granted by general meetings to increase the share capital. All or parts of financial authorisations approved by the General Meeting of May 17, 2019, were in effect on January 1, 2020, and were superseded and replaced by new authorisations granted by the General Meeting of May 15, 2020, or the General Meeting of November 10, 2020, for the share capital increase reserved for participants of Companies Savings Plans. These authorisations supersede, with effect as from the same date, if applicable, the unused part of any authority previously granted to the Management Board for the same purpose.

Type of authorisation[1]	Date of General Meeting[4] and resolution	Authorisation expiry date	Amount[2]	Beneficiaries	Issue terms and conditions	Amounts[2] used[5]	Outstanding authorisation[2] as at 31/12/2020[6]
Increase in the share capital by the issue of ordinary shares to be subscribed in cash, or of any negotiable securities with PSR[3]	17/05/2019 resolution no. 15	17/11/2020	€100,000,000 (nominal value) in ordinary shares and/or securities giving access to the share capital +€2,000,000,000 (nominal value) in debt instruments	Shareholders	Authorisation to the Management Board to fix the amount and conditions	0	0[4]
	15/05/2020 resolution no. 18	15/11/2021				0	entire authorisation
Increase in the share capital by the issue of ordinary shares to be subscribed in cash, or of any negotiable securities without PSR[3] via a public offer	17/05/2019 resolution no. 16	17/11/2020	€60,000,000 (nominal value) in ordinary shares and/or securities giving access to the share capital +€2,000,000,000 (nominal value) in debt instruments	Shareholders and/or third parties	Authorisation to the Management Board to fix the amount and conditions; cancellation of the PSR[3] with a priority term	0	0[4]
	15/05/2020 resolution no. 19	15/11/2021				0	entire authorisation
Increase of the number of shares or securities to be issued in the case of an increase in the share capital with or without PSR[3]	17/05/2019 resolution no. 17	17/11/2020	Maximum threshold of 15% for the first issue and within the global limit fixed in respect of the initial issue of debt instruments	Subscribers to the issue	Authorisation to the Management Board to increase the number of shares and/or negotiable securities giving access to the share capital to be issued at the same terms and conditions as the initial issue	0	0[4]
	15/05/2020 resolution no. 20	15/11/2021				0	entire authorisation
Increase in the share capital without PSR[3] by the issue of ordinary shares to be subscribed in cash, or of any negotiable securities as consideration for capital contributions in kind	17/05/2019 resolution no. 18	17/11/2020	Capital contribution in the form of securities: 10% of the authorised share capital as at the issuance	Subscribers to the issue	Authorisation to the Management Board to fix the amount and conditions including the power to cancel PSR[3]	0	0[4]
	15/05/2020 resolution no. 21	15/11/2021				0	entire authorisation

7.

Information on the Company, shareholding and the share capital

Financial authorisations

Type of authorisation[1]	Date of General Meeting[4] and resolution	Authorisation expiry date	Amount[2]	Beneficiaries	Issue terms and conditions	Amounts[2] used[5]	Outstanding authorisation[2] as at 31/12/2020[6]
Increase in the share capital reserved for participants of Companies Savings Plans without PSR[3]	17/05/2019 resolution no. 19	17/11/2020	Maximum nominal value of €2,000,000	Participants in the Company Savings Plan	Authorisation to the Management Board to fix the terms 20% discount applies based on the average share price over previous 20 trading days	69,150	0[4]
	15/05/2020 resolution no. 22	15/11/2021				0	0[4]
	10/11/2020 resolution no. 2	10/05/2022				0	entire authorisation (i.e. 400,000)
Increase in the share capital reserved for managers and employees - Performance Stock Option plan	17/05/2019 Performance Plan no. 11 resolution no. 20	17/07/2022	Maximum: • 1% of the fully diluted share capital per year • 3% of the total diluted capital over the authorisation validity period	Employees and corporate officers of the Group	Authorisation to the Management Board to fix the terms Performance and presence conditions are mandatory No discount applied	885,291	3,404,601
Increase in the share capital reserved for managers and employees - Performance Share plan	17/05/2019 Performance Plan no. 4 resolution no. 21	17/07/2022	0.8% of the total diluted capital over the authorisation validity period	Employees and corporate officers of the Group	Authorisation to the Management Board to fix the terms Performance and presence conditions are mandatory	489,440	654,531

(1) For more details, please refer to the resolutions themselves.
(2) Up to: the maximum aggregate nominal amount of the capital increases is set at €150 Mn; the maximum aggregate nominal amount of debt securities is set at €2 Bn. These amounts were maintained by the Combined General Meeting of May 15, 2020, and by the Combined General Meeting of November 10, 2020.
(3) Pre-emptive Subscription Rights.
(4) The authorisations/delegations granted by the Combined General Meeting of May 15, 2020, and, as the case may be, by the Combined General Meeting of November 10, 2020, supersede, with effect as from the same date, the unused part of any authority previously granted to the Management Board for the same purpose.
(5) Number of shares, bonds or Performance Stock Options issued/subscribed for or allocated.
(6) Nominal value, number of shares/bonds, Performance Stock Options or Performance Shares.

7.6 ARTICLES OF ASSOCIATION OF THE COMPANY AND CHARTERS

The main statutory provisions are given hereafter. Furthermore, the Management Board, the Supervisory Board, the Audit Committee, the Governance, Nomination and Remuneration Committee each have their own charters. The Articles of Association and the charters of these committees are available on the Company's website (www.urw.com) and at its registered office.

As of the date of the filing of this Universal Registration Document, the Articles of Association were last updated on June 4, 2020.

7.6.1 CORPORATE OBJECT (ARTICLE 2 OF THE ARTICLES OF ASSOCIATION)

The Company's corporate object in France and abroad is:

- Investment through the acquisition, development, construction, ownership of land, buildings, property assets and rights, and the fitting out of property complexes, with a view to renting them out;
- The management, rental, leasing, divestment or exchange of the above assets, either directly, or through taking investments or interest ownerships, or by creating partnerships, companies or consortia;
- More generally, any financial, securities or property transactions directly or indirectly connected with the foregoing object or likely to facilitate its achievement;
- Acquiring, owning, divesting investments in any French or foreign legal entities with an activity directly or indirectly linked to the corporate object of the Company or which would favour its development.

7.6.2 STAPLED SHARE PRINCIPLE (ARTICLE 6 OF THE ARTICLES OF ASSOCIATION)

A Stapled Share comprises a share of the Company and a Unibail-Rodamco-Westfield N.V. class A share ("Unibail-Rodamco-Westfield N.V. class A share").

The Company, Unibail-Rodamco-Westfield N.V. company, and all of the controlled entities appearing in the consolidated financial statements of the Company and/or of Unibail-Rodamco-Westfield N.V. constitute the "Stapled Group".

In order to achieve a situation where holders of the Company's shares – other than any entity of the Stapled Group – hold an interest in both the Company and in Unibail-Rodamco-Westfield N.V., as if they held an interest in a single (combined) company:

- None of the shares of the Company can be (i) issued to, or subscribed for by, others than any entity of the Stapled Group, (ii) transferred to or, subject to applicable law, pledged or otherwise encumbered by others than any entity of the Stapled Group, or (iii) released from any encumbrance by others than any entity of the Stapled Group, in each case except together with a Unibail-Rodamco-Westfield N.V. class A share, in the form of a Stapled Share;
- No right to subscribe for one or more Company Shares can be (i) granted to or exercised by others than any entity of the Stapled Group, (ii) terminated by others than any entity of the Stapled Group, (iii) transferred to or, subject to applicable law, pledged or otherwise encumbered by others than any entity of the Stapled Group, or (iv) released from any encumbrance by others than any entity of the Stapled Group, in each case except together with a corresponding right to subscribe for an equal number of Unibail-Rodamco-Westfield N.V. class A shares in the form of an equal number of Stapled Shares;
- All shareholders, other than any entity of the Stapled Group, must refrain from (i) acquiring any Company shares, (ii) acquiring, exercising or terminating any right to subscribe for one or more Company shares, or (iii) creating or acquiring a usufruct, pledge or other encumbrance over any Company share or any right to subscribe for one or more Company shares, in each case except (if it concerns a Company share) together with a Unibail-Rodamco-Westfield N.V. class A share, respectively, in the form of a Stapled Share or (if it concerns a right to subscribe for one or more Company shares) together with a corresponding right to subscribe for an equal number of Unibail-Rodamco-Westfield N.V. class A shares in the form of an equal number of Stapled Shares; and
- Subject to applicable law, the Management Board and the Supervisory Board shall take all necessary actions to ensure that, at all times, the number of Company shares issued and held by others than any entity of the Stapled Group is equal to the number of Unibail-Rodamco-Westfield N.V. class A shares issued and held by others than any entity of the Stapled Group.

The Stapled Share principle can only be terminated by virtue of a resolution passed by the Extraordinary General Meeting of the Company to amend the Articles of Association. A resolution by the Extraordinary General Meeting of the Company deciding such an amendment shall only become effective after the Management Board has confirmed that the Unibail-Rodamco-Westfield N.V. general meeting has passed a resolution to terminate the Stapled Share Principle as included in the Unibail-Rodamco-Westfield N.V. Articles of Association.

7.6.3 SIIC REGULATION

Since 2003, the Company and its eligible subsidiaries opted for and became subject to the tax regime applicable to Listed Property Investment Companies (SIIC) introduced by the 2003 French Finance Act (Article 208 C of the French General Tax Code). This regime is based on the principle of fiscal transparency: in relation to rental activities and gains from divestments, income tax is borne at shareholder level and not at the level of the Company[1].

7.6.4 STATUTORY OBLIGATIONS PERTAINING TO CHANGES IN THE COMPANY'S SHARE CAPITAL AND CATEGORIES OF SHARE RIGHTS

None.

(1) For more details, please refer to note 8 of Section 5.2.

7.6.5 CORPORATE GOVERNANCE STRUCTURE (ARTICLES 10 TO 16 OF THE ARTICLES OF ASSOCIATION)

The Company is managed by a Management Board ("MB") and a Supervisory Board ("SB").

Details of the composition and the functioning of the MB and the SB are set out in Section 3.2.

7.6.5.1 THE MANAGEMENT BOARD (ARTICLES 10 TO 12 OF THE ARTICLES OF ASSOCIATION AND CHARTER OF THE MANAGEMENT BOARD)

The MB is the collegial decision-making body of Unibail-Rodamco-Westfield SE. It is composed of a maximum of seven members appointed for a four-year term by the SB which elects one of them as Chairman. The Management Board consisted of four members as at January 7, 2020.

With respect to third parties, the MB is granted the widest possible powers to act in all circumstances in the name of the Company, subject to those expressly attributed by law to the SB and to general meetings of shareholders and within the limits of the corporate purpose and those which require prior authorisation from the SB (see Section 7.6.5.2.1).

– EXCERPTS OF THE CHARTER OF THE MB

Upon a proposal by the Chairman of the MB and with the authorisation of the SB, the MB members may share the management tasks.

The Chairman of the MB has overall competence except for those duties expressly assigned to another member of the MB.

The responsibilities and functions of the members of the MB other than the CEO are as follows:

- The Chief Financial Officer (CFO) is responsible for tax matters, generating profits through the optimization of the cost of capital, and investor relations. As such, he is in charge of the overall financial function within the Group (financial control, consolidation, (re)financing, tax, the budget and 5-year plan, coordination of asset valuations and investor relations).

- The Chief Resources Officer (CRO) is in charge of Human resources, Information Technology and Organisation functions, as well as corporate sustainability. She is also be in charge of risk and crisis management, compliance and security.

- The Chief Investment Officer (CIO) is responsible for the investment/divestment process and defining the co-ownership and co-investment strategy; and coordinating corporate development (mergers and acquisitions, strategic alliances and joint venture developments). He is responsible for challenging the business strategy, in particular: asset and development strategy, major restructurings, extensions or refurbishments. The CIO will also lead the Offices business at European level.

7.6.5.2 THE SUPERVISORY BOARD (ARTICLES 13 TO 16 OF THE ARTICLES OF ASSOCIATION AND CHARTER OF THE SUPERVISORY BOARD)

The SB exercises permanent oversight and control over the MB and the general affairs of the Company as provided by law, the Articles of Association and its Charter. The SB has 8 to 14 members appointed for a term of three years.

Retention of an SB member is subject to the condition that he/she is not over the age of 75. If an SB member reaches this age limit while in office, they will be considered as having resigned at the next Ordinary Annual General Meeting which will be held after the end of the year during which they reached the age of 75. During this general meeting, the shareholders may appoint his/her successor.

The number of SB members having exceeded the age of 70 cannot be greater than one third of the SB members.

The SB elects a Chairman and a Vice-Chairman from among its members who are tasked with convening the Board and directing the discussions. The SB Chairman's and Vice-Chairman's terms may not exceed their terms as SB members.

The SB meets as often as the interest of the Company so requires.

7.6.5.2.1 LIMITATIONS ON THE POWERS OF THE MANAGEMENT BOARD BY THE SUPERVISORY BOARD (ARTICLE 11 OF THE ARTICLES OF ASSOCIATION AND CHARTER OF THE SUPERVISORY BOARD)

Pursuant to Article 11.5 of the Company's Articles of Association and the SB Charter (Appendix E), the SB's prior approval must be obtained for certain MB decisions and operations, in particular:

– EXCERPTS AND SUMMARIES OF CERTAIN PROVISIONS OF THE CHARTER OF THE SB

- All acquisitions (including the acquisition of real estate and of all or part of shareholdings) and any investments (including capital expenditures for internal development), directly or via the intermediary of legal entities exceeding €25 Mn (consolidated figure). The threshold is raised to €500 Mn (consolidated figure) for assets and/or activities located within countries or sectors in which the Group operates. This threshold is raised to €700 Mn (consolidated figure) for urgent operations and decisions, subject to prior agreement between the Chairman of the MB, the Chairman and the Vice-Chairman of the SB;
- Asset disposals (including disposals of real estate and of all or part of shareholdings) directly or via the intermediary of legal entities exceeding €500 Mn (consolidated figure). This threshold is raised to €700 Mn (consolidated figure) for urgent operations and decisions, subject to prior agreement between the Chairman of the MB, the Chairman and the Vice-Chairman of the SB;
- Indebtedness or the creation of guarantees in excess of €500 Mn (consolidated figure), threshold raised to €1 Bn for corporate financial debt refinancing purposes;
- Outsourcing accountability to third parties for asset management and real estate management or other asset management or real estate management representing more than 25% of the total value of the Company's participations and investments;
- Transfers of all or part of the Company's business to third parties in excess of €500 Mn (consolidated figure);
- Any significant changes in the Group's governance and/or organisation, the allocation of responsibilities within the MB, the approval of changes to the charter of the MB, the relocation of the Group's corporate functions and any action affecting the Company's entitlement to the tax regime applicable to Listed Property Investment Company (SIIC) tax treatment or any other real estate tax-exempt status in a foreign country;
- Any general Remuneration Policy within the Group and any remuneration of the MB members;
- Any shareholdings or interests in other companies or activities and any disposals of or changes to such a shareholding or interest (including any changes to the shareholding of the Company in Unibail-Rodamco-Westfield N.V. exceeding €25 Mn (consolidated figure). The threshold is raised to €500 Mn (consolidated figure) for assets and/or activities located within countries or a sector in which the Group operates. This threshold is raised to €700 Mn (consolidated figure) for urgent operations and decisions, subject to prior agreement between the Chairman of the MB, the Chairman and the Vice-Chairman of the SB;
- Any off-balance sheet commitments by the Company exceeding €25 Mn (consolidated figure). The threshold is raised to €500 Mn for off-balance sheet commitments for assets and/or activities located within countries or a sector in which the Group operates. This threshold is raised to €700 Mn for urgent operations and decisions, subject to prior agreement between the Chairman of the MB, the Chairman and the Vice-Chairman of the SB;
- All proposals to the general meeting to amend the Articles of Association of the Company;
- Any proposal to (re)appoint or dismiss the Statutory Auditors of the Company or of one of its main subsidiaries and any review of the fees of the Statutory Auditors;
- Any proposal to the general meeting to delegate power for the issue or redemption of Company shares, in line with the Stapled Share Principle;
- Any alterations to the Company's dividend allocation policy and proposals by the MB in the distribution of interim or full dividends;
- Any shareholdings or interests in, or contracts with, other companies or activities under which the Company or activity would obtain the right to appoint members of the SB;
- Any decisions to submit applications for a moratorium of file petitions for the bankruptcy of the Company or any of the Groups;
- Any proposal to dissolve or wind up the Company or one of its main subsidiaries;
- Any signing of an agreement involving or likely to involve a conflict of interest between a member of the MB or the SB on the one hand and the Company on the other hand in the meaning of Articles L. 225-86 and *seq.* of the French Commercial Code;
- Any alteration to the insider trading rules in force within the Company;
- Approval of the Group's strategy and its annual budget, as submitted to the SB for approval when submitting the financial statements for the financial year completed;
- In accordance with Article L. 229-7 of the French Commercial Code, the rules stated in Articles L. 225-86 to L. 225-90 of the Code, regarding regulated agreements subject to the prior authorisation of the SB, with the exception of agreements on current transactions and signed under normal conditions, are applicable to the Company.

The SB must also, pursuant to its Charter, be informed of current transactions involving amounts in excess of €300 Mn but below €500 Mn.

7.6.5.2.2 THE SPECIALISED COMMITTEES OF THE SUPERVISORY BOARD

Two specialised committees are responsible for assisting the Board to carry out its duties: the Audit Committee and the Governance, Nomination, and Remuneration Committee. All SB members participate in one of these committees. The committees function under separate charters.

Details of the composition, missions and diligences of the committees are set out in Section 3.2.2.3.

7.6.6 GENERAL MEETINGS (ARTICLES 18 AND 19 OF THE ARTICLES OF ASSOCIATION)

The general meetings of shareholders are convened and conducted pursuant to French law and European regulations. All shareholders, evidencing the ownership of their shares, have the right to participate, either in person or through a representative, provided that they have been shareholders for at least two business days prior to the date of the general meeting.

The terms and conditions of participation in general meetings are set out in Article 18 of the Company's Articles of Association.

There is one voting right per share. There are currently neither preference shares nor shares with double voting rights.

7.6.7 REQUIREMENTS PERTAINING TO THE DISTRIBUTION OF PROFITS (ARTICLE 21 OF THE ARTICLES OF ASSOCIATION)

The distributable profit in any given year is equal to the sum of the net profit and any retained earnings, less any prior year losses and amounts transferred to reserves. In addition to the Distributable Profits, the General Meeting of shareholders may expressly resolve to distribute sums from other distributable reserves and/or contribution premiums.

Pursuant to the SIIC regime, the payment of a dividend may give rise to the imposition of a withholding tax (currently at a rate of 20%) on the Company pursuant to Article 208-C-II-ter of the French General Tax Code calculated on the basis of the total dividend paid to any shareholders holding (directly or indirectly) 10% or more of the share capital ("Shareholder Concerned"[(1)]), if the Shareholder Concerned, as a legal person who is a non-French tax resident, is not subject to a tax equivalent to the French corporate income tax to be paid by French companies on SIIC dividends distributed by the Company (the "Shareholder Subject to Withholding Tax"). Any Shareholder Concerned is deemed to be a Shareholder Subject to Withholding Tax unless it provides the Company with a satisfactory and unreserved legal opinion certifying that it is not a Shareholder Subject to Withholding Tax. If this is not possible and in compliance with Article 21 of the Articles of Association, this tax will be borne by the Shareholder Subject to Withholding Tax. The withholding amount is either offset against its dividend or reimbursed *a posteriori*.

7.6.8 STATUTORY SHAREHOLDER THRESHOLD AND OBLIGATION TO REGISTER SHARES (ARTICLES 9 AND 9 *BIS* OF THE ARTICLES OF ASSOCIATION)

In addition to the thresholds provided by French law[(2)], under Article 9 *bis* of the Articles of Association of Unibail-Rodamco-Westfield SE, any shareholder that comes to hold, alone or in concert with other shareholders, a number of shares equal to or greater than 2% of the total number of shares in issue or of the voting rights, or any further multiple thereof, must, no later than ten stock exchange days after exceeding each of the holding thresholds, advise the Company in writing of the total number of shares or voting rights held, sent by registered letter with proof of receipt requested to the registered office of the Company. Notification must also be given when the number of shares or voting rights falls below one of these thresholds under the same conditions and within the same time limit.

Moreover, pursuant to Article 9 of the Company's Articles of Association, a Shareholder Concerned[(1)] must register the totality of its shares (owned directly or via an entity it controls) and provide evidence to the Company by registered letter with proof of receipt within five stock exchange days of reaching such threshold. A Shareholder Concerned that fails to comply with the above requirements may lose the right to participate in and/or vote at general meetings of the Company in accordance with the provisions of Article 9 Paragraph 4 of the Articles of Association.

Pursuant to the provisions of Article 9 *bis*, the Shareholder Concerned shall declare under its own responsibility whether it has to be considered as a Shareholder Subject to Withholding Tax (*Actionnaire à Prélèvement*) under Article 208-C-II of the French Tax Code, which is the case when the Shareholder Concerned (i) is not resident in France for taxation purposes; and, (ii) is not subject, in its country of residence, to a tax equal to at least two-thirds of the level of taxation applicable in France. Any Shareholder Concerned declaring it should not to be considered as a Shareholder Subject to Withholding Tax shall provide the Company with a satisfactory and unreserved legal opinion certifying that it is not a Shareholder Subject to Withholding Tax. Any change in the Shareholder Concerned's position should be notified to the Company within ten trading days prior to the payment of any distribution.

Any shares exceeding the threshold that have not been disclosed in accordance with the requirements specified under the first and third paragraphs above shall be disqualified for voting purposes at all general meetings held for a period of two years after the date of the notice confirming the requisite disclosure has finally been made, (i) if the failure to disclose has been duly noted and (ii) if requested by one or more shareholders holding at least 2% of the Company's share capital in accordance with the terms of the law (unless the voting rights have already been stripped pursuant to Article 9 Paragraph 5 of the Articles of Association).

Similarly, the voting rights attached to any shares that have not been disclosed in accordance with these requirements may not be exercised or delegated by the holder either in person or by proxy.

Declarations are to be sent to the Investor Relations Department: individual.investor@urw.com.

(1) A "Shareholder Concerned" is any shareholder, other than a natural person, that owns, directly or through entities acting as intermediaries that it controls within the meaning of Article L. 233-3 of the French Commercial Code, at least the percentage of rights to a dividend specified in Article 208 C-II-ter (10%) of the French General Tax Code.

(2) For more details, please refer to Section 7.4.2.

7.7 INVESTMENT BY THE COMPANY OUTSIDE THE UNIBAIL-RODAMCO-WESTFIELD GROUP

In accordance with Article L. 233-6 of the French Commercial Code, the Company has not made any significant investment in a company with its registered office in France during the financial year ending December 31, 2020.

7.8 ELEMENTS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

The Stapled Share Principle, which is part of the Articles of Association of the Company (for more details, please refer to Section 7.6.2) contains restrictions on transfers of Company shares.

Any holder of Stapled Shares will hold both Unibail-Rodamco-Westfield SE shares and class A Unibail-Rodamco-Westfield N.V. shares. Consequently, any holder of Stapled Shares must comply with both the French public offer rules and the Dutch public offer rules. Due to Unibail-Rodamco-Westfield SE's shareholding in Unibail-Rodamco-Westfield N.V., one Stapled Share does not represent the same percentage of voting rights in Unibail-Rodamco-Westfield SE as it does in Unibail-Rodamco-Westfield N.V. As a result, a holder of Stapled Shares may cross the 30% threshold for a mandatory public offer for all outstanding Unibail-Rodamco-Westfield SE shares without being subject to a statutory requirement to make a mandatory offer for all outstanding Unibail-Rodamco-Westfield N.V. shares at the same time.

However, due to the Stapled Share Principle, an offeror that is not an entity of the Unibail-Rodamco-Westfield Group can only acquire Unibail-Rodamco-Westfield SE shares in the form of Stapled Shares, which could result in a requirement for the offerer to launch a parallel public offer for all outstanding Unibail-Rodamco-Westfield N.V. shares.

In addition, all information pursuant to Article L. 22-10-11 of the French Commercial Code that is likely to have an effect in the event of a public offer is included in this Chapter 7 and, regarding the change in control, in Section 4.1.5.1.

CHAPTER 8

Additional information

8.1 STATEMENT OF THE PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

We confirm, after having taken all reasonable measures, that the information contained in this Universal Registration Document gives, to the best of our knowledge, an accurate and fair view of the Company and the information contained within is free from any material misstatement.

We confirm, to the best of our knowledge, that the financial statements have been prepared in accordance with the applicable accounting and financial reporting standards and give an accurate and fair view of the financial situation of the Company and of the entities taken as a whole included in the scope of consolidation and that the enclosed management report presents a fair view of the development and performance of the business, the results and of the financial situation of the Company and of the entities taken as a whole included in the scope of consolidation and describes the main risks and uncertainties to which they are exposed.

Paris, March 25, 2021

Jean-Marie Tritant
Chairman of the Management Board
Chief Executive Officer

Fabrice Mouchel
Chief Financial Officer

8.2 STATUTORY AUDITORS

The Statutory Auditors of the Company are the following:

Ernst & Young Audit
Mr Jean-Yves Jégourel and Mr Antoine Flora
1/2, Place des Saisons
92400 Courbevoie Paris La Défense 1

Commencement date of the first term of office:
General Meeting of May 13, 1975

Deloitte & Associés
Mr Emmanuel Gadret and Mr Emmanuel Proudhon
6, Place de la Pyramide
92908 Paris La Défense Cédex

Commencement date of the first term of office[1]:
General Meeting of April 27, 2011

The expiry of the term of office of Ernst & Young Audit and Deloitte & Associés will be at the General Meeting held to approve the 2022 accounts.

8.3 HISTORICAL INFORMATION ON FINANCIAL YEARS 2018 AND 2019

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2019, the following information is incorporated by reference in this 2020 Universal Registration Document:

8.3.1 FOR 2018 FINANCIAL YEAR

The 2018 Registration Document was filed with the French Financial Markets Authority on March 27, 2019, under number D. 19-0211.

The financial information, the consolidated financial statements for the year 2018 and the Statutory Auditors' report on these financial statements appear respectively in Chapter 4 (on pages 220 to 293) and Chapter 5 (on pages 294 to 407)

Information not included in this Universal Registration Document are either not applicable to the investor or are covered in another section of this Universal Registration Document.

8.3.2 FOR 2019 FINANCIAL YEAR

The 2019 Universal Registration Document was filed with the French Financial Markets Authority on March 25, 2020, under number D. 20-0172.

The financial information, the consolidated financial statements for the year 2019 and the Statutory Auditors' report on these financial statements appear respectively in Chapter 4 (on pages 202 à 263) and Chapter 5 (on pages 264 à 384).

Information not included in this Universal Registration Document are either not applicable to the investor or are covered in another section of this Universal Registration Document.

8.4 DOCUMENTS AVAILABLE TO THE PUBLIC

The following documents are available on the website at www.urw.com:
- The registration documents and the universal registration documents in the form of annual reports, as well as their updates, which are filed with the French Financial Markets Authority;
- The financial press releases of the Group.

Unibail-Rodamco-Westfield SE's Articles of Association, statutory and consolidated financial statements may be consulted at the headquarters of the Company, 7, place du Chancelier Adenauer – 75016 Paris, on the website www.urw.com or obtained upon request from the Company.

(1) Deloitte & Associés succeeded to Deloitte Marque & Gendrot which was appointed on April 28, 2005.

8.5 GLOSSARY

Average cost of debt: recurring financial expenses (excluding the ones on financial leases and the ones related to partners' current accounts) + capitalised financial expenses (excluding non-recurring financial expenses such as mark-to-market and termination costs of financial instruments including bonds repurchased, currency impact)/average net debt over the period.

Average rental spread: for the US portfolio, the rental spread reflects the trailing 12-months average increase in total rents, including common area maintenance charges, for specialty stores (excluding lease extensions, deals with zero prior rent and deals for less than 12 months).

Buyer's Net Initial Yield: annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the TAC.

Committed projects: projects for which URW owns the land or building rights and has obtained all necessary administrative authorisations and permits, approvals of JV partners (if applicable), approvals of URW's internal governing bodies to start superstructure construction works and on which such works have started.

Controlled projects: projects in an advanced stage of studies, for which URW controls the land or building rights, and all required administrative authorisations have been filed or are expected to be filed shortly. There can be no assurance these will become "Committed" projects, as this will be subject to having obtained all required administrative approvals, as well as those of JV partners (if applicable), and of URW's internal governing bodies to start superstructure works.

Debt Yield: Ratio of the net operating income to the outstanding loan amount, net of certain cash as defined in the relevant mortgage loan documentation.

Discount Rate (DR): the Discount Rate is the rate used in a Discounted Cash Flow model to calculate the present value of future cash flows (positive or negative) that is to say converting such future cash-flows in today's monetary value.

EBITDA-Viparis: "Net rental income" and "On site property services operating result" + "Recurring contribution of affiliates" of Viparis venues.

EPRA Net Reinstatement Value ("NRV"): assumes that entities never sell assets and aims to represent the value required to rebuild the entity.

EPRA Net Tangible Assets ("NTA"): assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.

EPRA Net Disposal Value ("NDV"): represents the shareholder's value under a disposal scenario, where deferred tax, financial instruments and other certain adjustments are calculated to the full extent of their liability, net of any resulting tax.

EPRA NIY: annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the Gross Market Value of the portfolio. For a reconciliation of URW's NIY with the EPRA Net Initial Yield definitions, refer to the EPRA Performance Measures.

EPRA topped-up yield: EPRA Net Initial Yield adjusted in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and step rents).

EPRA vacancy rate: Estimated Rental Value (ERV) of vacant spaces divided by ERV of total space (let + vacant).

Exit Cap Rate (ECR): the rate used to estimate the resale value of a property at the end of the holding period. The expected Net Rental Income (NRI) per year is divided by the ECR (expressed as a percentage) to get the terminal value.

Flagships: assets of a certain size and/or with footfall in excess of 10 million per year, substantial growth potential for the Group based on their appeal to both retailers and visitors, iconic architecture or design and a strong footprint in their area.

Financial statements under IFRS: the Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union as at closing date.

Financial statements on a proportionate basis: they are prepared based on the financial statements under IFRS, except for the joint-controlled entities, which are consolidated on a proportionate basis, instead of being accounted for using the equity method (as applicable under IFRS). Unibail-Rodamco-Westfield believes that these financial statements on a proportionate basis give to stakeholders a better understanding of the underlying operations of URW and the joint-controlled entities, as they represent a significant part of the Group's operations in the US and the UK.

Funds From Operations (FFO): on an annualised basis, the recurring EBITDA minus (i) recurring net financial expenses and (ii) tax on recurring operating result.

Group Share: the part that is attributable to the Group after deduction of the parts attributable to the minority interests.

Interest Cover Ratio (ICR): Recurring EBITDA/Recurring Net Financial Expenses (including capitalised interest); Recurring EBITDA is calculated as total recurring operating results and other income less general expenses, excluding depreciation and amortisation.

Like-for-like Net Rental Income (Lfl NRI): Net Rental Income excluding acquisitions, divestments, transfers to and from pipeline (extensions, brownfields or redevelopment of an asset when operations are stopped to enable works), all other changes resulting in any change to the square meters and currency exchange rate differences in the periods analysed.

Loan-to-Value (LTV): net financial debt, excluding current accounts with non-controlling interests/total assets (whether under IFRS or on a proportionate basis), including or excluding transfer taxes and excluding goodwill not justified by fee business.

Minimum Guaranteed Rent uplift (MGR uplift): difference between new MGR and indexed old MGR. Indicator calculated on renewals and relettings only.

NNNAV (triple net asset value): corresponds to the former EPRA NNNAV.

Net Disposal Price (NDP): Total Acquisition Cost incurred by the acquirer minus all transfer taxes and transaction costs.

Net Initial Yield (NIY): annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses, divided by the asset value net of estimated transfer taxes and transaction costs.

Net Operating Income (NOI): Net Operating Income before management fees, termination/settlement income and straight-line adjustments.

Non-recurring activities: non-recurring activities include valuation movements, disposals, mark-to-market and termination costs of financial instruments, bond tender premiums, impairment of goodwill or recognition of negative goodwill, amortisation of fair value of assets and liabilities recorded for the purpose of purchase price allocation, as well as costs directly incurred during a business combination and other non-recurring items.

Occupancy Cost Ratio (OCR): (rental charges + service charges including marketing costs for tenants, all including VAT)/(tenants' sales, including VAT). As tenant turnover is not known for all tenants for The Netherlands, no reliable OCR can be calculated for this country. Primark sales are estimates.

ORNANE (Obligations Convertibles ou Échangeables en Actions Nouvelles ou Existantes): net share settled bonds convertible into new and/or existing shares.

Potential Yield: annualised contracted rent (including indexation) and other incomes for the next 12 months, net of operating expenses + the ERV of vacant space, divided by the asset value net of estimated transfer taxes and transaction costs.

Peer group components: The external independent advisor, Willis Towers Watson (WTW) gave guidance, to the Supervisory Board and the Remuneration Committee, on the Fixed Income for the MB Members using a blended benchmarking approach, primarily based on the following two peer groups:
France General Industry (CAC40); Selected European and UK Real Estate (11 companies): Vonovia, Deutsche Wohnen, Klépierre, Landsec, Gécina, British Land, Foncière des Régions, Swiss Prime Site, Hammerson, Derwent London, Altarea Cogedim.

Other peer groups were used for information and qualitative benchmarking only:
Selected US Real Estate (11 companies): Simon Property Group, GGP, Ventas, Realty Income Corporation, Regency Centers Corporation, Federal Realty Investment Trust, Macerich Company, Kimco Realty Corporation, National Retail Properties, Brixmor Property Group, Weingarten Realty Investors.

Reference Index: The TSR Performance Benchmark Index includes companies with more than 50% of their activity focused in Retail or Office and operating in the same countries as URW. Following Westfield's acquisition, the composition of the index has been adjusted by the CR to reflect URW's new geographical and activity scopes. The Reference Index is composed of 27 companies (10 Eurozone Retails, 3 France Offices, 4 UK Retail and 10 US Retail), all sub-index weighted to reflected the weight of each business line in URW Gross Market Value, as follows (as long as the index includes the concerned company over the nesting period of the plan):
Sub-Index Eurozone Retail (63% weight) – Klépierre, Carmila, Deutsche EuroShop, Citycon, EuroCommercial Property, Mercialys, Wereldhave, Vastned Retail, Retail Estates, LAR España Real Estate;
Sub-Index France Offices (7% weight) - Covivio, Icade, Gecina;
Sub-Index UK Retail (8% weight) – British Land, Landsec, Hammerson, NewRiver REIT;
Sub-Index US Retail (22% weight) – Simon Property Group, Macerich, Washington Prime Group, CBL & Associates, Pennsylvania Centers, Regency Centers, Federal Realty Investment, Kimco Realty, Brixmor Property Group, Weingarten Realty.

Replacement capital expenditure (Replacement Capex): replacement Capex relates to works either on equipment or the structure of a standing asset. The primary purpose of Replacement Capex is to ensure that the asset is in good working order and/or to make minor improvements. These investments can be triggered by obsolescence, maintaining technical performance at market levels or compliance with regulatory requirements.

Rotation rate: (number of re-lettings and number of assignments and renewals with new concepts)/number of stores. Short term leases are excluded.

SBR: Sales Based Rent.

SIIC: Société d'Investissement Immobilier Cotée (in France).

Specialty tenant: specialty stores <10k sq. ft. (ca. 929 sqm).

Tenant sales: performance in URW's shopping centres (excluding The Netherlands) in operation, including extensions of existing assets, but excluding deliveries of new brownfield projects, acquisition of new assets and assets under heavy refurbishment.

Total Acquisition Cost (TAC): the total amount a buyer shall pay to acquire an asset or a company. TAC equals the price agreed between the seller and the buyer plus all transfer taxes and transaction costs.

Total Investment Cost (TIC): Total Investment Cost equals the sum of: (i) all capital expenditures from the start of the project to the completion date and includes: land costs, construction costs, study costs, design costs, technical fees, tenant fitting-out costs paid for by the Group, letting fees and related costs, eviction costs and vacancy costs for renovations or redevelopments of standing assets; and (ii) opening marketing expenses. It excludes: (i) step rents and rent-free periods; (ii) capitalised financial interests; (iii) overhead costs; (iv) early or lost Net Rental Income; and (v) IFRS adjustments.

Yield on cost: URW share of the expected stabilised Net Rental Income divided by the URW Total Investment Cost increased by rent incentives (step rents and rent free periods), and for redevelopment project only, the Gross Market Value of the standing asset at the launch of the project.

8.6 CROSS-REFERENCE TABLES

8.6.1 CONCORDANCE TABLE OF THE UNIVERSAL REGISTRATION DOCUMENT

This concordance table is based on the headings set out in Annexes I and II of Delegated Regulation (EU) 2019/980 of the Commission of March 14, 2019 and refers to the sections of this Universal Registration Document in which the relevant information can be found.

Information	Section of the Universal Registration Document
1. PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL	
1.1. Persons responsible for the information given in the Universal Registration Document	8.1
1.2. Declaration of the persons responsible for the Universal Registration Document	8.1
1.3. Identification, qualification and potential conflicts of interest of persons acting as experts	1.6 - 1.7
1.4. Certification of Third Party Information	n/a
1.5. Statement without prior approval of the competent authority	page 1
2. STATUTORY AUDITORS	
2.1. Identity of Statutory Auditors	8.2
2.2. Potential change	n/a
3. RISK FACTORS	6.2
4. INFORMATION ABOUT THE ISSUER	
4.1. Corporate name and trade name	7.1.1
4.2. Place, registration number and LEI	7.1.1
4.3. Date of incorporation and statutory length of life	7.1.1
4.4. Head office and legal form	7.1.1 - 7.1.2
5. BUSINESS OVERVIEW	
5.1. Main activities	4.1.1
5.1.1. Nature of operations	1.4 - 4.1.1
5.1.2. New products and important services	4.1.3
5.2. Main markets	4.1.1.2 - 4.1.1.3
5.3. Important events	5.2 (note 1)
5.4. Strategy and objectives	1.3
5.5. Dependence of the issuer on patents, licenses, contracts and manufacturing processes	n/a
5.6. Competitive position statement	n/a
5.7. Investments	
5.7.1. Material investments	4.1.2
5.7.2. Main current or future investments that the issuer intends to make and for which its management bodies have already made firm commitments and financing methods	4.1.3
5.7.3. Joint ventures and interests in which the issuer has an equity interest that may have a significant impact	5.2 (note 6)
5.7.4. Environmental issues that may affect the use of tangible fixed assets	2.2 - 6.2.2.3
6. ORGANISATIONAL STRUCTURE	
6.1. Brief description of the Group	1.8 - 1.9
6.2. List of significant subsidiaries	5.2 (note 15)
7. FINANCIAL POSITION AND RESULTS REVIEW	
7.1. Financial position	5.1
7.1.1. Changes in results and financial position including key performance indicators of a financial nature and, where appropriate, non-financial nature	5.1.2 - 2.1.4.2
7.1.2. Forecasts for future development and research and development activities	4.1.3
7.2. Operating results	5.1.1 - 5.2 (note 4)
7.2.1. Significant factors, unusual, infrequent events or new developments	4.1.1
7.2.2. Reasons for significant changes in net sales or revenues	4.1.1

Additional information
Cross reference tables

Information	Section of the Universal Registration Document
8. CAPITAL RESOURCES	
8.1. Capital information	5.1.4
8.2. Cash flows	5.1.3
8.3. Funding needs and funding structure	4.1.5
8.4. Restrictions on the use of capital resources	2.5
8.5. Anticipated sources of funds	4.1.5.1
9. REGULATORY ENVIRONMENT	
9.1. Description of the regulatory environment and any measures or factors of an administrative, economic, budgetary, monetary, or political nature	4.1.1.2 and Chapter 4: 4.1.7.2
10. TRENDS INFORMATION	
10.1. Description of major trends and any significant changes in the Group's financial performance since the end of the last financial year	4.1.1 - 4.1.2 - 5.2 (note 1)
10.2. Events likely to have a material impact on the outlook	4.1.1.8 - 4.1.1.10
11. PROFIT FORECASTS OR ESTIMATES	
11.1. Published profit forecasts or estimates	4.1.1.10
11.2. Statement outlining key forecasting assumptions	4.1.1.10
11.3. Statement of comparability with historical financial information and compliance with accounting policies	5.2 (note 2)
12. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES	
12.1. Information concerning Management Board and Supervisory Board members	3.2
12.2. Conflicts of interests	3.2.2.5
13. REMUNERATION AND BENEFITS	
13.1. Remuneration paid and benefits in kind	3.3.2
13.2. Provisions for pensions and retirement benefits	5.2 (note 11)
14. BOARD PRACTICES/FUNCTIONING OF SUPERVISORY AND MANAGEMENT BODIES	
14.1. Expiry date of terms of office	3.2
14.2. Service contracts between members of the administrative, management or supervisory bodies and the issuer	n/a
14.3. Information on the Audit Committee and the Remuneration Committee	3.2.2.3
14.4. Statement of compliance with the corporate governance regime	3.1
14.5. Potential significant impacts on corporate governance	n/a
15. EMPLOYEES	
15.1. Number of employees	2.4
15.2. Profit sharing and stock options	3.3.4
15.3. Agreement for employees to subscribe to the share capital	5.2 (note 11)
16. MAJOR SHAREHOLDERS	
16.1. Shareholders holding more than 5% of the share capital at the time of publication of the Universal Registration Document	7.4
16.2. Existence of different voting rights	7.6.4
16.3. Ownership or control of the issuer, directly or indirectly	7.4
16.4. Arrangements known to the issuer, the operation of which may result in a change of control	n/a
17. RELATED PARTY TRANSACTIONS	5.2 (note 6.6)
18. FINANCIAL INFORMATION CONCERNING ASSETS AND LIABILITIES, FINANCIAL POSITION AND RESULTS	
18.1. Historical financial information	8.3
18.1.1. Audited historical financial information covering the latest three financial years and the audit report	8.3
18.1.2. Change of accounting reference date	n/a
18.1.3. Accounting standards	5.2 (note 2)
18.1.4. Change of accounting framework	5.2 (note 2)

8.6.2 CROSS-REFERENCE TABLE OF THE FINANCIAL REPORT

The below table of contents sets out the main categories required under the General Regulation of the French Financial Markets Authority (AMF).

8.6.3 CROSS-REFERENCE TABLE OF THE MANAGEMENT REPORT (INCLUDING THE CORPORATE GOVERNANCE REPORT)

The management report prepared pursuant to Article L. 225-100 of the Commercial Code, updated by Ordonnance no. 2019-1234 of November 27, 2019, is included in this Universal Registration Document. It contains the following information, and specially the corporate governance report (unless otherwise stated, the articles in brackets refer to the relevant articles of the Commercial Code).

Management report		Section of the Universal Registration Document
1. SITUATION AND BUSINESS OF THE GROUP		
1.1. Situation of the Company during the past financial year and an objective and exhaustive analysis of the development of the business, results and financial situation of the Company and the Group, in particular its debt situation, in relation to the volume and complexity of business	Articles L. 225-100-1, I., 1°, L. 232-1, II, L. 233-6 and L. 233-26	4.1.1
1.2. Key performance indicators of a financial nature	Article L. 225-100-1, I., 2°	4.1.1
1.3. Key performance indicators of a non-financial nature relating to the specific activity of the Company and the Group, in particular information relating to environmental and personnel issues	Article L. 225-100-1, I., 2°	2.2 - 2.4
1.4. Significant events occurring between the balance sheet date and the date on which the Management Report is prepared	Articles L. 232-1, II. and L. 233-26	4.1.1.8
1.5. Identity of the main shareholders and holders of voting rights at general meetings, and changes during the year	Article L. 233-13	7.4.1
1.6. Existing branches	Article L. 232-1, II	n/a
1.7. Significant equity investments in companies having their registered office in France	Article L. 233-6 al. 1	7.7
1.8. Disposals of cross-shareholdings	Articles L. 233-29, L. 233-30 and R. 233-19	n/a
1.9. Foreseeable changes in the situation of the Company and the Group and future prospects	Articles L. 232-1, II and L. 233-26	4.1.1.10
1.10. Research and Development Activities	Articles L. 232-1, II and L. 233-26	n/a
1.11. Table showing the Company's results for each of the last five financial years	Article R. 225-102	5.8.2
1.12. Information on payment terms for suppliers and customers	Article D. 441-4	5.8.1
1.13. Amount of inter-company loans granted and statement by the statutory auditor	Articles L. 511-6 and R. 511-2-1-3	n/a
2. INTERNAL CONTROL AND RISK MANAGEMENT		
2.1. Description of the main risks and uncertainties facing the Company	Article L. 225-100-1, I., 3°	Chapter 6
2.2. Information on the financial risks related to the effects of climate change and presentation of the measures the Company is taking to reduce them by implementing a low-carbon strategy in all components of its activity	Article L. 22-10-35, 1°	2.1.2.2
2.3. Main features of the internal control and risk management procedures implemented by the Company and the Group for the preparation and processing of accounting and financial information	Article L. 22-10-35, 2°	6.1.3
2.4. Information on the objectives and policy regarding the hedging of each main category of transactions and on the exposure to price, credit, liquidity and treasury risks, including the use of financial instruments	Article L. 225-100-1., 4°	6.2.2
2.5. Anti-corruption programme	Law no 2016-1691 of December 9, 2016 called « Sapin 2 »	3.4.5
2.6. Vigilance plan and report on its implementation	Article L. 225-102-4	n/a
3. REPORT ON CORPORATE GOVERNANCE		
REMUNERATION INFORMATION		
3.1. Remuneration policy for corporate officers	Article L. 22-10-8, I., paragraph 2	3.3.1
3.2. Remuneration and benefits of any kind paid during the year or granted in respect of the year to each corporate officer	Article L. 22-10-9, I., 1°	3.3.2.2
3.3. Relative proportion of fixed and variable remuneration	Article L. 22-10-9, I., 2°	3.3.2.2
3.4. Use of the possibility of requesting the return of variable remuneration	Article L. 22-10-9, I., 3°	3.3.1.1
3.5. Commitments of any kind made by the Company for the benefit of its corporate officers, corresponding to items of remuneration, indemnities or benefits due or likely to be due as a result of the assumption, termination or change in their functions or subsequent to the exercise thereof	Article L. 22-10-9, I., 4°	3.2.2.5 - 3.3.1.1
3.6. Remuneration paid or granted by a Company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code	Article L. 22-10-9, I., 5°	n/a

Additional information
Cross reference tables

Management report		Section of the Universal Registration Document
5. EXTRA-FINANCIAL PERFORMANCE STATEMENT (EFPS)		
5.1. Business model	Articles L. 225-102-1 and R. 225-105, I	1.1 - 1.3 - 1.4 - 1.5 - 2.1 - 4.1
5.2. Description of the main risks related to the Company's or Group's business, including, where relevant and proportionate, risks created by business relationships, products or services	Articles L. 225-102-1 and R. 225-105, I. 1°	2.1.2.2
5.3. Information on how the Company or Group takes into account the social and environmental consequences of its activity, and the effects of this activity on respect for human rights and the fight against corruption (description of the policies applied and due diligence procedures implemented to prevent, identify and mitigate the main risks related to the Company's or Group's activity)	Articles L. 225-102-1, III, R. 225-104 and R. 225-105, I. 2°	2.1.2.2 - 2.1.5.1 - 3.4.1
5.4. Results of the policies applied by the Company or Group, including key performance indicators	Articles L. 225-102-1 and R. 225-105, I. 3°	2.1.2.2 - 2.1.4.1- 2.2 - 2.3 - 2.4
5.5. Social information (employment, work organisation, health and safety, labour relations, training, equal treatment)	Articles L. 225-102-1 and R. 225-105, II. A. 1°	2.4
5.6. Environmental information (general environmental policy, pollution, circular economy, climate change)	Articles L. 225-102-1 and R. 225-105, II. A. 2°	2.2
5.7. Societal information (societal commitments in favour of sustainable development, subcontracting and suppliers, fair practices)	Articles L. 225-102-1 and R. 225-105, II. A. 3°	2.3
5.8. Anti-Corruption Information	Articles L. 225-102-1 and R. 225-105, II. B. 1°	2.1.5.1 - 3.4.1
5.9. Information on actions in favour of human rights	Articles L. 225-102-1 and. 225-105, II. B. 2°	2.1.5.1 - 2.4.3.4
5.10. Specific information:		
• policy of prevention of the risk of technological accidents carried out by the Company;		
• the Company's ability to cover its civil liability to property and persons as a result of the operation of such facilities;	Article L. 225-102-2	n/a
• means provided by the Company to ensure the management of compensation for victims in the event of a technological accident involving its responsibility.		
5.11. Collective agreements concluded within the Company and their impact on the Company's economic performance and on the working conditions of employees	Articles L. 225-102-1, III and R. 225-105	2.4.3.4
5.12. Independent Third Party Certification of the Information in the *Déclaration de Performance extra-financière*	Articles L. 225-102-1, III and R. 225-105-2	2.6.2
6. OTHER INFORMATION		
6.1. Additional tax information	Articles 223 quater and 223 quinquies of the French General Tax Code	n/a
6.2. Injunctions or monetary penalties for anti-competitive practices	Article L. 464-2	n/a

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